



Philanthropy Across Generations

CHALLENGES AND OPPORTUNITIES

“**A** golden age of philanthropy still beckons,” asserts a 2014 report by Boston College researchers, predicting that total charitable gifts between 2007 and 2061 could exceed \$20 trillion as assets shift from aging Americans to their grown children.

First forecast in 1999, the “greatest wealth transfer in U.S. history” has been slower and smaller than anticipated—in part because people are living longer. Some financial advisors discount the fabled windfall altogether. “The reality is it’s not happening,” notes David King, president of the consulting firm Alexander Haas. “It’s behind to such an extent that it will never catch up.”

Others argue that even a marked increase in gifts may have little impact on environmental groups, which receive only a slim 3% slice of the charitable giving pie. “I don’t think we’re touching the assets available to us,” reflects David Allen, principal of Development for Conservation. “We’re hampered by our own [lack of] imagination much more than not getting on the boomer gravy train.”

Amidst conflicting advice about the intergenerational wealth transfer, conservationists may wonder what to do. The Land Trust Alliance sought advice from professionals across the country on how best to navigate the challenges and opportunities ahead.

Challenges

Few land trusts track member ages, but one statewide coalition that does found in 2015 that 40% of its board members were age 65 or older. The average member age at the accredited Nature Conservancy, as of 2012, was 62 (*Getting to Green*, 2016). Being rich in retirees, land trusts may benefit from a trend—noted in a 2015 Age Wave study—that “people give at higher rates

Vermont Land Trust recommends forming alliances with community foundations. One such collaboration with the Vermont Community Foundation helps VLT run its Farmland Access Program, which keeps farms like this one in St. Johnsbury affordable for farmers just starting out.

CALEB KENNA/VERMONT LAND TRUST

after they retire, so extended life spans mean people are in their prime donor years longer than in previous eras.”

The philanthropic commitment of aging members bodes well for land trusts in the coming two decades; but then, notes Peter Stein, managing director of Lyme Timber Company and former Alliance board chair, “it’s like falling off a cliff.” Conservationists are increasingly concerned about sustaining financial obligations for ongoing land stewardship given the challenges they face recruiting younger members.

Those under age 40 typically have had fewer outdoor experiences than their parents, who grew up with an Earth Day ethos and often enjoyed greater freedom to play and explore in nature. Life now—across all generations—revolves around screens, limiting contact with the natural world and aggravating the “inactivity pandemic” that afflicts a third of Americans.

Many grown children no longer share the land ethic or philanthropic priorities of their parents. Rand Wentworth acknowledges that in his years as the Alliance’s president, “I sat at many kitchen tables with people telling me that their values are not necessarily their children’s values.”

This disparity could prove challenging for land trusts—both in fundraising and stewardship. Rock Ringling, managing director of the accredited Montana Land Reliance, anticipates that land trusts will need to be “really systematic and pretty aggressive” in educating new landowners about conservation easements. There’s a lot of work to do, he says, in “building relationships with the next generation.”

Opportunities

Financial advisors echo that imperative, urging land trusts to foster shared family discussions about philanthropic goals. Too often charities focus solely on what older parties may give rather than on building a bond with heirs (including spouses) who

will inherit most of the assets, notes King. In doing so, they risk missing “the larger share and longer-term benefit of that estate.”

“Be up front with donors,” suggests Frank Pisch, CEO of The Compass Group. “Sit down and talk with them about their priorities and whether they’ve done estate planning.” A surprising number, he finds, “have never talked with kids about their philanthropic priorities. [Their children] know they give, but may not know *why* they give.”

“It’s helpful for seniors to know if the younger generation is or is not on board,” says Thomas Masland, a conservation and estate-planning lawyer with Ransmeier & Spellman, “because there may be ways to tailor their estate plans to accommodate those concerns.” Land trusts can help, he says, by steering families toward advisors knowledgeable about conservation options.

Real estate represents the largest component of net worth for many households, and “land trusts have particular expertise in this arena,” observes Dennis Bidwell of Bidwell Advisors. As members age and seek to simplify their lives, many could donate properties with economic but no conservation value (such as second homes) that can be resold to fund mission-related work. If property gifts are made through bequests, approximately 25 states now allow a “transfer on death” deed that bypasses the probate process.

“The great wealth comes not from annual contributions but from bequests,” Wentworth observes. “Most land trusts are too young to have focused on this.” One key to receiving bequest gifts, says Greg Lassonde of Legacy Program Specialists, is to foster “good relations with donors and non-donors alike, knowing that many gifts come from those who were never on organizational mailing lists.” To plant the seed for potential bequests, Allen suggests reiterating, “If you have included our land trust in your

will, please let us know so we can thank you during your lifetime.”

Land trusts can also form alliances with community foundations, where more and more families are creating donor-advised funds. The accredited Vermont Land Trust has benefited from a “really robust relationship going back 15 years” with Vermont Community Foundation, notes Nick Richardson, VLT’s vice president for enterprise and finance. It’s helpful to “start the conversation outside the context of a grant request,” exploring overlapping goals and learning whether the foundation makes program-related investments like low-interest loans.

Younger family members involved in donor-advised funds or family foundations “often have a strong interest in projects that they can ‘see and touch,’” notes Pisch. “Experienced donors understand the value of unrestricted gifts, but younger generations want to know how their gift will be used and what impact it will have.”

Engaging younger donors involves skill-building outings and happy-hour networking marketed through word-of-mouth and social media, observes Emily Bacha, director of communications with Western Reserve Land Conservancy. WRLC draws a diverse group of millennials and has joined forces with allied organizations interested in engaging young professionals, forging “partnerships that are really helping us succeed.”

Despite the prevailing sentiment—that “the best way to get donations from under-40s [is to] wait until they are over 40” (as financial writer Jeff Brooks quips), WRLC is starting to see young people become members, attend more paid events and increase their contributions. “It’s a generational cycle that doesn’t end,” Wentworth reflects. “We need to reach people at all levels.” 🌱

MARINA SCHAUFFLER IS A FREELANCE WRITER, EDITOR AND COLUMNIST WHOSE WORK IS ONLINE AT WWW.NATURALCHOICES.COM.