

2012 Gratitude Report

Sightline's mission is to make the Northwest a global model of sustainability—strong communities, a green economy, and a healthy environment.

Smart solutions for a sustainable Northwest

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"I value Sightline's work because it offers a regional perspective on issues of global importance."

Sarah Praskievicz, PH.D. CANDIDATE, UNIVERSITY OF OREGON DEPARTMENT OF GEOGRAPHY

FROM THE BOARD CHAIR

We're well into 2013 already, and this year marks the 20th anniversary of Sightline Institute. Many of you may hearken back to our former name. Northwest Environment Watch.

Chalk up two decades and two names, but the mission has remained the same over the years: to make our home region a global model of sustainability, with strong communities, a green economy, and a healthy environment.

Thanks to your support in 2012, we continue to make good progress on that mission. In the past year, a few these successes stand out:

Seattle Rejects Coal Exports: The Seattle City Council unanimously passed a resolution opposing coal exports traveling through the Northwest relying heavily on Sightline research on the true impacts



of coal exports. Also, in 2012, Sightline research revealed that proposed coal train traffic would effectively shut down 8 major Seattle streets from 1-3 hours every day.

PGE Rejects Kinder Morgan's Clatskanie, OR, Coal Terminal: In May, Portland General Electric rejected Kinder Morgan's plans to build a coal terminal on port land for which PGE holds a long-term lease. Sightline had documented coal dust billowing away from Kinder Morgan's other terminals. Similar dust at the proposed facility would have fouled the equipment of the natural gas plant PGE operates next door to the proposed coal site.

Car-Sharing: Washington's legislature followed Oregon in revising obscure insurance rules to welcome personal car-sharing companies to the state. Since 2006, Sightline has promoted personal car-sharing as a break-through opportunity for sustainability. We played a major role both states' reform efforts. Car-sharing start-up Getaround has since established a fast-growing presence in Oregon. Its competitor RelayRides is signing up scores of car-sharing households in both states.

In 2012, with your support, we also maintained our efforts at building momentum for future changes through the Cascadia Scorecard, Sightline Daily, and Sightline Flashcards.

And yet there is still much more to be done. In the face of continued threats from climate change, you might ask, what fuels us? An enduring belief that we can, and will, make a difference.

Your continued faith in Sightline's ability to help bring about our shared vision of a sustainable Northwest also fuels us. Your support enables Sightline to provide the critical research necessary to make smart decisions about our region's future. It allows us to serve as educator, megaphone, connector, truthseeker, and storyteller—all in the name of sustainability.

We couldn't do any of this without you.

Whether you made your first gift of support 20 years ago, or in 2012, our achievements are your achievements. Thank you for putting your trust in us. We are looking forward to what the next 20 will hold.

Thank you,

Jeanette Henderson, Board Chair

SIGHTLINE INSTITUTE

2012 Highlights

In 2012, Sightline devoted much of its time and resources working to stop coal export terminals from being built. Many of our shared successes from the past year relate to that work.

PGE Rejects Kinder Morgan's Clatskanie, OR, Coal Terminal

Informed in part by Sightline's research on the Kinder Morgan's coal dust record.

Car-sharing insurance reform passes in Washington

Sightline research staff interviewed for 18 radio and 5 television stories Social media reach of **253,000** readers on the blog, Facebook, and Twitter

Pay-Per-Mile auto insurance launches in Oregon

Sightline influenced or featured in

stories in major media outlets including the New York Times, Seattle Times, The Oregonian

s.53 Mile diamete

ten feet taller than the Columbia Center, reaching from Pike Place Market to the Smith Tower.

The 48 million tons of coal slated to come through Seattle annually would make a pile

"Sightline's research is a refreshing,

thorough exploration of issues that shape my quality of life, but go much deeper into how we, as a society, treat one another and the resources available to us."

Susie Philipsen, ICLEI USA

PUBLIC

Coal export series:

32 new articles written, 22,700 views

By the end of our 20th anniversary year, Sightline will have distributed at least

200,000 copies of our books

"Sightline brings fresh, provocative thinking to everything it does. It is never constrained by sacred cows or economic interests."

Denis Hayes, CEO, BULLITT FOUNDATION

Sightline research reveals: proposed coal train traffic would shut down eight major Seattle streets by 1 to 3 hours a day

Sightline staff conducted over

meetings with allied organizations and Northwest policy leaders

Stormwater blog series surpasses 10,000 views

Sightline emails 18% more over 2011

Alan Durning participates in **TEDxBellevue**

Work republished directly in:

The New York Times Dot Earth Blog, National Geographic News, Slate, Grist, EarthFix, Salon, and American Prospect

10% increase in web traffic

РНОТО: **Paul K. Anderson** Sightline Institute

Protecting Nature's Best Food

As a new mom, Laura Gerber ate organic food and composted her vegetables. She'd never lived in an industrial area, and considered herself reasonably savvy about avoiding toxic burdens.

When she joined a seminal Sightline study in 2003 that tested the breastmilk of nursing Northwest mothers, Gerber assumed the results would validate all she'd been doing to create a safe and healthy environment for her family.

Instead, she learned her breast milk contained two kinds of hormone-disrupting industrial chemicals: PBDEs, a family of flame-retarding chemicals widely used in computer plastics, furniture foams, and textiles; and PCBs, persistent industrial chemicals that were banned in North America in the late 1970s.

"Going in I presumed that I was going to find next to nothing in my body," Gerber remembers. "I was really shocked and rather upset. I tried to figure out what I had done and realized...the toxics were so ubiquitous there was no way to avoid them."

The testing sponsored by Sightline found those two types of contaminants in the breast milk of all 40 women in the study, from a school bus driver in urban Portland to a Montana mom who ate deer and elk hunted from nearby wild lands. Like moms elsewhere in North America, the Northwesterners had 20 to 40 times more PBDEs than did residents of Sweden and Japan.

It was all part of Sightline's original mission to measure and compile indicators of sustainability across the Northwest for the Cascadia Scorecard.

"We had been looking far and wide at different ways of measuring pollution. We considered air pollution trends, water pollution, contamination in wildlife, and plenty of other ideas," remembers Sightline's programs director Clark Williams-Derry. "But we decided that the most compelling indicator of all would measure the pollution that winds up inside people's bodies."

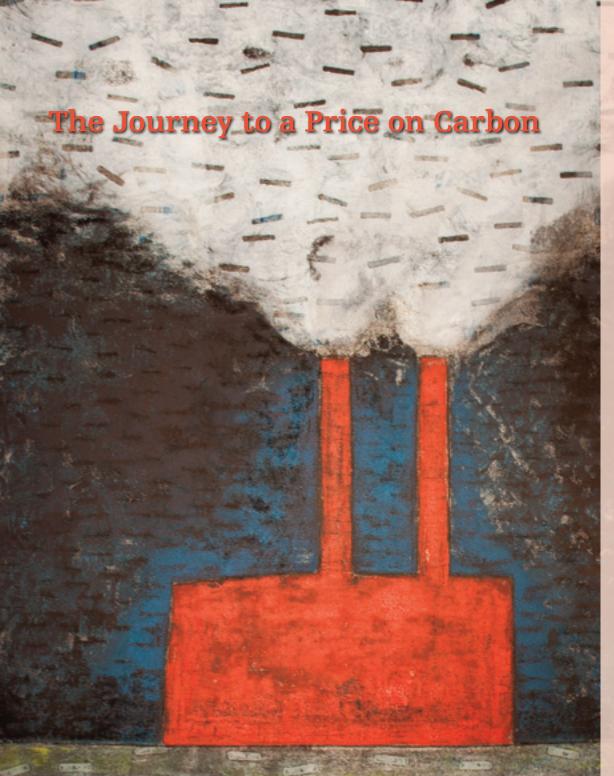
The breastmilk study — the first of its kind in the Northwest — helped make the case for stronger protections in the Northwest and nationally. And it amplified the pressure on furniture makers and computer manufacturers to phase out the use of PBDEs. In 2007, Washington also passed the nation's first ban on all forms of that particular class of flame retardants. Oregon followed suit with similar legislation in 2009.

As on so many other issues over the last two decades, Sightline's original research provided the ammunition for allies to make a persuasive case before the state Legislature. The lobbying in Olympia, for example, was spearheaded by the Washington Toxics Coalition. But the compelling data — and the stories of real moms like Gerber — helped build a powerful case for stronger laws to protect Northwest families from toxic burdens.

"Ultimately, it led me in a direction of activism to try and figure out what could be done," Gerber said. "Sightline should really be applauded for this visionary work. It was groundbreaking in terms of quantifying and making real the unseen and harmful effects of our lifestyle on nature's best food."

It's also just one example of Sightline's longstanding commitment to curbing pollution. Over the years, we've provided foundational





If We Could Only Do One Thing,

If Sightline could only do one thing for a sustainable Northwest, we'd put a steadily rising price on carbon — on the emissions of climate-changing greenhouse gases. Doing so would speed the entire regional economy through the transition from coal, oil, and other dirty fossil fuels to clean, efficient, renewable energy. It would also help stem or reverse sprawl, breathe life into alternatives to the automobile, clean the air and water, and keep local dollars circulating locally.

Pricing carbon with a carbon tax or cap-and-trade permits has been at the top of Sightline's list since the organization's first day 20 years ago.

But in 1993, no matter how achingly necessary pricing carbon was, it was also politically implausible. Few northwesterners had ever heard the idea. Voters snarled at anything with "tax" in its name. And Big Oil and Big Coal were not famous from rolling over without a fight.

But Sightline, then called Northwest Environment Watch, set about making the case. We started in our flagship 1996 book This Place on Earth. Then, we published a Tax Shift in 1998. The book launched a region-wide outreach and education effort that has continued, in different guises, ever since.

In 1999, I briefed the opposition leader of the BC Legislative Assembly in Victoria. He had read Tax Shift and had questions for me. Late in the meeting, he grandly announced that he did not intend to implement a tax shift in his first term as premier. In his second, however, he said he might very well. At the time, I thought little more about it. I was focused on the governing party, with whom we were developing a tax-shifting plan.

The following year, however, the opposition leader's center-right party swept provincial elections, and he became premier. His name was Gordon Campbell, and true to his word, in 2008 during his second term, he announced a sweeping carbon tax shift — the best carbon pricing system in the Western Hemisphere and arguably the most elegant carbon tax shift in the world.

In the same period, Sightline was advising a multistate effort to put a price on carbon across the West. We were shaping policy at high levels, particularly in Oregon and Washington. The vehicle was a regional cap-and-trade system, not a carbon tax shift, but the net effect would have been similar.

After the watershed 2008 elections, however, this state effort sagged and action moved to Washington, DC. Sightline's analysis followed. Our Cap and Trade 101 became one of the mostread guides to carbon pricing, appreciated for its clarity and insight and passed hand-to-hand among Congressional staffers and advocates. The US House passed what would have been the world's most comprehensive carbon pricing system in 2009, and the measure looked like it might gain a majority in the US Senate. Unfortunately, the Senate is hogtied by its filibuster rules, and carbon pricing slammed into the 60-vote wall in 2010.

Climate policy returned to the states in 2011, where California was proceeding with a capand-trade system and BC's carbon tax shift was proving robust and effective. The province squeezed more carbon out of its economy than Canada overall, even while its economy outperformed Canada. Remembering that BC's climate price came from the political right, not the left, Sightline has continued to raise awareness about carbon tax shifting among unconventional allies in business in Oregon and Washington. We are even cooperating on carbon taxes with a conservative think tank.

In 20 years, we've come a long way: we are no longer a lone voice for pricing carbon. In 2013, both Oregon and Washington are considering bills to order thorough studies of carbon taxes. The governors of the two states, along with their peers in BC and California, recently announced their commitment to a coast-wide carbon price. Mainline energy and environmental organizations in both states now consider a carbon tax shift among their major goals. Allied citizens, meanwhile, have begun testing the waters for carbon-tax ballot measures.

Pricing carbon has been at the top of Sightline's list since day one. We have overcome many but not all barriers. Big Oil and Big Coal remain unswayed. Still, I'm more confident than ever that we will ultimately prevail. Pricing carbon what we would do if we could only do one thing — has gone from implausible to reality in British Columbia and California. It's inevitable elsewhere in Cascadia, I believe. That's one difference that 20 years of Sightline has helped to make.

— Alan Durning

"I value Sightline's work because it informs the ongoing debate regarding the importance of sustainability in urban and regional planning and the protection of ecosystem resources."

The Homing Instinct



If Alan Durning were an animal, he would be a salmon.

A nearly instinctual urge drove him back home to the Northwest 20 years ago, intent on spawning an organization that would promote a sustainable way of life here in Cascadia.

In the two decades since
Alan founded Northwest
Environment Watch, as
Sightline Institute was
initially called, the
organization has played an
essential role in advancing
the regional dialogue
about sustainability, as
well as reforming laws and
regulations to foster a more
sustainable future.

Alan has authored dozens of books and articles on topics ranging from taxes to condoms, green-collar jobs to the origins of everyday stuff. He has seen Sightline's research result in concrete results – such as getting PBDEs, chemicals found in flame retardants, banned in Washington after tests conducted by Sightline showed alarming levels of the toxin in breast milk.

"The movement for sustainability has gone mainstream since we first started in 1993," Alan says. "Before, we needed to do a lot of education. Now, we're ready for action."

Even though he ended up back in his birthplace, Alan's migration from the nursery at Group Health on Capitol Hill to Sightline's offices downtown was far from direct.

His family moved to the other Washington when Alan's father, Marvin Durning, was tapped to head up enforcement at the Environmental Protection Agency during the Carter Administration. Alan grew up in "a very political family," deeply involved in the civil rights and environmental movements.

By the time he went off to Oberlin College in Ohio, though, Alan had his sights set on joining the Chicago Symphony Orchestra as a trombonist. An Earth Day lecture by David Orr, "a fiery evangelist for sustainability," changed all that. "He preached a sermon about the collision course our society was on with our planet's ecosystem, and he said it fell to my generation to invent a culture that could survive," Alan says. "After that, it started to feel kind of hollow just to practice my trombone and go to music theory classes."

After he graduated with degrees in both music and philosophy, Alan landed a dream job in Washington, D.C., working for Worldwatch Institute, a think tank focused on global sustainability and environmentalism.

"I was traveling the world documenting injustice and environmental challenges, and it was exciting," Alan says.

A "desperately poor" spiritual leader in a remote Filipino village dramatically altered his perspective on his work and his life.

Alan was researching the struggles of indigenous communities to protect their land. The villagers he interviewed in the Philippines described how the military would come through and push them off the land. Then, the logging companies would clear-cut a wide swathe of forest before the military allowed the villagers to return home.

"They were saying that they had decided that they would never go again, that they would stay even if the military shot them, that they would rather give their lives than to see their land spoiled," Alan says.

The spiritual leader, barefoot, gap-toothed, wearing the only dress she owned, stopped the interview and said she wanted to ask Alan a question: "Tell me about your homeland, tell me about your place."

Alan was speechless. "I tried to explain that in America we have careers, not places. She looked at me with this

kind of grandmotherly pity – this desperately poor woman pitying me."

A little over a year later, Alan packed up a Ryder truck and drove his family back to his place, the Pacific Northwest. "This notion of place just felt like it had to be the center of whatever next I did," he says.

Cascadia can be defined by its physical characteristics: the rainforest on the coast, the salmon-filled rivers, the Pacific Ocean. On a more personal level, though, Alan describes his desire to take his (not yet!) grandchildren to the glaciers on Mount Rainier and the streams in Redmond where his parents took him as a child to watch salmon spawn.

Alan is proud of Sightline's efforts to make the Northwest a global model of sustainability. He's proud of the work promoting compact, walkable communities. Proud that, after nearly 16 years of work, an auto insurance company in Oregon introduced a pay-by-the-mile plan, which gives people a financial incentive to drive less.

Asked what excites him about his work right now, today, Alan says, "It *all* excites me."

More specifically, though, he is excited that flame retardants in furniture are on track to soon become a thing of the past. California is rewriting the flammability testing regulations that since 1975 have prompted manufacturers to use flame retardants to meet a "scientifically useless" rule. The new regulations would do a better job of preventing fires and also would eliminate the incentive to douse beds and couches in harmful chemicals. "If we change the flammability test in California, then we solve the whole problem." Alan says.

He's also excited about the growing movement in the Northwest to block the building of huge coal export terminals along the coast – a move that, Alan says, would effectively cut coal companies' access to their last profitable market: Asia.

"The Northwest is kind of in a catbird seat to block the coal industry's last escape route from long-term decline, and there's a massive movement now – tens of thousands of people – who are learning about the issue and getting mobilized to turn it back."

These are the things that keep Alan hopeful, a term that goes beyond mere optimism.

"Hope is more like an act of faith that it's possible that things will be OK, that things will turn out well. And because it's possible I'm going to put all my energy into that."

Surrounded by staff, by friends, by donors and allies, Alan says: "I'm kind of at the nexus of this giant community of hope, of acting toward the possible."



Cities, Slicker

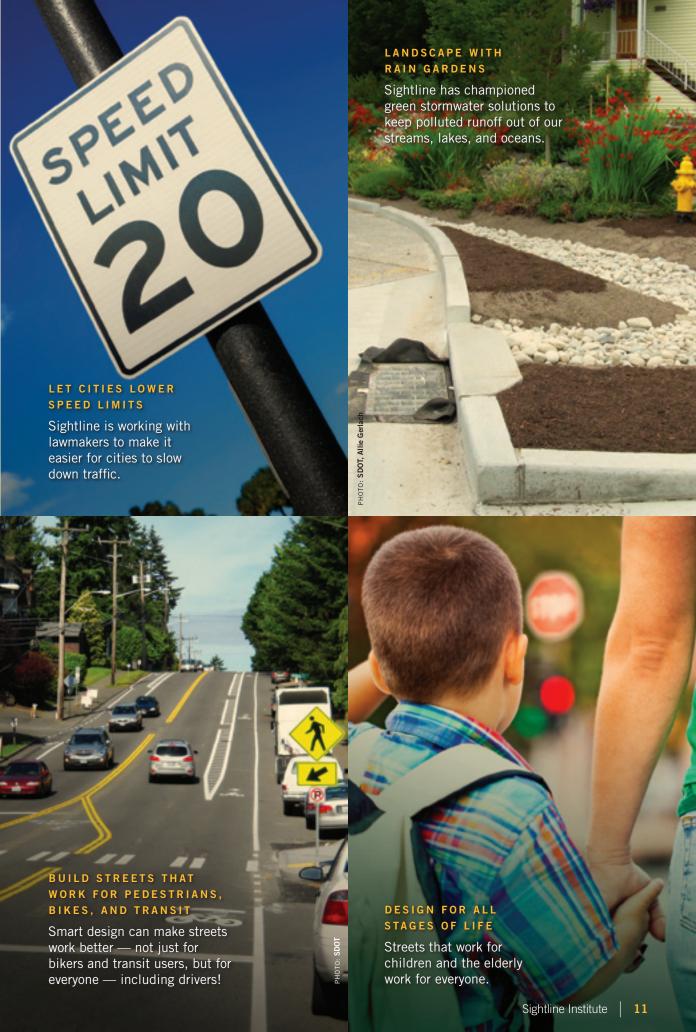
In 1996, Sightline (then called Northwest Environment Watch) published its seminal book, *The Car and the City*, which laid out a practical vision for **resurgent**, **vibrant**, **pedestrian-friendly cities**.

Since then, Sightline has doggedly pursued the ideas laid out in the book — with profound impacts on how Northwesterners design their cities. Take a look at how Sightline's ideas have influenced a generation of city planners and helped reshape the urban landscape.

THE CAR

Alan Thein Durning





GET COPPER OUT OF BRAKE PADS

Sightline worked to protect fish and waterways by phasing out toxics in vehicle brake pads — including a successful ban of copper brake pads in Washington State.



RENT OUT YOUR CAR

Car sharing is taking off in the Northwest — and Sightline's work on car insurance reform helped make it possible.



PAY FOR CAR INSURANCE BY THE MILE

People who don't drive much can save money by buying insurance for only the miles they drive. Sightline's consistent pressure has paid off: two companies have launched pay-as-youdrive insurance options in Oregon.

SMART PARKING POLICIES

When cities give away parking for free, it's hard to find a spot — and businesses suffer. Sightline has inspired cities across the Northwest to rethink parking policies... to save drivers time, boost local business, and reduce car emissions.

Statement of Financial Position

December 31, 2012

ASSETS

Total assets	\$ 2,012,823
Other assets	25,788
Donations and grants receivable	643,824
Accounts receivable	395
Cash and investments	\$ 1,342,816

LIABILITIES AND NET ASSETS

Liabilities

Total liabilities and net assets	\$ 2	2,012,824
Total net assets	1	1,887,675
Temporarily restricted		390,771
Unrestricted		1,496,904
Net assets		
Total liabilities		125,149
Accounts payable and accrued expenses	\$	125,149

"Sightline is invaluable for the way it connects transportation issues to economic vitality, land use, and our long-term health and well-being with research that gets outside the auto-centric assumptions of the past to help balance the dialogue on transportation choices."

Barb Chamberlain, EXECUTIVE DIRECTOR, BICYCLE ALLIANCE OF WASHINGTON

Statement of Activities

For the Year Ended December 31, 2012

REVENUE

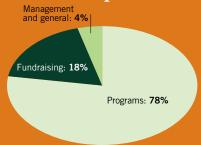
EXPENSES		
Total revenue	1	,422,586
Investment income		16,778
Publication sales and fees for service		57,119
Contributions		531,742
Grants	\$	816,947

LXI LINGLO	
Programs	822,099
Fundraising	187,845
Management and general	40,223
Total expenses	1,050,167
Change in net assets	372,419
Net assets, beginning of year	1,515,256
Net assets, end of year	\$ 1.887.675

2012 Revenue



2012 Expenses



Change in Cash and Investments

For the Year Ended December 31, 2012

Cash and investments, end of year	\$ 1	1.342.816
Cash and investments, beginning of year		1,224,719
Net change in cash and investments	\$	118,097

These figures have not yet been audited. For a copy of the audited financial statements, please contact Migee Han by calling 888-447-1880 x118.



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Smart solutions for a sustainable Northwest

