

# Technical and financial options available to assist forestland owners

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If you're a forestland owner dreaming about improving your property but have limited resources with which to accomplish your objectives, please take note. Several government assistance programs can partially reimburse landowners for projects that enhance water, soil, wildlife or other resources. There are also tax credits and property tax savings strategies to consider.

Savvy forestland owners are well advised to get information about all of these resources. Let's take a look at the technical and financial assistance that's available to Oregon's forestland owners.

## Cost-share and other programs

Management plans are a recommended first step in any small woodland project, and may be written by the landowner or by natural resource professionals. Funds are available to assist you in creating a management plan for your property. In fact, if you have a minimum of 10 acres, the Oregon Department of Forestry (ODF) may be able to provide cost-share funds so you can hire a professional forester or other professional to help you develop a forest stewardship management plan. Your local Oregon State University extension office can also assist you with developing such a plan.

Two valuable financial assistance programs are the Forest Land Enhancement Program (FLEP) and the Forest Resource Trust (FRT). If you own between 10 and 5,000 acres of forestland and some of it is unproductive, or in need of reforestation or improvement, these programs can provide broad financial assistance. Under FRT, assistance is available for getting forests established such as site preparation, tree planting, and weed control. FLEP provides similar assistance, plus

financial assistance for non-commercial thinning and wildfire rehabilitation. FRT typically picks up all project costs, while FLEP averages 50 percent funding assistance.

The FRT is a tree-planting program with a focus on converting unhealthy or unstocked forestlands into healthy, productive forests. To receive funding, the land must be zoned for forest or farm use, and be located outside urban growth boundaries and residential zones. Land that's capable of producing a healthy stand of trees but is currently covered with brush is a good example of a situation that could qualify for FRT funding. The landowner commits to establishing a healthy "free-to-grow" forest stand and takes responsibility for

Photo by Steve Vaught, ODF



*Landowner Gerry Weisensee checks on the condition of trees and shrubs planted as part of a CREP streamside enhancement project on his Clayton Creek, Polk County property.*

*Weisensee's experience confirms the need to be very vigilant in controlling invasive species such as this scotch broom, which had been cut down just a year earlier.*

seeing that the work gets done. The FRT provides money for the direct cost payments of site preparation, tree planting, seedling protection, and activities that remove competing vegetation. This program was created by the 1993 Oregon Legislature, and is administered by ODF.

The FRT can provide up to \$100,000 every two years per landowner. If forest products are harvested in future years, a percentage of the net revenue is paid back to the trust by the landowner. "It's a good deal because you don't have to pay any of the money up front and you still get to keep a significant portion of the



Photo by Steve Vaught, ODF

**ODF Stewardship Forester Rod Bardell checks on the progress of a young Willamette Valley Pine plantation in Linn County. In this instance, the landowner was able to get reimbursed for some of his expenses using Oregon's 50 percent tax credit.**

revenue,” says ODF Stewardship Forester Bob Johnson. The Department is currently reviewing the program to find ways to make it even more useful to a wider number of landowners.

FLEP is a national program that was developed jointly by the US Forest Service and state foresters. Landowners may receive financial incentives for applying any number of

sustainable forest practices to their land, including reforestation, weed and brush control, thinning or fuels reduction work, conducting erosion control measures or improving wildlife habitat by planting trees, creating snags or installing nest boxes.

**Other sources of assistance**

Ready for more state and federal government acronyms that just might yield helpful resources to your property? If your acreage includes agricultural lands, you may qualify for funds for agriculture- and forestry-related projects through either the Environmental Quality Incentives Program (EQIP), or through the Conservation Resource Enhancement Program (CREP). If you need to install fencing on your property for resource-related reasons such as keeping livestock away from open waterways, either of these programs may be able to partly fund your project. Your local office of the US Natural Resources Conservation Service would be the best place to find information about EQIP. For CREP information, contact the US Farm Services Agency office nearest you.

Don't forget that many of the agencies providing funding for conservation projects are also great sources of technical expertise. Important practical information and tips are available through ODF's stewardship foresters, OSU Extension offices, the Natural Resource Conservation Service, county Soil and Water Conservation Districts, and local watershed councils.

**Watershed restoration work**

Maybe your property is in need of watershed restoration work. If that's the case, the Oregon Watershed Enhancement Board (OWEB) may be able to assist you via its watershed improvement grants program. To check out all of the numerous federal and state funding sources available for activities that are designed to protect or restore watershed health, visit ODF's website ([www.oregon.gov/ODF](http://www.oregon.gov/ODF)), click on the "private forests" and "assistance for landowners" links, and look for the Directory link about halfway down the page.

**Still other helpful programs: funds available to help at-risk species on private lands**

Oregon's Landowner Incentive Program ("LIP") is a federally funded competitive grant program administered by the Oregon Department of Fish and Wildlife (ODFW).



Photo by Steve Vaught, ODF

**Sam Chan, assistant professor with Oregon State University, stands by a successful CREP ("Conservation Resource Enhancement Program") project.**

This program makes funds available for at-risk species conservation projects on private lands.

Interested individuals or groups may submit applications to fund projects that protect and restore habitat on private lands to benefit at-risk species. An at-risk species is any species found on one or more of the following lists:

- ▼ Federal or state threatened and endangered species lists;
- ▼ Oregon's sensitive species list;
- ▼ Oregon Department of Agriculture's list of endangered, threatened or candidate plants; or
- ▼ Oregon Natural Heritage Program's list of rare, threatened and endangered plants and animals.

LIP projects must occur on privately owned land and benefit at least one at-risk species. LIP provides technical conservation assistance, offers up to 75 percent of project funding, increases economic and aesthetic values of private property, and may offer additional financial incentives in the form of conservation easements.



Photo by Cynthia Orlando, ODF

Some examples of common LIP activities include:

- ▼ Removal of nonnative plants
- ▼ Planting of native vegetation
- ▼ Installation of streamside fencing
- ▼ Removal of fish passage barriers



Photo by Bob Johnson, ODF

- ▼ Management of livestock grazing
- ▼ Stabilization of eroding stream banks
- ▼ Implementation of prescribed burns
- ▼ Purchase of conservation easements.

LIP applications are ranked by ODFW in cooperation with a diverse panel of representatives from government and non-government organizations. ODFW then submits the top-ranking Oregon proposals to the US Fish and Wildlife Service for review.

Contact numbers for more information about ODFW's Landowner Incentive Program:

- Bend - (541) 388-6363**
- Corvallis - (541) 757-4186**
- Salem - (503) 947-6301**

**After:** Now that's what we call "Oregon Grown!" Five years after initial site clearing, Stewardship Forester Bob Johnson stands amidst Douglas-fir trees, which, in spite of earlier challenges are now exhibiting impressive leader growth. "I like to focus more on herbaceous vegetation control rather than direct deer browse control," says Johnson. "I tell landowners in this area to keep the faith, the trees will get away from the deer."

**Before:** This Forest Resource Trust site in Lane County was first cleared of brush with a bulldozer, planted with two year Douglas-fir seedlings, spot sprayed twice with Oust and Velpar, and subsequently sprayed with Garlon to control invasive Himalayan blackberries.

# In a nutshell...

*The following is a brief rundown on some of the primary financial and technical assistance options available for family forestland owners in Oregon:*

<b>PROGRAM</b>	<b>PURPOSE/ELIGIBILITY</b>	<b>CONTACT</b>
<b>Forest Land Enhancement Program (FLEP)</b>	Must own between 10 and 5,000 acres of forestland. Provides financial assistance for afforestation, non-commercial thinning, weed and brush control, or rehabilitation after wildfire. Provides up to 50 percent funding assistance.	Your local ODF Stewardship Forester
<b>Forest Resource Trust (FRT)</b>	Must own between 10 and 5,000 acres of forestland in western Oregon. Provides financial assistance for projects that benefit unproductive forestlands (lands not requiring reforestation under the Forest Practices Act yet which are not stocked or are understocked with trees and not as productive as they could be). Picks up all project costs, including consulting forester fees.	Your local ODF Stewardship Forester
<b>Environmental Quality Incentives Program (EQIP)</b>	Any size forestland is eligible. Provides cost-share assistance for projects that improve watershed health.	US Natural Resource Conservation Service (under the Department of Agriculture)
<b>Conservation Resource Enhancement Program (CREP)</b>	Provides cost-share assistance. Applies only to agricultural land for projects to improve / establish stream buffers such that water quality will be improved	US Farm Services Agency (under the Department of Agriculture)

## **More about Oregon's 50 percent tax credit (Underproductive forestland conversion tax credit)**

*The goal of Oregon's 50 percent tax credit is to encourage landowners to establish and maintain healthy and productive forests.*

*If you plant and establish free-to-grow seedlings on your property, you may be reimbursed up to 50 percent of your expenses. That's because 50 percent of the cost of establishing a stand of trees on underproductive forestland may be applied as a credit against Oregon state income taxes.*

*You can be any private individual, partnership, corporation or "S" corporation to apply for this tax credit; however, you may not claim this tax credit to comply with the Oregon Forest Practices Act unless your project meets the*

*definition for hardwood conversions. You also may not claim this tax credit to grow Christmas trees.*

*This tax break applies on brushland, grassland, or on very poorly stocked forestland, and you must own or lease at least five acres of land in Oregon capable of growing a commercial forest.*

*Before beginning your project, be sure to contact your local ODF stewardship forester serving the county where your land is located and make sure your project qualifies. Once the project begins, keep good records of all expenses associated with the project, even if it occurs in different tax years.*