



## Council of Forest Trust Land Counties

1212 Court St. NE | Salem, Oregon 97301

June 7, 2023, Board of Forestry Testimony

Chair Kelly, members of the Board of Forestry, State Forester Mukumoto, Staff: I am David Yamamoto, Tillamook County Commissioner and Chair of the Forest Trust Land Advisory Committee (FTLAC). I am here today representing FTLAC in order to fulfill our statutory responsibility to advise the BOF and the State Forester on matters which affect management of the State Forest Lands (ORS 526.156).

The State Forests HCP and Forest Management Plan are not on the agenda today, but I want to testify to you today about these plans because important work on them continues. ODF, at your direction, is conducting analysis and modeling that will improve harvest projections for the Forest Management Plan and HCP. FTLAC believes this work will help you assess the true impact your decisions will have on our Counties and special districts. As we have stated repeatedly in our testimony, prior analyses, including the business case analysis and the draft environmental impact statement, have woefully underrepresented the impacts on our communities by vastly over predicting harvest levels and revenue generation under this proposed HCP.

Based on the last information shared with the Trust Counties, the proposed HCP and FMP will have devastating effects on our communities.

At the April 14<sup>th</sup> FTLAC meeting we heard about ongoing work by ODF to improve certainty around harvest projections by better matching modeled growth rates to actual rates. We think this work is critical. Open and accurate analysis is vital for maintaining public trust.

Chair Kelly, I appreciate that you attended the April FTLAC meeting, and I hope the other board members watched the recording of that meeting. Of course, you are always invited and encouraged to attend. With ODF continuing such fundamental work on the harvest model, I worry about further erosion of the harvest level. Current projected harvest levels put a \$24 million hole in County and special district budgets in the next fiscal year alone, not to mention ODF's own budget. Further declines would create an even bigger hole.

The loss of revenue will impact communities far beyond the forest sector. Let me highlight just one example: the Port of Garibaldi in Tillamook County. About 12.5% of the Port's revenue comes from State Forests. The Port is home to a fishing fleet that is fourth in crab landings in Oregon, and similarly positioned for other species. The fleet is composed exclusively of small family operations; there are no factory fishing operations in Garibaldi. The fishing fleet supports other businesses – marine repair, seafood processing and shipping, and restaurants. In addition, the Port is home to a Northwest Hardwoods mill, itself dependent on timber from State Forests.

The Port faces challenges including aging infrastructure, demand for more frozen storage, and competition from larger ports. Without funds from State Forests, the Port will struggle to make needed investments, putting livelihoods and the community at risk.



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As I always remind you, it is not just the revenue that is important. The full-time, fully benefited jobs are vital. The Port provides these. Without the Northwest Hardwoods mill and the commercial fishing fleet, Garibaldi would depend on highly seasonal tourist visits. A community cannot sustain itself on three or four months of tourist traffic alone. Long-term, sustainable businesses are needed.

Impacts are not limited to the Port of Garibaldi. Special districts of all types: school districts, fire districts, sheriff's offices, health districts and many others will be negatively impacted. In counties with a seasonal influx of visitors such as Tillamook County where our population can quintuple on busy summer weekends, our infrastructure such as fire/rescue, water and sewer systems, public safety and many others, must be funded and designed to meet these demands. In addition, with interest rates high and a possible recession looming, the steady flow of revenue and jobs from sustained yield harvest in our State Forests is an important non-tax source of revenue to the Counties and special districts.

Some have suggested decoupling as a solution to the loss of revenue to trust counties and special districts, and there appears to be discussions taking place without input from the trust counties. But what about the economic activity and the jobs supported by State Forests? Board, if it is not clear by now, the State Forests do more than provide revenue for local essential services, though that is important. The State Forests also support year-round economic activity, particularly on the North Coast, but also across all counties represented by FTLAC. This economic activity is not easily replaced.

Board, what is to be gained by further restricting harvests in State Forests? Much like HCP/FMP/IP impacts, the Northwest Forest Plan resulted in a huge drop in harvest from federal lands, which had a massive impact on rural Oregon communities. In Tillamook County, looking back a generation or two, when USFS was actively harvesting timber, those harvest dollars went to our public works department and at that time, we had over 50 people in public works, with the equipment and manpower to have amongst the best roads in the State.

Today, with almost no USFS timber harvest, we have 14 people in public works and amongst the worst roads of any County in the State. With millions of acres of USFS lands held in reserve for habitat, we have seen that this plan has not restored spotted owl numbers. Additional habitat is not the answer. What will the HCP do differently to restore the spotted owl? I do not see any difference. Likewise, harvest levels under the Northwest Forest Plan never reached the levels anticipated under the plan. I fear the same will happen on State Forest lands. Will the board continue to dismiss the needs of local communities? Will the board continue to dismiss the needs of society at large for sustainable building materials?

Governor Kotek has stated that we need to build 37,000 housing units each year to keep up with the influx of people moving to Oregon as well as to combat our homelessness and houselessness problems. As you are probably aware, logs from private forest harvesting is permitted to be shipped out of our ports and out of Oregon, however, trees harvested in the State Forests must remain in the state. Last year we were able to harvest 198 million board feet from State Forests, this is equivalent to roughly 15,000 homes. By reducing the harvest to 165 million board feet annually, again the latest model



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numbers, we will hinder our ability to build homes for Oregonians and others across the nation. We will need to import lumber from outside of Oregon, which will cause the price of building homes to increase, thus bringing the price of a home even higher. The median price for new homes in Clatsop County is \$524,000. In Washington County, the price is \$619,000. These prices will only increase unless we have the supply needed locally.

Board, you have seen presentations advocating for rotations longer than are typical on industrial timber lands – in State Forests you have that. ODF has programs to increase use of mass timber products to help society use less cement and steel – the State Forests can provide the needed raw material for these renewable products.

When you see declining harvest levels from State Forests, consider that the decline is not balanced by increasing numbers of spotted owls, but instead lowers the ability of Oregon to produce much need building materials for homes and innovative new materials to lower society's carbon footprint.

The relationship between the Department of Forestry and the Counties has been strained in recent years. According to ORS 526.156, the Counties are statutorily directed to, “advise the Board of Forestry and the State Forester on the management of lands as well as other matters in which counties may have a responsibility pertaining to forestland.”

The statute goes on to state that “The Board and the State Forester shall consult with the committee with regard to such matters.” This, in my opinion, means that we should be having conversations about forest management, not just in the 15 minutes that FTLAC is allowed to testify. We should be communicating and working together to accomplish our shared goals of achieving “Greatest Permanent Value” in the state forests.

Chair Kelly, members of the Board, I would like to publicly declare, the Counties are ready and willing to work with you on the issues pertaining to the state forests; we simply need an invitation to the conversations. If conversations are currently being held, and they are, then they are being held without a significant player, your partners...the Trust Counties.

We need to work together to ensure the State Forests Division as well as County budgets stay solvent in whatever the decision is this Fall regarding the HCP and the future harvest levels. We need to work together to meet Greatest Permanent Value. FTLAC looks forward to the invitation and bringing our ideas to the table.

Board, ODF will bring you new data showing impacts of the HCP and FMP this fall. Chair Kelly, at the February 15, 2023 special board meeting you said that the board was not making a final decision and would consider new information before a decision is made. We expect and implore the Board to do just that.

We also expect that you will give FTLAC and the public time to assess the new data presented. Throughout this process, artificial timeline constraints have limited the opportunity for public discussion and review. At the same time, examples of ruinous impacts to communities have only increased while ODF still cannot provide estimates of the benefits to endangered species within the HCP.



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Between the draft environmental impact statement for the HCP and Implementation Plan modeling, harvest levels and County revenue dropped by about 25% with no change in the amount of conservation, no change in the benefits to endangered species. The board needs to put past direction, based on invalid analyses aside and assess the HCP with fresh eyes, with new harvest level modeling and new economic impact modeling.

With the Coho lawsuit settled and the HCP final environmental impact statement delayed, pending this modeling, you now have an opportunity to make necessary changes to the HCP. FTLAC is more than willing to join you in assessing the new modeling and how its impact to our bottom line will be affected for the next 70 years. That is what our communities, and the Counties, as your partners in State Forest management, deserve.

Thank you for your time this afternoon and I am happy to take any questions you may have.

Respectfully submitted,

David Yamamoto  
Tillamook County Commissioner  
Chair, Forest Trust Lands Advisory Council