I. Welcome

Commissioner Cribbins called the meeting to order and welcomed the members of the rules advisory committee (RAC).

II. Introduction

The members of the RAC introduced themselves.

III. Rules Process and Public Meetings

Casaria Taylor described the rules process and Oregon’s Public Meetings Law, which prohibits RAC members from contacting a quorum of other RAC members except through DLCD staff.

IV. Committee Procedures

Commissioner Cribbins stated that the purpose of the RAC is to develop a workable definition for Primary Processing of Forest Products in forest zones, consistent with the commission’s direction at the September 26th LCDC meeting. She said that she hopes the RAC can reach a consensus on a recommended definition, but that there is also the possibility of offering a majority and a minority recommendation to the commission.

V. Overview of Issue

Katherine Daniels provided background and history to the commission’s decision to initiate rulemaking on this issue, citing the September 11, 2014 staff report and the Association of Oregon Counties’ (AOC) request to do rulemaking. Katherine explained that there is a current definition for the Primary Processing of Forest Products for EFU zones, but not for forest zones.
A recent LUBA case supported a Clackamas County hearings officer’s decision that an unpermitted log home assembly operation in Clackamas County does not qualify as the Primary Processing of Forest Products. This case led to the introduction of Senate Bill 1575 in the 2014 legislative session to authorize log home assembly operations as well as a broad range of processing uses outright in forest zones. Department staff and others raised concerns and the bill did not pass out of committee. AOC then created a workgroup to consider the issue, recommending rulemaking to the commission.

Katherine stated that the Primary Processing of Forest Products in forest zones is allowed outright if temporary and portable and allowed conditionally if permanent. Therefore, any definition that the RAC develops for the Primary Processing of Forest Products needs to work for both permanent and temporary portable facilities.

VI. RAC Member Perspectives
RAC members discussed their various perspectives on the issue. John Borge stated that log home assembly should go into rural industrial zones to increase city employment bases. He asked: 1) is the current system broke and 2) If so, is this use necessary in forest zones. If yes, he believes that sideboards are needed. Mike McCallister said that governing body officials want flexibility and rural jobs. Many new uses have been added to forest zones over the years. Big mills are allowed now and log home assembly has fewer impacts than mills; however, there should be sideboards. Dave Hunnicut did not want to focus on just log home assembly, but rather a broader definition of the use. Steve McCoy agreed but said that if it helps forest land to stay in forest use, he favors a narrow definition. Rhett Lawrence stated that he wants to stay open and learn about the options as we go. Mark Nystrom said he is here for the process and to provide additional clarity to counties. He thinks we should focus more broadly than just on log home assembly. Jim James said he wants to maintain forests as forests but that landowners need supplemental streams of income to manage their land, as harvests come only once in a generation. John Tokarczyk said he wants to keep working forest lands working and that we should seek a balance in permissible uses. Linc Cannon concurred. Jonathan Manton and Joy Vaughan said they agree with many of the statements already expressed, that they want to learn more and that a good balance is desirable.

VII. Background Materials
Katherine provided copies to the RAC of the department staff report and attachments, including the AOC letter of request to do rulemaking, the referenced LUBA case (Fritch vs. Clackamas County LUBA No. 2012-094), Senate Bill 1575 and a summary of research on definitions from other states and organizations on definitions of the Primary Processing of Forest Products.

A group discussion followed on first thoughts on a definition. The types of processing that should be considered primary were discussed. There was general consensus that the following
types of processing are primary: debarking, peeling, drying, chipping, sawing, shaping, notching. There was likewise consensus that the following types of processing are not primary: pulp and paper mills, furniture or cabinetry facilities. No initial agreement was reached on: torrefaction/biogas/biochar, flooring, engineered wood products/plywood, laminated products, sawmills or product assembly. However, John Tokarczyk, representing ODF, views engineered wood products as value added products, which by definition are secondary processing. Linc Cannon and Jim James disagreed. The question was raised whether plywood is produced at its own plant or at sawmills. Linc Cannon stated that most mills do not include plywood processing.

The group also discussed possible sideboards to a definition, such as limiting questionable activities to be on-site. A member noted that abandoned mill sites can be used for more intensive uses, many of which are zoned rural industrial. ODF has mapping of these sites. Katherine stated that other parameters that could serve as thresholds for allowance include: infrastructure needs, whether wood products are on-site or on adjacent properties, scale of use, buffers and chemical treatment.

**VIII. Next Meeting**

Katherine will research parallel EFU rule history and send out meeting notes, a doodle poll for the next meeting and a discussion paper with options for possible wording of a definition of Primary Processing of Forest Products. The group asked Katherine to additionally poll the county planning directors to see what their level of interest in the issue is and whether they have encountered challenges in reviewing this type of use.