



Community-based Forestry

A Dream Delayed

Usal Redwood Forest Easement Challenged

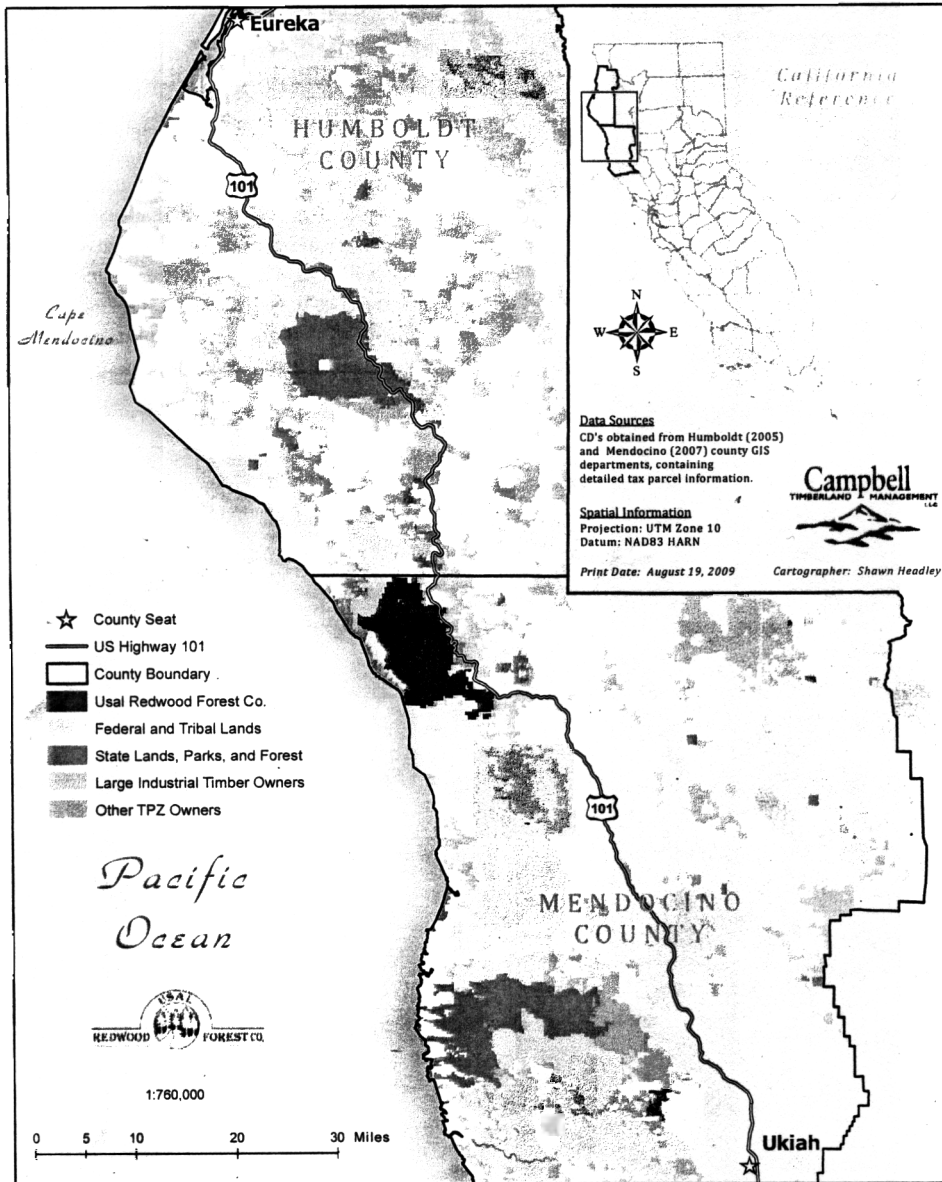
by David Simpson

In an apparently well-timed about face, the Mendocino Redwood Company (MendoRC) delivered a blow to many of its newly won friends in the environmental and sustainable forestry community when the company CEO urged a delay in the granting of a conservation easement

to a well-thought-of North Coast conservation organization, the Redwood Forest Foundaton (RFFI). It was a blow which threatens MendoRC's standing as an enlightened operator as well as the relative harmony that has fallen over the timber regions since the end of the Maxxam days.

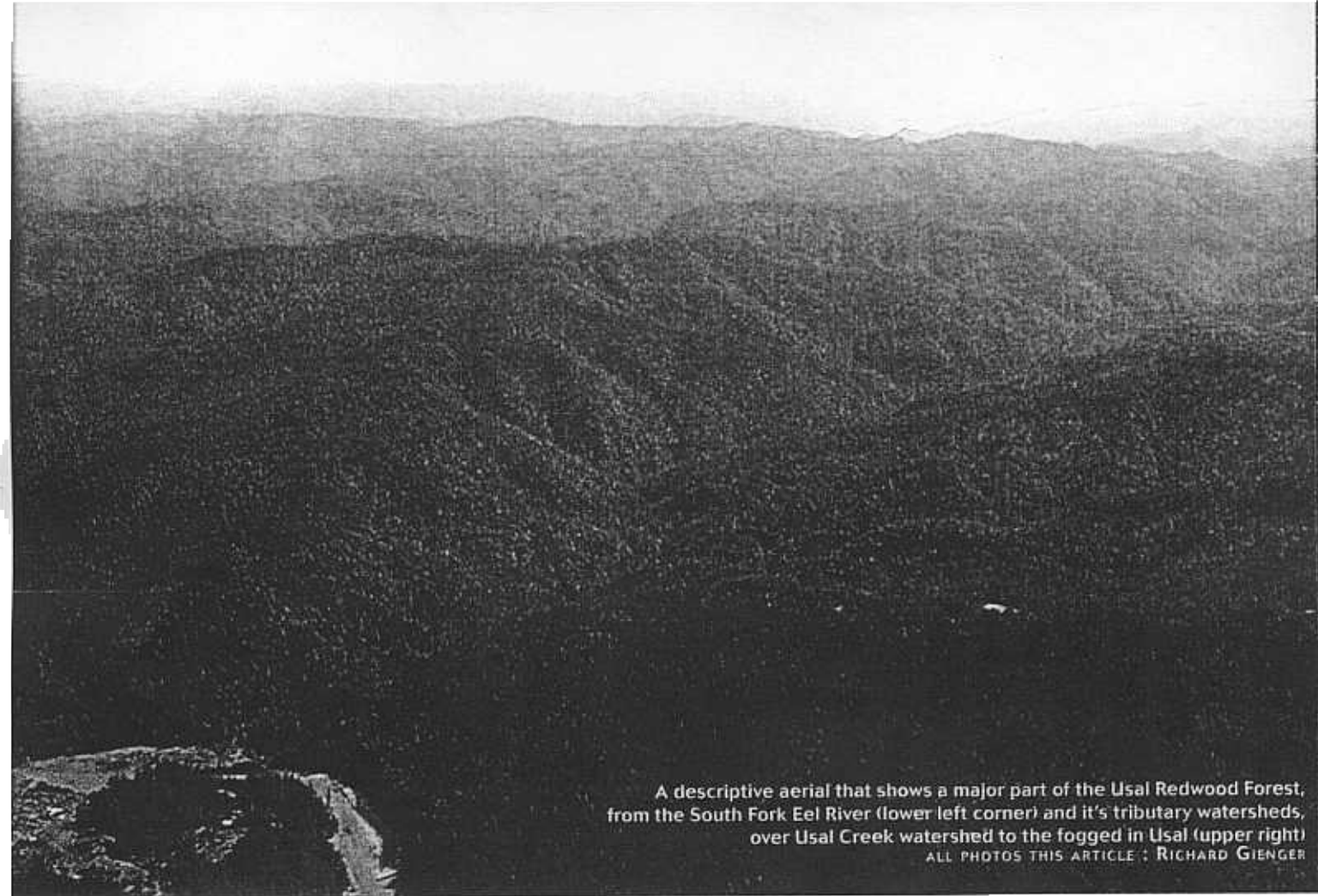
Only three years ago, the Company had welcomed environmentalist support for their successful bid in the Pacific Lumber Company bankruptcy settlement and had, in turn, been largely welcomed by them into the Humboldt community. (They were already well-situated in Mendocino since their 1997 buyout of Louisiana Pacific's holdings there.)

Usal Redwood Forest Company and Regional Forest Ownerships



The blow was delivered to RFFI at the February 24th meeting of the State Wildlife Conservation Board (WCB), the office within the Resources Agency which distributes state monies for conservation purchases and easements that protect large landscapes in California and species within them. Two projects were on the WCB agenda that day—RFFI's Usal Redwood Forest, and the Conservation Fund's Gualala Forest. RFFI volunteers and Conservation Fund managers had worked hard and with remarkable patience over almost four years to meet the substantial administrative requirements and get their projects on the Board's agenda. RFFI had been formed in Mendocino County as a non-profit organization in 1997.

RFFI's item requested \$19.5 million for the purpose of placing their lands under a conservation easement that would permanently exclude development. It would also restrict timber harvest to verifiably sustainable levels, and require certified management according to the standards the Forest Stewardship Council. The Forest Conservation Program of that Bond Act contains 180 million dollars to enable working forestland projects such as Usal that would promote the "restoration and/or maintenance of the ecological integrity and economic stability of the property."



A descriptive aerial that shows a major part of the Usal Redwood Forest, from the South Fork Eel River (lower left corner) and its tributary watersheds, over Usal Creek watershed to the fogged in Usal (upper right)
ALL PHOTOS THIS ARTICLE : RICHARD GIENGER

The 50,000 acre Usal Redwood Forest—a large chunk of the northwestern corner of Mendocino County—had been purchased in 2007 with a loan from Bank of America's new fund for projects with environmental benefits. The conservation easement is a crucial element in RFFI's plan. It will allow RFFI to expedite the achievement of its conservation goals by reducing the amount of income from timber harvest they'll need to produce to pay down debt. Recovery of heavily cutover timberlands lands cannot be achieved unless market demands that brought about damage to the land to begin with are moderated

This commitment to strong environmental values is one of the things that defines RFFI. The other is the nature of the ownership. RFFI is a non-profit

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corporation in Mendocino County and its Board is composed of a diverse group of people with roots in six counties in northwestern California.

Diversity is one of the organization's great virtues, but most important is the fact that ultimately, the organization and its land base are part of the community and operated by a community-based non-profit. Proceeds from management of timber and other resources, as they develop over the years of forest recovery, will be invested back into the community in a variety of ways. (Another model for this exists in the state of Wisconsin. Twenty three counties there collectively own millions of acres of working forest lands. They are managed for sustainable returns and make a substantial contribution to the counties' revenues.)

This is the modest, locally-based but multi-competent initiative that MendoRC sought to obstruct. Indeed, MendoRC, owned by the Fisher family, has mounted a powerful lobbying capacity against this initiative. The Fisher family's Gap fortune and their familiarity with Sacramento politics and access at all levels make them a major force in the Capitol.

The specific hammer that dropped at the WCB meeting was a letter from MendoRC Chief Executive Officer, Sandy Dean to

David Simpson is a long time restoration worker in the Mattole Valley. He has served as President of the Institute for Sustainable Forestry and was a member of the Board of the Redwood Forest Foundation several years ago. He was also a part of a conservation-based initiative in 2007 and 2008 to acquire Pacific Lumber Company lands.

the Executive Director of the Board, John Donnelly. The letter basically asked that approval of the two projects be delayed so they can be subjected to additional review. Despite the surprise, there was no immediate debate about the right or propriety of a private organization not directly involved in this process or the project to jump in and challenge them. Information about what criteria might be applied during additional review was not offered. It is clear that there is a good deal of illogic here, enough to lead one to believe that the real criteria that might be additionally applied would be politically as opposed to ecologically motivated.

One truly interesting but obscure note in Dean's letter had to do with his claim that MendoRC is aware that it might run into trouble with the environmental community and that the chips would have to fall where they may. MendoRC, he suggested, had to concern themselves first and foremost with "the people of California and their needs". Maybe the company hoped by this claim to preempt negative environmental reaction or perhaps the concern simply represented a willingness by the company to jettison their environmental allies. Either way, Dean's claim to consideration for the people of the state comes across as disingenuous at best.

The Board voted at the end to allow the delay justifying it by changing the rules midstream. RFFI would have to endure a new and more rigorous process as a "large" project and appear again at the early June meeting. It had many of the earmarks of a set-up.

Humboldt County Supervisor Mark Lovelace, who attended the meeting, made a telling comment on this to the WCB. He pointed out that the Boards of Supervisors of two counties had voted unanimously to support the RFFI/Usal easement as had the governing councils of the three largest municipalities in Mendocino. He went on to note that the WCB had received approximately 370 letters and emails supporting the project in the days immediately preceding the meeting. The only communication that was submitted that was against granting the easement was Sandy Dean's last minute letter. Why then, Mark asked, had the Board voted to follow that single recommendation?

The overall question of why MendoRC was doing this is difficult to answer. There is some precedent. In 2007, they used a similar secretive process, lobbying quietly and successfully in Sacramento to drive a consortium led by The Nature Conservancy and Save the Redwoods

League out of the competition for PL lands. RFFI had been involved through its participation on Humboldt's Community Forestry Team, a major cooperater in that effort.

There is some speculation that MendoRC simply wants the RFFI's land, to add to the almost 450,000 acres of the world's best redwood lands already in their ownership. If so, the word 'monopoly' has to come to mind. Others say that what the RFFI model of community ownership represents is a challenge to MendoRC and they want to get out in front of the timber industry in general and make it clear to their peers that, despite their environmental sensitivity, they represent and support, to the exclusion of all others, the private ownership/free market model.

Certainly, many of their stated points do not bear up to serious scrutiny or have implications that are perhaps more radical than MendoRC really wanted to indicate. Their resistance to conservation easements in acquiring cut over timberland, for instance, does not acknowledge the value the State achieves from their use.

Where cutover timber properties are threatened by conversion to non-forest uses, and their current inventory will not meet private investors' expectations for rate of return, relatively modest public investment to ensure these lands remain intact for the future is reasonable and necessary. Large unfragmented tracts of land can be protected with an investment that averages less than a third of the cost of an acquisition and allows the burdens of management to be largely removed from the backs of under-funded state agencies.

Another MendoRC recommendation—that using state money for restoration is preferable to financing easements or other acquisition strategies—is understandable enough as far as it goes. A private landowner can use public funds to improve their properties this way



Discussion on a field tour (l to r: Doyle Womack, Greg Giusti, Fred Coyote Downey, Jeff Hedin, and Tony Mengual)



A strongly recovering Redwood forest in the lower part of the Usal Creek watershed

without encumbering those properties from future development. The problem is, though, that future heirs can easily undo any 'good intention' of their ancestors. Conservation gains achieved this way, then, are far less secure.

Ultimately, the most serious of MendoRC's accusations—that of a lack of transparency and inadequate criteria for review—threatens to impugn the entire process for establishing conservation projects in California and their relative values.

For one thing, MendoRC has been almost entirely non-transparent in these efforts. MendoRC executives had been secretively lobbying for their policy in the halls of the Legislature and higher for what might have been weeks if not months before the WCB meeting. Finally, MendoRC

had mounted similar arguments for transparency and against easements back in 2007 when, hiding behind the same vaunted concern for the taxpayers of California, they quietly used these arguments to undermine a conservation-oriented competitor for PL ownership.

It is too early to interpret MendoRC's arguments as 'accusations' or to take a short leap from there to imagine their letter as indicating a desire to either impair the review process or to gain more control by the industry over it. No specific recommendations for changing the process were offered, though—just a general demand for an idealized level of transparency they could not themselves meet and that no one but them seemed to have found missing from the existing process.

What does seem clear from the information available is that MendoRC is either using their considerable clout to beat down a community-based effort or it is trying to make a broad change in the way conservation is accomplished in California. Either way, this is a radical effort of their own, not demanded by the taxpayers. The bottom line—RFFI's modest initiative with a new ownership model that has so much local and regional support should be allowed its opportunity. The contribution of the Usal Redwood Forest may be important to us all—and perhaps that is what the Mendocino Redwood Company fears the most.

🌲 For more information:
hnpetrolia@aol.com