Surcharge on Improved Lots

HELPING FUND WILDFIRE PROTECTION

When a fire burns in the forest, chances are it poses a threat to homes as well as trees. Traditional wildland fire suppression techniques are compromised in the presence of improvements, and this drives up the cost of firefighting. To help cover the added expense, Oregon places a surcharge on improved lots in the state’s forest protection districts.

Homeowners benefit from the protection provided to forestland. In the course of fighting wildfires to minimize damage to the forest resource, the Oregon Department of Forestry also works to keep the fires from encroaching on developed areas within the forest.

For more information

Contact the nearest Oregon Department of Forestry office

VISIT www.oregon.gov/odf/offices.shtml

We think of wildfire as a powerful force of Nature. While this is true, many wildfires that threaten the urban fringe, or “wildland-urban interface,” start from human activity such as backyard debris burns that spread to the forest.

Development drives up firefighting costs

The cost of fighting wildfires has been climbing for decades. Some of the increase comes from rising equipment and labor rates. Another major factor is expanding development. Whenever a wildfire threatens improvements, the cost of fighting it goes up sharply.

In the absence of structures and other improvements, the Department of Forestry is able to employ tactics that minimize the acres burned and hold down costs. Bulldozers, for example, can build fire line more quickly and at less expense than hand crews. But the use of heavy equipment is inappropriate in urban areas, and so fire managers must resort to additional personnel and fire engines, and, in many situations, aircraft.

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Oregon Department of Forestry

Promoting and Practicing Sustainable Forestry

Oregon Department of Forestry
Protection from Fire Program
2600 State Street • Salem, OR 97310
Frequently asked questions
Q: Are forest landowners and improved lot owners within forestland assessed differently for wildfire protection?
A: No. Forest landowners pay a per-acre assessment for wildfire protection on their lands. The rate varies according to the region of the state and the type of land. The minimum assessment is $18.75. Because their lots are typically small in size, many improved lot owners are required to pay the minimum assessment. Owners of improved lots (land with structures or other improvements, such as landscaping and fencing) also pay a surcharge of $47.50. This is chiefly because an improved lot is more difficult to protect from wildfire, since traditional wildland firefighting techniques are compromised in these settings.

Q: Where does the surcharge assessment show up?
A: On your annual property tax statement.

Q: What are my options for appeal?
A: You are being assessed the $47.50 surcharge because you have been inaccurately assessed the surcharge, on the assessment rolls of your county. If you feel that you have been inaccurately assessed the surcharge, you can contact your county assessor or your Oregon Department of Forestry office.

Q: Where can I obtain more information?
A: Contact the nearest Oregon Department of Forestry office.

Q: What are my options for appeal?
A: You are being assessed the $47.50 surcharge because your lot lies within a forest protection district boundary, and because it is listed as an improved lot on the assessment rolls of your county. If you feel that you have been inaccurately assessed the surcharge, you can contact your county assessor or your Oregon Department of Forestry office.

Q: Has there always been a surcharge on improved lots?
A: Yes. When the OFLPF reaches a $30 million ceiling, the surcharge to improved lot owners drops to 50 percent ($23.75). When the OFLPF reaches a $2 million ceiling, the surcharge and assessments by statute may not be collected. When major wildfires draw down the fund’s balance below $22.5 million, the surcharge is activated again.

Q: Does the assessment switch on and off?
A: Yes. When the OFLPF reaches a $22.5 million ceiling, the surcharge to improved lot owners drops to 50 percent ($23.75). When the OFLPF reaches a $30 million ceiling, the surcharge and assessments by statute may not be collected. When major wildfires draw down the fund’s balance below $22.5 million, the surcharge is activated again.

Q: What is “improved”?
A: The criteria for an improved lot vary from county to county and are established by the county assessor. But generally, the presence of structures is key to the determination.

Q: How do you determine whether a lot is “improved”?
A: The criteria for an improved lot vary from county to county and are established by the county assessor. But generally, the presence of structures is key to the determination.

Q: I own several improved lots. Can I get a financial break on the assessment?
A: Possibly. In some cases a landowner who owns multiple lots can combine certain contiguous lots for the purpose of fire patrol assessments, even if there are structures present. Where there is one single-family dwelling, the combined lot may not exceed 20 acres. Contact your local Oregon Department of Forestry office for specific analysis of your situation to determine the options available to you.

Q: I am paying the improved lot surcharge. Does that mean my house and other buildings are protected from fire?
A: No. The Oregon Department of Forestry does not fight structure fires. ODF firefighters work to keep wildfires from spreading to structures, and also to keep structure fires from spreading to the forest. But protecting houses and other structures is the job of municipal and rural fire departments.

Q: Does the assessment switch on and off?
A: Yes. When the OFLPF reaches a $32.0 million ceiling, the surcharge to improved lot owners drops to 50 percent ($23.75). When the OFLPF reaches a $34.0 million ceiling, the surcharge and assessments by statute may not be collected. When major wildfires draw down the fund’s balance below $22.5 million, the surcharge is activated again.

Q: Where does the surcharge money go?
A: The $47.50 surcharge goes to the Oregon Forest Land Protection Fund (OFLPF). This forest landowner-financed emergency fund pays the extra costs of fighting major wildfires, such as air tankers and contract fire crews.

Protecting houses, barns and other outbuildings from wildfire presents a big challenge - one that requires close coordination between structural and wildland fire agencies.

Owners of improved lots pay a surcharge in addition to the forestland assessment. This helps offset the higher cost of protecting structures within the forest.

Funding Structure: Fiscal Year 2008

Emergency Fire Cost
Committee Insurance Policy
$25 million
(Premium costs of $1.1 million shared 50/50 between landowners and public (General Fund))

Insurance Deductible
Public (General Fund) responsible for costs over $50 million

District Deductibles
Maximum of 25.2 million

District Protection Budgets
$34.0 million
- Initial Attack
- Resource Readiness
- Prevention
- Detection
- Area/Salem Fire Mgmt.

Public (General Fund) responsible for next $10 million

Landowners responsible for $15 million above base level of protection

Landowners and public responsible for base level of protection

Fire Assessment and Surcharge Rates

| Harvest tax | $2.5¢ / 1,000 board feet |
| Minimum lot assessment (that portion for the OFLPF) | $3.75 / lot |
| Improved lot surcharge | $47.50 / lot |
| Eastside timberland | 7.5¢ / acre |
| Class 3 agricultural land (grazing) | 7.5¢ / acre |
| Westside timberland | 5¢ / acre |

Wildfires draw down the OFLPF, raising the surcharge and assessments by statute. But protecting houses and other structures is the job of municipal and rural fire departments.