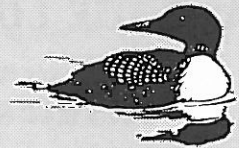




# The Adirondack Council NEWSLETTER



to keep supporters informed of our activities

Vol. 9

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No. 32

## STATE SCORES ACQUISITION TRIUMPH

As a first major step in fulfilling the commitments he made this spring to expand the Forest Preserve, Governor Cuomo announced on August 28 the purchase of a magnificent 9,248 acre parcel along the Bog River Flow adjacent to the Five Ponds Wilderness. This parcel is one of the most impressive Forest Preserve purchases in recent years. It will help round out the eastern boundary of the Five Ponds Wilderness, and it will open much of the remote western Adirondacks to extended wilderness canoeing.

The Department of Environmental Conservation deserves particular praise for this action. The purchase was a complicated one, involving complex negotiations with four separate owners.

The Adirondack Council hopes that this achievement ushers in a promising new era in Forest Preserve acquisitions with the emphasis on rounding out the Adirondack Wilderness System, preserving undisturbed shorelines, and protecting scenic road and river corridors.



## STATE EASEMENT POLICY IN DISARRAY

What's going on here?

Conservation easements--a vehicle by which the state can purchase development rights from private landowners--are the key to preserving the open space character of the Adirondack Park for future generations. Organizations seeking to preserve open space, whether for agricultural, historic, or park purposes, worked diligently in New York State for 13 years to achieve the conservation easement statute in 1983 that enabled the state to buy development rights. Amendments to this law in 1984 appeared troublesome, but we were assured they would not diminish the Cuomo Administration's commitment to pursue an aggressive conservation easement acquisition policy. But now this essential open space preservation program has come to a dead stop.

The Department of Environmental Conservation claims it has no funds to purchase easements because--according to one Departmental attorney--the 1984 amendments blocked the use of Environmental Bond Act money to purchase such easements. The Department believes it may be able to pur-

chase limited easements if it can purchase them under common law rather than under the new state easement statute we fought for.

The Board of Equalization and Assessment cautions that any easements acquired under common law will not qualify for the state payments provided in the 1984 law; payments necessary to protect the tax base of local governments when private land values are diminished by public acquisition of development rights.

The Governor's Office--which had assured Council representatives that Bond Act money would be used to purchase conservation easements in the Adirondacks--is now strangely silent on the issue.

Meanwhile, owners of at least two large, vital tracts in the Park, who had been assured the state would negotiate purchase of conservation easements to preserve these key holdings, have been left up in the air, wondering what really is state policy. These owners can hardly be blamed if they choose to sell their parcels for land development when such an opportunity arises.

Conservation easements are an important tool in preserving the Adirondack Park while protecting the Park's tourist and wood products industries. **Without the use of conservation easements, the Adirondack Park as we know it cannot be preserved.**

**The Adirondack Council urges its members to write to Governor Cuomo urging him to direct the Department of Environmental Conservation to actively acquire conservation easements in the Adirondack Park. Letters should be addressed to Governor Mario M. Cuomo, Executive Chamber, State Capitol, Albany, New York 12224.**



## GIVE AN ADIRONDACK WILDGUIDE

If you haven't already purchased your own or given one or more copies of ADIRONDACK WILDGUIDE to friends or relatives, we urge you to do so. WILDGUIDE has received wide acclaim, is in its second printing, and is touted by Adirondacophiles as a classic. The book has drawn national attention, receiving a prestigious award from the National Arbor Day Foundation.

Now is the time to place your holiday orders. Prices to members are \$16.20 for paperback and \$20.85 for hardbound, which includes postage and handling. Send your order to: AC WILDGUIDE, P.O. Box 188, Elizabethtown, New York 12932.

## THE FOREST PRESERVE AND THE LOCAL TAX BASE

### Council Study Refutes Local Myth

The chief opponents of public land ownership and open space preservation in the Adirondacks—including the Adirondack Park Local Government Review Board and some local officials—have long contended that the taxes paid by the state on Forest Preserve are far less than would be paid if this land was privately owned. A study by the Adirondack Council has shown this contention to be false. Our analysis proves that in most cases the state pays far **more** to local Adirondack governments than is paid in taxes by private owners of comparable forest lands.

This is where we are today: Since the state-owned Forest Preserve constitutes 40 percent of the Adirondack Park, its impact on the local property tax base could indeed be significant. Recognizing this, the state legislature in 1896 enacted legislation that provides that, unlike other state lands, the Forest Preserve "be subject to taxation for all purposes." It was thought that such a provision would fairly compensate the local governments, since Forest Preserve lands do not require the same extent of local services that private lands might engender.

The Adirondack Council recently compared the taxes paid on the state Forest Preserve with taxes paid on comparable private lands in the same taxing jurisdiction. The New York State Board of Equalization and Assessment and Department of Audit and Control provided the data necessary for the Council's study. These data included the acreage of Forest Preserve in each town and village, and the state payments for town, county, village and school taxes. In some cases, the data provided by the state included state payments in addition to the Forest Preserve tax payments. In order to assure an unbiased analysis, those towns and villages receiving state payments for other than Forest Preserve were eliminated from the study. As a result, 59 of the 89 towns wholly or partially within the Adirondack Park were analyzed. More than 78 percent of all Adirondack Forest Preserve fell within these 59 towns.

The results indicated that in 1982 the State of New York paid an average of \$7.11 per acre on the 1,818,051 acres of Forest Preserve in the study area. Results varied from an average of \$19.67 per acre in Washington County to a low of \$5.31 per acre in Herkimer County, as you can see from the following tabulation.

County	Forest Preserve Acreage in Analysis	1982 State Tax Payments	Average State Payment Per Acre
Clinton	24,875	\$ 152,133	\$6.12
Essex	504,413	3,752,860	7.44
Franklin	217,151	1,781,769	8.21
Fulton	65,655	486,505	7.41
Hamilton	684,353	3,861,149	5.64
Herkimer	26,531	140,906	5.31
Oneida	6,203	39,202	6.32
St. Lawrence	94,171	815,168	8.66
Saratoga	4,348	36,699	8.44
Warren	181,757	1,690,548	9.30
Washington	8,594	169,011	19.67
TOTALS	1,818,051	\$12,925,950	\$7.11

The results are also available on a town by town basis. Such data can be requested from the Adirondack Council.

The Adirondack Council then compared these state payments with tax payments on similar private lands. The Adirondack Forest Preserve is composed of extensive forested tracts

containing lakes, ponds, rivers and mountains; the most comparable private lands are generally owned by the forest products industry. In comparing the taxes paid on Forest Preserve lands with the taxes paid on holdings of the forest products industry, it was found that the state is paying, on the average, nearly three times as much per acre as is being paid on lands being managed for timber production. Undoubtedly part of this difference reflects the generally higher volume of timber found on the Forest Preserve than on industry lands. But this could not by itself explain so great a difference. This would seem to indicate that (1) the state lands are being overtaxed or (2) the forest products industry lands are being undertaxed. And yet, as the following article in this NEWSLETTER demonstrates, the property taxes paid on most lands owned by the forest products industry are at or above the economic break-even point for sustained yield forest management.

An inescapable conclusion is that the state is paying more than its fair share of local property taxes. This conclusion must be recognized as valid only as applied generally to the entire Adirondack Forest Preserve. There are undoubtedly some individual parcels of Forest Preserve that are underassessed.

Some will argue that if the Forest Preserve were private, it could be developed and once developed would be subject to higher taxation. This may be true for individual parcels. But it must also be recognized that if the Forest Preserve were entirely privately owned, only a tiny percentage of it would likely be developed, as evidenced by the extensive large holdings already in private hands and available for development if the demand arose. Furthermore, when land is developed, the demand escalates for services such as schools, police and fire protection, and road maintenance. In areas similar to the Adirondacks, such as southern Vermont, resort and residential development in remote locations has often resulted in increased costs to localities that have exceeded increased revenue from higher property taxes.

It may be inferred from the Council's findings that our 100 year old Forest Preserve is a good neighbor in the Adirondacks. It contributes its fair share or a bit more to the local governments in which it is located, and it provides the basis for the all-important tourist economy in an economically hard-pressed region.



## PROPERTY TAXES THREATEN SOUND FOREST MANAGEMENT

Steve Wolfgram

### History

Property taxes have been an issue for private forest land-owners in the Adirondacks for well over a century. Throughout most of the Adirondacks it has historically been the timber on the land, rather than the land itself, that has been of primary economic importance. This has been true since the mid-19th century. Then, lands were cut clean of timber and abandoned for taxes. Today much of the land subdivision and forest mismanagement that occurs is stimulated by real property tax pressures on forested lands.

Within the Adirondack Park, the forest products industry owns approximately 1,200,000 acres. That represents about 20 percent of the entire Park and one-third of all private land in the Park. Equally important to many, much of this land exists along popular road and river corridors and other environmentally and aesthetically important areas.

New York State acknowledged the pressures that property taxation places on the forest landowner in 1926 with the passage of the Fisher Act. Named after its author, forest landowner and legislator Clarence Fisher, this law recognized that growing timber as a crop is a long term investment and provided for modest annual real property taxes augmented by a severance tax at the time of harvest.

The Fisher Act was used sparingly by forest landowners for the first four decades of its existence. This reflected a perceived fairness between taxes on forest land and the value of the timber sold from the land. Then, beginning in the late 1960's, with the rapid increases in taxes, owners of large blocks of forest land availed themselves of the relief and promise of stability offered under the Fisher Act. In 1974 the Legislature, alarmed that too much land was being enrolled in too short a time and that the law failed to provide for sound forest management, limited the program to the lands already enrolled.

The problems created by taxing forest land on the basis of "highest and best use" increased. Taxes continued to rise faster than the value of the crop. During the late 1970's, the Legislature again addressed the problem of keeping forested lands productive by enacting a new tax reduction program in the form of Real Property Tax Law 480-a which requires a commitment from the landowner to manage the lands involved under an approved forest plan for at least 10 years.

### Today's Situation

Companies that own Adirondack forest land for the purpose of growing and harvesting forest products are now facing some tough choices. Real property taxes have risen to a level that approaches--and in some cases exceeds--the annual value of the forest growth on that land. The chart below shows that the average tax paid in 1983 on industry-owned forest lands in the Adirondack Park was \$2.62 per acre. This figure includes lands under the Fisher Act and the new tax law (480-a) as well as lands not subject to such special tax provisions. The value of the timber grown on that land (using a weighted average) was \$3.08 (computed using company-reported growth figures together with published 1983 values for pulp and sawlog prices).

Special Tax Law Provisions	Total Acreage	Total Taxes	Tax/ Acre	Timber Growth/Acre (Cords)	Timber Growth Value /Acre
None	561,690	\$1,643,233	\$2.93	.42	\$3.42
Fisher	345,077	699,243	2.03	.37	2.56
480-a	18,217	78,773	4.32	.50	2.57
TOTALS	924,984	\$2,421,249	-	-	-
AVERAGE	-	-	\$2.62	.40	\$3.08

An average tax of \$2.62 compared to an average value of timber growth of \$3.08 may sound like a modest tax bill alongside a modest margin of profit. The reality, however, is much less attractive. In addition to property taxes, the owner of large industrial tracts of forest land has administrative and road

maintenance costs. Also, income is frequently augmented by leasing recreational uses of the land. A more accurate portrayal (using 1983 figures), of income and expenses would look like this:

### INCOME

Sale of Wood Products	
@ .4 cord/A/Yr	\$3.08
Less 8% Non-Productive Land (Roads, Wetlands)	.24
Subtotal	\$2.84
Plus Recreational Lease Income	1.40
TOTAL GROSS INCOME	\$4.24

### EXPENSE

Administrative Costs (Marking, Sale	
Administration, Boundary Maintenance,	
Timber Cruise/Inventory)	\$1.15
Road Maintenance	1.30
Property Tax Expense	2.62
TOTAL GROSS EXPENSE	\$5.07
NET LOSS	\$ .83 per acre/yr.

Single company holdings will vary from these averages and some individual forest stands will show markedly different levels of growth and expenses. The statistics have their greatest validity when viewed in their overall context and their potential to influence the future character of the Adirondack Park.

Clearly, owning forest land for the purpose of growing forest products is at best a marginal venture at the current level of taxation. If property taxes continue to rise as they have during the past decade, holding Adirondack land for timber production will not make any economic sense at all.

You might well ask: "If forest products companies aren't making money on their forest land investments, why do they keep their forest lands?"

Companies today are asking themselves this same question. The answer includes such factors as assuring a supply of wood to their mills and anticipated land and stumpage appreciation. Yet, real property taxation is an increasingly critical element in the income/expense relationship. Recent industry actions have included enrolling their more highly taxed lands under Real Property Tax Law Section 480-a, thereby creating a burden on local taxing jurisdictions. They are also selling parcels that are either less productive of timber or more valuable for subdivisions, thereby reducing the open space character of the Park.

In the Adirondacks, the forest products industry is the largest year-round employer. It provides the region with 16,000 jobs, a payroll of well over \$200,000,000 annually, and it maintains 1,200,000 acres of open space in the Park. Keeping real property taxes in line with the ability of the land to generate income is absolutely necessary for this industry to continue in the Adirondacks.

Mr. Wolfram, a member of the Adirondack Land Trust Board of Directors and former Executive Vice-President of the Empire State Forest Products Association, is currently the North Central Regional Manager of the American Forest Institute. The data analyzed for this article were generated at the request of the Adirondack Council by the Empire State Forest Products Association through their member companies with property in the Adirondack Park.





## STOP THE POISONS

### An Open Letter to Environmental Conservation Commissioner Henry G. Williams

Dear Commissioner:

The Adirondack Council respectfully asks you to employ your broad powers as Commissioner of the Department of Environmental Conservation to begin the phase out of chemical pesticide programs in the Adirondack Park. Since better alternatives have been found, it makes little sense to continue the toxic drenching of the Adirondack Park to the detriment of fish and wildlife, not to mention Park residents and visitors.

Why should the chemical Dibrom be dumped by airplane on Adirondack communities? While reviewing Dibrom's use in 1982, State Health Commissioner David Axelrod said, "Dibrom is potentially toxic to humans and can contaminate drinking water and crops when used in aerial operations." Dibrom is also known to cause nervous system dysfunction in wildlife and is a suspected mutagen. An alternative biological control agent, Bti, has been proven effective and much more selective in controlling blackflies and mosquitos. Isn't it time to switch?

Why should highway departments continue their practice of spraying roadsides with 2,4-D, a suspected carcinogen and mutagen, when reliable studies indicate that the cost of manual or physical control of unwanted vegetation is comparable?

Why should utilities continue to use Tordon to keep vegetation from interfering with transmission lines when it is known that its ingredients, 2,4-D and picloram, pose grave threats to wildlife (testing shows both cause cancer) and humans, and when it is apparent that the cost of manual control is comparable?

The public is no longer in the dark and no longer accepts the line that "the Environmental Protection Agency has registered these chemicals so they are okay." Many people oppose chemical spraying programs and their numbers are growing daily.

Please, let's opt for the better alternative. This is the wave of the future and what better place to start than the Adirondack Park? We have been frustrated in our attempts to control acid rain in the Adirondacks and other parts of our state because much of the cause of this dilemma originates outside the state's boundaries. For heaven's sake, let's at least stop voluntarily

bathing ourselves and our environment in toxic chemicals that aren't at all necessary to our welfare.

Sincerely yours,  
The Adirondack Council



## WILDERNESS OR INTENSIVE USE AREA?

The High Peaks Wilderness has, by many, been viewed as the crown jewel of New York State's Wilderness System. When this 226,000 acre area was designated as Wilderness in 1972, management guidelines were established to protect the area's wilderness qualities.

These guidelines, which are state policy issued by the governor, would have done just that if they had been implemented. Instead, the Department of Environmental Conservation, which is responsible for carrying out Forest Preserve policy, has ignored its mandate. **The result is that portions of the eastern High Peaks Wilderness are being trampled to death.** In 1984 alone, over 29,000 individuals signed the trail register at Adirondack Loj, only one of several trailheads in the eastern High Peaks. Alpine vegetation is being destroyed, trails are being severely eroded resulting in the siltation of streams, and parties of 25 or more individuals are commonly encountered in what is supposed to be a wilderness setting.

The cold fact is that the Department of Environmental Conservation has managed the area between Adirondack Loj and Lake Colden as an Intensive Use Area rather than as Wilderness. The Department needs both more personnel to manage wilderness and the will to implement modern wilderness management programs. The Council intends to do everything it can to prevent the continued abuse of this prime Adirondack resource. **Your letters to Governor Mario M. Cuomo (Executive Chamber, State Capitol, Albany, New York 12224) and Commissioner Henry G. Williams (Department of Environmental Conservation, 50 Wolf Road, Albany, New York 12233) will help.**



### The Adirondack Council

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October 1985

*A coalition of the National Audubon Society; The Wilderness Society; The Natural Resources Defense Council; The Association for the Protection of the Adirondacks; National Parks and Conservation Association; and other concerned organizations and individuals.*

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