

Allegheny National Forest Wilderness: Economic Benefits for Pennsylvania

Introduction

Designated wilderness areas on national forests permanently protect spectacular scenic vistas, high-quality drinking water supplies, cold-water fisheries, the capacity of the land for carbon storage, vital habitat for wildlife, a wide variety of backcountry recreation opportunities, and many other values that are of benefit to society and the environment.

Wilderness designation also has economic dimensions - benefits and costs - that are of concern to people, businesses and local governments located closest to the protected areas. Fortunately, the market and non-market benefits are likely to far outweigh the costs, particularly when wilderness proposals are crafted in a way that fits with the regional landscape and other uses of public land.

The *Citizens' Wilderness Proposal for Pennsylvania's Allegheny National Forest* is one such proposal. In it, people in Northwest Pennsylvania and across a broader region have called for the designation of 54,460 acres as wilderness in eight new areas and as an addition to two areas already designated. If enacted, this proposal would bring the Allegheny up to par with other eastern region National Forests for which the average wilderness proportion is 11 percent.

Enacting this proposal would assist Pennsylvania and its Allegheny National Forest (ANF) region by helping to attract and retain residents and businesses, support the growing market for active recreation, and provide numerous other valuable benefits. Meanwhile, this additional wilderness would have a negligible effect on the Commonwealth's and the region's forest products industry, and it would not diminish federal support to local governments for schools and roads.

Wilderness Benefits

Recreation. Some of the most obvious human benefits of wilderness accrue when people visit designated wilderness areas to recreate. Hunting, fishing, canoeing, hiking

and other active pursuits benefit both the person visiting the area and the communities nearby.

Loomis and Richardson (2001) estimate that the value of eastern wilderness to visitors is about \$44 per acre each year and that these visitors generate an additional \$44 per acre per year in spending in nearby communities. That spending translates into support for one job for every 550 acres of wilderness. Thus, the *Citizens' Wilderness Proposal* could be expected to support nearly 100 new jobs in the ANF region.

A recent study by the Outdoor Industry Foundation estimates that active outdoor recreation contributes \$730 billion to the U.S. economy each year. Separate figures are not available for Pennsylvania, but for neighboring New York, the study estimates that 130,000 jobs,

\$800 million in tax revenue and \$11.3 billion in sales are attributable to active recreation in its wildlands.

According to USDA Forest Service data, the existing wilderness areas on the ANF received 36,815 wilderness visits in 2002 (Valliere, n.d.) But other surveys indicate that between 29 and 44 percent of Pennsylvanians - 2.8 to 5 million residents - visit a wilderness or primitive area somewhere each year (Valliere n.d.; Pennsylvania Dept of Conservation and Natural Resources 2005). Certainly many of those additional visits occur at other primitive areas within the Commonwealth, but many also occur out-of-state, and that represents a leakage

Key Points:

- *Wilderness areas support diverse economic opportunities and provide important economic benefits.*
- *New wilderness areas would have a negligible effect on timber harvest and related economic activity.*
- *County Payments are just as high with wilderness areas*



Proposed Morrison Run Wilderness (Photo by Kirk Johnson)

of recreation-related spending out of the Pennsylvania economy. Additional wilderness areas and acreage on the ANF could help plug that leak by providing more opportunities for wilderness experiences closer to home.



Ruffed grouse, *Bonasa umbellus*. (Photo by Mike Bleech)

Enhanced Property Value. Another very tangible economic benefit of wilderness is that private property located near wilderness is more valuable than that located farther away. This effect occurs because scenic views, proximity to recreational opportunities, and other aspects of wilderness are capitalized into private land prices.

In the region surrounding the Green Mountain National Forest in Vermont, land values are 18.7 percent higher in townships that contain wilderness, while land prices decrease by 0.33 percent with every kilometer (six tenths of a mile) farther from a wilderness boundary (Phillips 2004).

This is clearly a windfall for local property owners, but it can also feed back on local economic development efforts. With higher property values, municipalities can raise the same amount of revenue with lower property tax rates. Lower tax rates, in turn, can help attract additional residents and businesses. Indeed, studies in Maine and the Adirondacks conclude that towns with more protected open space do have lower tax rates (Ad Hoc Associates 1997). Moreover, having more protected land does not affect individuals' tax bills (Ad Hoc Associates 1996).

Between 29 and 43 percent of Pennsylvanians visit a wilderness or primitive/natural area each year.

Amenity-Based Development. Lower tax rates or not, researchers, planners and local public officials are discovering that economic development happens when people stay in or re-locate to areas with a high quality of life, including scenic, recreational and other environmental amenities. Such qualities led *Progressive Farmer* to rate Warren County in the ANF region second on its list of the top ten rural places to live in the United States. They are also evidenced in the growth in retirement income and self-employment in the ANF region (US Bureau of Economic Analysis 2007).

Ecosystem Services. These benefits are things that nature, particularly intact ecosystems, provide for free that people might otherwise have to provide for themselves. Loomis and Richardson (2001) estimate the value of federally designated wilderness areas for watershed protection, carbon storage, climate regulation, and waste treatment (nutrient cycling) totals \$152 per acre per year. Were the *Citizens' Wilderness Proposal* enacted, it would ensure the continued provision of \$8.3 million per year in these ecosystem services.

Passive Use Values. People get economic benefits from wilderness even if they never set foot in it, see it, or drink water that is filtered by forests growing there. These "passive-use" benefits derive from people's desire to conserve the option of visiting or using wild places in the future, of passing that option on to future generations, or simply knowing that

those places exist in a natural state. Loomis and Richardson (2001) found wilderness in the eastern U.S. provides about \$4 per acre per year. For the *Citizens' Wilderness Proposal* that means approximately \$218,000 in economic benefit that could be generated each year even before the first angler casts a fly into a wilderness-nourished stream or the first hiker steps onto a wilderness trail.

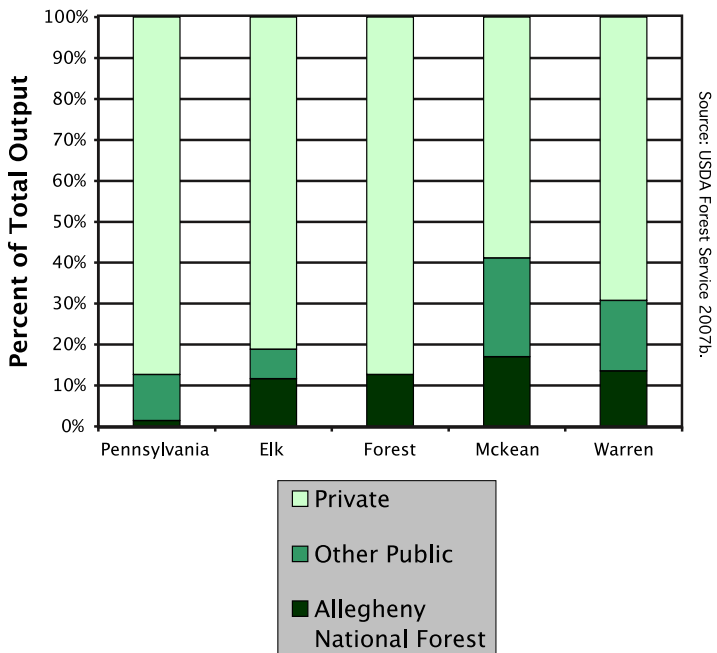
The values listed above, plus educational, scientific and other economic benefits of wilderness are clear. But people are also concerned about the possible economic costs, especially if wilderness would take timberland out of production or affect the funds counties receive for roads and schools. Fortunately, these impacts are small to none in the case of the ANF proposal.

Small effect on timber supply and Pennsylvania's forest products industry

The new Allegheny National Forest Plan allocates more than 287,000 acres to even-aged timber management (USDA Forest Service 2007a). The *Citizens' Wilderness Proposal* would affect just 2.8 percent of this total (see the red areas on the map).

Meanwhile, the Allegheny National Forest supplies just 1.5 percent of Pennsylvania's timber and 1.4 percent of its valuable sawlogs. The ANF does supply a larger share - 13.7 percent on average - in the four counties that contain it. The vast majority of sawlogs processed even in the ANF region are harvested from private lands (USDA Forest Service 2007b).

Pennsylvania's Sawlog Output, 2002



The Allegheny National Forest represents a small minority of sawlog supplies in Pennsylvania and the ANF region.

If sawlog stocking on the proposed wilderness acres is about the same as on the 279,000 other acres slated for even-aged management, then the wilderness proposal could affect as much as 4 tenths of one percent (2.8 percent of 13.7 percent) of sawlog supply in the ANF region or four one hundredths of a percent of Pennsylvania's sawlog supply.

The firms that process these sawlogs represent less than one half of one percent of the Commonwealth's economy as measured by employee earnings. In the ANF region, earnings of workers in the lumber and wood products manufacturing industry accounts for approximately 2.1 percent of all labor income (US Bureau of Economic Analysis 2007).



Better-protected coldwater fisheries and the recreation dollars that come with them, are among the recreational benefits of designated wilderness. (Photo by Mike Bleech)

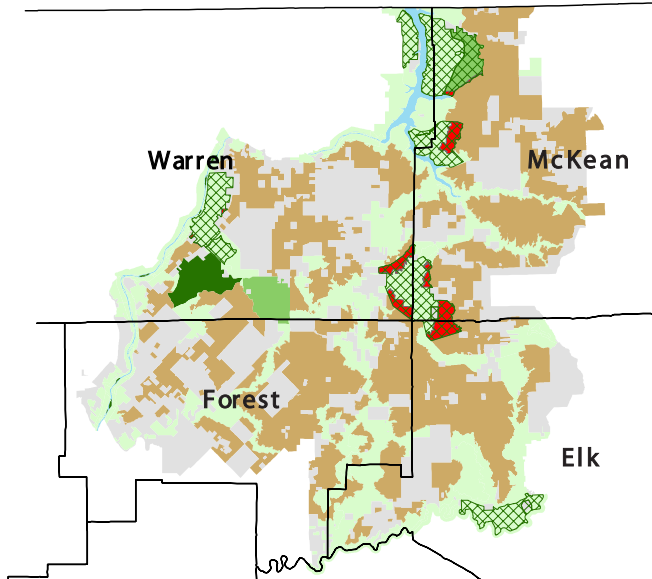
This is not to say that the earnings of wood products workers is unimportant. Rather, if the tiny shift in timber supply that could accompany further wilderness designation does affect the forest products industry at all, the relatively small size of the industry suggests that impact on the overall regional or Commonwealth economy would be small as well.

It seems reasonable that harvest from Commonwealth and private forest lands, process efficiency improvements and other measures could make up for this possible reduction in supply.

County Payments Not Diminished

Counties that contain Allegheny National Forest lands receive payments in two forms. The first of these is payments in lieu of taxes, or PILT, which are based on the number of acres owned by the Forest Service (and therefore not on local tax rolls). These per-acre payments are the same whether the acre is wilderness, timberland or in some other use.

The second form of payment is known as "County Payments" and is intended to help local governments fund education and roads. These payments were at one time tied



The Citizens' Wilderness Proposal (cross-hatched) would affect just 2.8% of the Allegheny National Forest's principal timberland acreage (Management Prescription 3.0, or land intended for even-aged timber management, shown in tan). The area of overlap (approximately 8,200 acres) is shown in red.

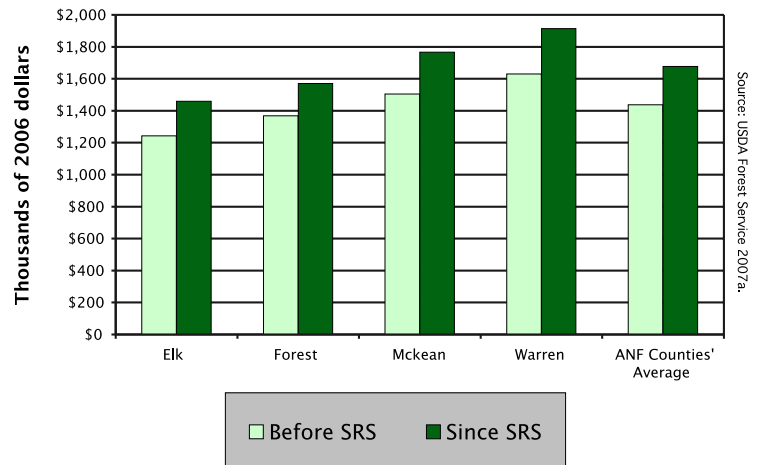
to revenue from Allegheny National Forest timber sales and other programs. Because of fluctuations in those revenues, Congress passed the Secure Rural Schools and Community Self-Determination Act of 2000. Counties may now choose to have their payments be based on the average of past years' payments. Since opting into the new program, each Allegheny National Forest county has seen its annual payment go up. The average increase for the four counties was \$241,737 per year (USDA Forest Service 2007a; Connelly 2007).

Like PILT, these Secure Rural Schools Act payments are not tied to a particular National Forest land use - they would not decrease due to the designation of additional wilderness areas on the Allegheny National Forest.

Summary

- Wilderness costs nothing in terms of county payments.
- Additional Wilderness on the Allegheny National Forest would cost very little in terms of timber harvest and associated economic activity.
- Wilderness supports and augments a host of unique local, regional and national economic benefits.

Average County Payments Before and Since Secure Rural Schools Act for Allegheny National Forest Counties



Note: Forest County opted into the Secure Rural Schools Act system in 2001. The other Counties opted in in 2003. The "Before SRS" data begin with 1986 and the "Since SRS" data end with 2006 for all counties.

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Autumn colors in the proposed Morrison Run Wilderness Area (Photo by Kirk Johnson)

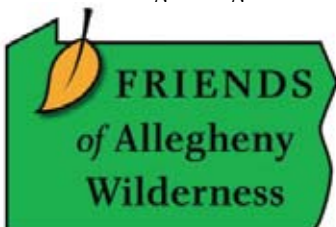
Learn More. Get Involved.

This article is produced by Friends of Allegheny Wilderness and The Wilderness Society through its Wilderness Support Center.

Friends of Allegheny Wilderness seeks to foster an appreciation of wilderness values and benefits, and to work with local communities to ensure that increased wilderness protection is a priority of the stewardship of the Allegheny National Forest.

The Wilderness Support Center provides hands-on assistance to grassroots activists and conservation partners in developing and implementing place-based campaigns to secure wilderness and conservation designations for millions of acres of wild public lands. The Center also provides resources, training, information and research to build the skills, effectiveness, and capacity of the wilderness movement as a whole.

Please contact Kirk Johnson, director of Friends of Allegheny Wilderness for further information about the Citizens' Wilderness Proposal for Pennsylvania's Allegheny National Forest and to join the Friends' effort to protect wilderness in Pennsylvania, or the author, Spencer Phillips, Senior Economist with The Wilderness Society, with questions or comments regarding the economic benefits of that proposal.



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