

**JOINT RESOLUTION**  
**Oregon Economic and Community Development Commission**  
**Oregon Board of Forestry**  
**Oregon Forest Resources Institute Board**  
**Oregon State University College of Forestry/Oregon Forest Research Laboratory**  
**November 1, 2007**

WHEREAS Oregon's forests play a significant role in providing for Oregon's quality of life, including forest products, family wage jobs, recreation, ecosystem services, tax revenues for purposes such as education and public safety, and a quality environment for current residents and which help attract desirable businesses and highly-skilled employees to the state; and

WHEREAS the present and future environmental, economic, and social benefits Oregonians derive from the state's forests are dependent on maintaining and enhancing the forest land base and the continued willing investment of public and private landowners in the management of those forestlands; and

WHEREAS many rural counties and communities have been particularly hard hit and all Oregonians are impacted by contraction in the forest products industry and associated declines in federal government and other indirect and induced employment; and

WHEREAS the forest cluster<sup>1</sup> remains an important part of the local economy of communities throughout Oregon; and

WHEREAS fifty seven percent of Oregon's forestlands are managed by the federal government without a clear and coordinated linkage between federal land management and state economic strategies; and

WHEREAS federal payments to state and local governments through the Secure Rural School and Community Self-Determination Act of 2000 may not continue into the future at past levels; and

WHEREAS thirty seven percent of Oregon forestlands are managed by private industrial, tribal, and family landowners with a wide range of management objectives; and

WHEREAS a dramatic transition in the ownership of Oregon industrial forestlands has taken place and new owners without manufacturing facilities may have different management intentions and planning horizons than fully integrated, traditional forest industrial landowners; and

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<sup>1</sup> For the purpose of this resolution, "forest cluster" means firms and organizations that support production of and benefits from primary and secondary wood products and a broad spectrum of forest ecosystem services and includes geographically concentrated and interconnected economic activities and linkages to customers and suppliers. Organizations engaged in forest resource management, education, and research are also considered part of the forest cluster.

WHEREAS family forest landowners play unique and valuable roles in Oregon's forest landscape, but their continued existence is threatened by development, regulation, and economic challenges; and

WHEREAS Oregon's forest products industry has restructured during the past two decades in response to conditions of changing supply and global competition; and

WHEREAS today Oregon's forest products industry produces highly-competitive products in state-of-the-art mills; and

WHEREAS most of Oregon's current lumber and wood products exports are commodities easily replaced by substitute products from other parts of the country and from other countries; and

WHEREAS other states and countries that compete with Oregon forest products have put strategies in place to ensure continued competitive advantage amid major changes in global competition and resource availability; and

WHEREAS clustering concepts currently applied to high tech and agribusiness have the potential for application to Oregon's forest sector; and

WHEREAS it is in the state's interest to ensure that Oregon's forests provide diverse environmental, economic, and social outputs and benefits valued by the public in a fair, balanced, and efficient manner; and

WHEREAS increased and stable economic returns from Oregon's forests are necessary to provide community vitality and other social benefits desired by rural Oregon; and

WHEREAS it is in the state's interest to promote healthy forests providing a sustainable flow of environmental, economic, and social outputs and benefits; and

WHEREAS many of the state's forests are overstocked, ecologically unsustainable, and prone to uncharacteristically severe fires and insect and disease epidemics; and

WHEREAS other forests, specifically, much of eastern Oregon's private forests previously owned by forest industry corporations, have a lack of large trees necessary to sustain a viable forest industry infrastructure and the environmental benefits that Oregonians have come to expect from private forests; and

WHEREAS shown by the 2006 Oregon Timber Harvest Report, federal owners continue to harvest at a very low rate, below what is necessary to sustain healthy and resilient forests and below what is necessary to support a viable forest management and products infrastructure; and

WHEREAS Oregon's forests provide far less economic benefit to rural communities than is possible while forest restoration efforts lag; and

WHEREAS it is in the state's interest to promote the investments of public and private landowners to create healthy forests; and

WHEREAS Oregon's forests are important to the global environment, economy, and society; and forest managers, government agencies, interest groups, and all other Oregonians should consider the impact of their decisions at local, state, national, and international levels; and

WHEREAS different forestland ownerships play different roles in achieving the full suite of environmental, economic, and social needs met by the forested landscape; and

WHEREAS a healthy rural Oregon, which relies on working landscapes<sup>2</sup>, is vital to the quality of life enjoyed by all Oregonians; and

WHEREAS the State of Oregon currently lacks consensus on a policy framework for a state forest cluster economic development strategy and institutional capacity to implement such a strategy; now, therefore,

**Be It Resolved by the Oregon Economic and Community Development Commission, Oregon Board of Forestry, Oregon Forest Resources Institute Board, and Dean of the Oregon State University College of Forestry/Director of the Oregon Forest Research Laboratory:**

1. The Oregon Economic and Community Development Department, the Oregon Department of Forestry, the Oregon Forest Resources Institute and the College of Forestry will complete and sign a Memorandum of Agreement before December 31, 2007 to jointly develop a State of Oregon Forest Cluster Economic Development Strategy consistent with this Resolution.
2. The goal of a State of Oregon Forest Cluster Economic Development Strategy will be to create and maintain a favorable investment climate for environmentally sensitive, socially responsible, and globally competitive forest-based businesses throughout Oregon that will generate high quality, value-added products; family wage, highly skilled employment; increased revenues to private landowners for providing public benefits, and increased forest products exports.

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<sup>2</sup> "Working landscapes" means lands managed to provide a continuous supply of raw materials for products consumers use daily. Responsibly managed working landscapes provide benefits to the public and the environment with a sustainable supply of products, jobs for rural communities, wildlife habitat, climate benefits, as well as clean air and water.

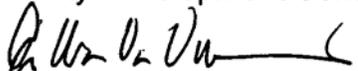
3. The objectives of the Strategy will be to:
  - a. Promote the development of state policies and programs that enhance Oregon's forest cluster competitiveness, industrial development, and both in-state and global recognition that Oregon forest products come from sustainably managed forests;
  - b. Assess the unique challenges and opportunities facing family forest landowners and promote policies that encourage the continued retention of, and investment in family-owned forestlands;
  - c. Promote increased public dialogue on the challenges of satisfying increasing consumer demand for forest products, the importance of keeping the state's private forestland in forest use, the need for healthy forests, and the need for greater rural economic and community resilience;
  - d. Promote environmentally sound, active forest management policies for public and private forestlands that encourage long-term investments, sustainable timber supplies, recreation and cultural opportunities, special forest products, fish and wildlife habitat, clean air and water, renewable energy, greenhouse gas sequestration and storage, other forest outputs and benefits, and high levels of employment and income;
  - e. Encourage the development and maintenance of the industrial infrastructure needed to accomplish the desired future condition for Oregon forests;
  - f. Increase production of value-added forest products;
  - g. Encourage production of energy, forest products, and other commercial uses of wood fiber from forest restoration treatments; and
  - h. Encourage the creation of markets to generate revenues for forestland owners from non-wood ecosystem services.
4. The State of Oregon will endeavor to develop the Forest Cluster Economic Development Strategy based on existing Department of Forestry and Economic and Community Development Department state statutes, Board of Forestry policies, Oregon Economic and Community Development Commission policies, the capabilities of the Oregon State University College of Forestry and Oregon Forest Research Laboratory to deliver cutting edge science-based information and innovations and work-ready graduates, and private sector initiatives related to Oregon forest cluster economic development.
5. The State of Oregon will engage other public and private cooperators and stakeholders, as needed. At a minimum, two work groups with diverse representation shall be formed to address:

- a. Building a State of Oregon Forest Cluster Economic Development Strategy, and
- b. Building and maintaining long-term State of Oregon institutional capacity (funding, resources, organization, statutory authority, leadership) so that state government can fulfill its role and responsibilities in implementing the Strategy.

**SIGNATURES**

This Resolution and any changes, alterations, modifications, or amendments to it, shall not be effective until approved by the appropriate representative of the parties hereto.

For the Oregon Economic and  
Community Development Commission

  
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E. Walter Van Valkenburg, Chair

Date: 11/1/07

For the Oregon Board of Forestry

  
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Dr. Stephen D. Hobbs, Chair

Date: 11/1/07

For the Oregon Forest Resources  
Institute Board

  
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Carol Whipple, Chair

Date: 11/1/07

For the Oregon State University  
College of Forestry and Oregon Forest  
Research Laboratory

  
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Dr. Hal Salwasser, Dean and Director

Date: Nov. 6, 2007