



Planning Your Woodland Legacy:
Intact, In Forest and In Family Ownership



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1

Questions

- Do you want your woodland to stay intact, in forest, and in family ownership?

2

Planning Your Woodland Legacy:
Intact, In Forest and In Family Ownership



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Virginia Cooperative Extension



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Virginia Cooperative Extension



Adam Downing
SOMERSET





Jennifer Jones
Cataapon & Lost Rivers LAND TRUST




3

What is Legacy Planning and Why?

Adam Downing
District Forestry & Natural Resource Agent
Virginia Cooperative Extension

4

Legacy Planning: What & Why

- It **isn't** Estate Planning
- It **is** inclusive of an Estate Plan and other Essential Documents AND
- It **is** a continual process
 - It **isn't** Fun
- It **is** Rewarding & Important






5

Importance of being "IN"

INtact
IN Forest
IN Family
Ownership




6




Why: Intact

- Economies of scale, i.e. "manageable"
- Maintain options
- Economics:
 - GDP: billions of \$
 - Jobs: Hundreds of thousands
 - 1 in ~40 workers (VA)
 - \$ Value added
 - \$1 in stumpage = \$41.82 value added (VA)
- Fragmentation: two sides




7





FOREST PARCELIZATION

Ownership Patterns affect Forest Fragmentation

7,500 Acre Forest Patch

328 Ownership Parcels
22 Acre Average

Range:
0.07 Acre to 518 Acres

8

Why: In forest



- We "value" forests
 - Recreational dollars (2.4 billion)
 - Ecosystem services (6.4)
- Dependence: on the goods & services of forests
 - Renewable resource (fiber)
 - Air & Water Quality
 - Emotional health




9

In Family Ownership

- Family Forestland -- Passion
- Intrinsic and Extrinsic value
- A vehicle for:
 - Family wealth
 - Family values







10

Why: In, In, In?....

Conservation Tool	In Forest	Intact	In the Family
None			
Forest Stewardship Management Plan	x	x	
Land Use	x	x	
Ag & Forestal District	x	x	
Conservation Easement	x	x	
Woodland Legacy Planning	x	x	x


The longest lasting tool in your box to achieve your goals

11


9 Steps to Successful Legacy Planning

Jennifer Gagnon
Extension Associate
Virginia Tech



WOODLAND STEWARDS

A Regional Extension Program for Landowners



12

9 Steps to Successful Legacy Planning

1. Commit to beginning the process and stay committed



13

9 Steps to Successful Legacy Planning

2. Determine your family assets



14

9 Steps to Successful Legacy Planning

3. Write down your goals for your land



15

9 Steps to Successful Legacy Planning

4. Hold family meetings to share your passion and goals



16

9 Steps to Successful Legacy Planning

5. Gather/create essential documents



17

9 Steps to Successful Legacy Planning

6. Establish your succession planning team



18

9 Steps to Successful Legacy Planning

7. Determine what tools are available to help you meet your goals



19

9 Steps to Successful Legacy Planning

8. Provide opportunities for your family to learn about and enjoy your woodlands.



20

9 Steps to Successful Legacy Planning



9. Revisit your plan on a regular basis and adapt as necessary



21

Essential Documents

Mike Santucci
Forestland Conservation Manager
Virginia Department of Forestry







22

Essential Documents

- Property Information
- Family/Heir Information
- Other Documents

- Benefits:
 - Focus effort
 - Clarify intent
 - Save money
 - Family unity

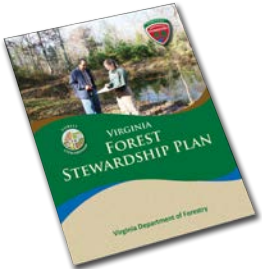


23

Forest Management Plan

- Vision & Goals
- Resource Assessment
- Map
- Recommendations






24

Wooded Property & Estate Overview

Worksheet 1 - Wooded Property and Estate Overview

Property Information

Address/Location: _____

County: _____ Total Acres: _____ Wooded Acres: _____

Date of Last Appraisal: _____ Last Appraised Value of Property: _____

Estimated Current Value: _____

Holder(s) of title: _____

Assessed acre: _____ Value of standing timber: _____

Most recent timber review: _____ Distance from nearest incorporated city: _____

Is there a management plan? _____ General property manager: _____

Employees: _____

Contractors: _____

Neighboring uses: _____

Average Total

Parcel ID	Tax Map ID	Acres	Zoning	Date Appraised	Current Value	Basis

25

Who Does What on Your Land?

- Responsible parties
- Pertinent information

Who Does What On Your Land?
Provides an overview of the responsibilities on the land

Who on Your Land

Full Name	Title	Job Description	Business Working Hours (if applicable)	Phone

The Professional Firm Work (include all that apply)

Firm	Role	State	Address	Phone	Email

Consulting/Supporting Activities

Client	Activity	Start Date	When	End Date

26

Heirloom Scale

1 = The woodland is one of the financial assets in my portfolio and nothing more.

10 = The woodland is priceless family heirloom to be protected at all costs.

27

Questions for the Participants

- How many of you have taken active steps to start the legacy planning process?
- What is your biggest barrier to getting started with the legacy planning process?







31

Break

- How many have taken active steps to start the legacy planning process?
- What is your biggest barrier to getting started with the legacy planning process?

32

Your Legacy Planning Team

Adam Downing
District Forestry & Natural Resource Agent
Virginia Cooperative Extension



WOODLAND STEWARDS
A Regional Extension Program for Landowners




33

Your Legacy Planning TEAM

Good news...
this is not/should not be a solo endeavor

Attorney – CPA – Forester

Financial/investor – Business Consultant - Facilitator – Insurance Agent
– Lender -





34

Your Team



Forester(s)

- State forester, consultant, industry
- Connects your family goals with the forest resource

How to find

- Start with the State Forester
- Work with forester to articulate your goals




35

Your Team



Attorney

- Team co-leader
- Relevant experience – LAND
- Knows the alphabet: LLC, LLP, Sole-proprietor, Trust, etc.

Accountant

- Relevant Experience – LAND
- Knows tax code: timber selling, ownership structures, conservation easements, etc.




36

Your Team



How to assemble the team

- Ask friends/family/forester
- Interview them
 - Appropriate experience, suitable personality, team willing, ask for fee structures
- Articulate your goals clearly & succinctly
 - Listen to see if they "get it"




37

Optional team members

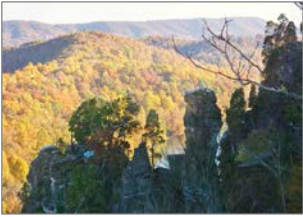


- Financial expert/investment advisor
- Lender
- Insurance Agent
- Family business consultant
- Family facilitator/mediator






38

Your Team





- Who is the team leader/facilitator?
 - unbiased
- Bring the team together – short meeting
 - Get to know each other
- Subsequent meetings
 - Agenda with specific points of discussion

39


Engaging Your Family

Jennifer E. Jones
Executive Director, Cacapon & Lost River
Land Trust
GROUND, Family Facilitator






40

Ben Had It Right



By failing to prepare, you are preparing to fail.






41



We come and go,
but the land
is always here.
And the people who love it
and understand it
are the people who own it –
for a little while.



WILLA CATHER


42

The Work ...


Be willing to go
where you might not
want to go ...

43



**Master
the
Porcupine**



44



**...dealing with
succession
planning and farm
transfer is sort of
like taking on a
porcupine...
it's prickly and
hard to approach -
a creature one
would just as soon
avoid entirely.**
-- David Fryer





45

45

Don't Want to Lose Control ?



- Won't get what you want without a plan.
- Conversion happens at the point of intergenerational transfer.
- Your plan or someone else's.

46

Your Plan

What's one of the most important elements in keeping family forest land intact?






47

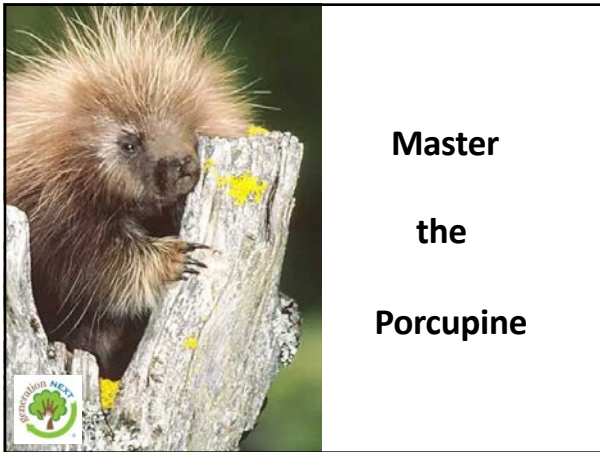
Declare and Share

- Succession planning should not be a secret.
- Another part of your job.
- Manage the family dynamics.

You are the Team Leader

48



49





50



51

Family Dynamics

“You have to get everybody to the table and hash it out, pleasant or not, in order to make the best decisions for the asset for the family.”






52

Declare and Share

VISION STATEMENT FOR YOUR WOODLANDS

David Watson, University of Wisconsin

53

Share Often

“Succession planning is hard and slow work... Begin as soon as possible.”

“It rarely goes quickly...”

Create the time and the space for family dialogues.

Clint Bentz, *Ties to the Land*




54

Family Dialogue

Deal with the emotions before the emotions become the issue.

Lise Stewart

Talk early and talk often.

Dale Susan Edmonds

Beware of their 12-year old selves.

Dale Susan Edmonds

55

Plan for Continuity

- Your Vision
- Heir Assessment
- Family Meetings

56



Most Willing? Most Able?

- Your family needs to know your vision.
- You need to know who will best to carry it out.
- Heir Assessment is equally important.

57




Most Willing? Most Able?

... it just might not be about the math...



58

Most Willing? Most Able?





Sheila McClune ©

59

Family Meetings

It's not one event. It's a process.

- ✓ Be prepared
- ✓ Be persistent
- ✓ Be patient



60

Family Meetings

- Your meeting
 - Agenda
 - Materials
 - Purpose and Goals
 - Decision-making process
 - Follow up and next steps
- Tools for out-of-towners




61



Separate and Distinct

“These conversations ruin every holiday...”



62



START NOW

DECLARE and SHARE

SET UP YOUR TEAM


CHOOSE AND PLAN





63

Keep At It


- ✓Keep family members involved.
- ✓Keep current.
- ✓Keep sharing.




64




Master the Porcupine



65

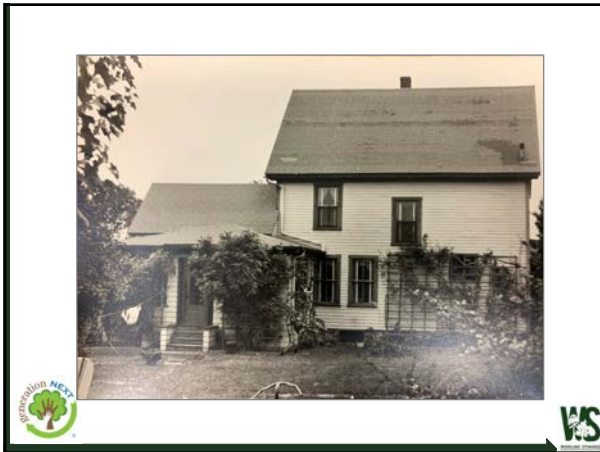
Where to Get Help

- Your local Extension office
- Your local service forester
- Oregon State University: Ties to the Land
- UMass Amherst: Legacy Planning Tool
- American Forest Foundation webinar series:
<https://mylandplan.org/content/february-25-creating-overview-your-estate>
- <https://www.pubs.ext.vt.edu/>





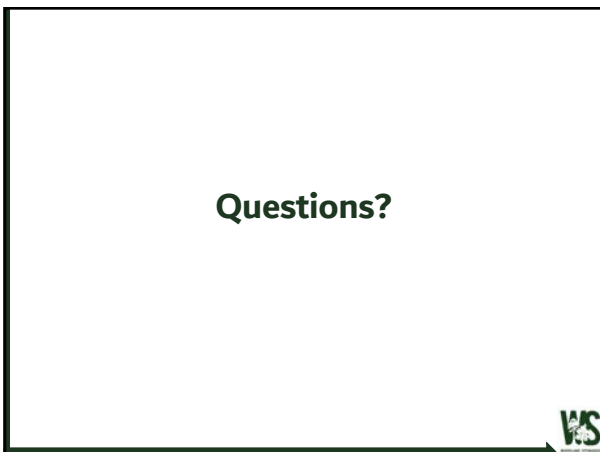
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67



68



69
