



OREGON'S FAMILY FORESTLANDS

Why They
Matter To
The State's
Quality
Of Life

A Special Report
of the Oregon
Forest Resources
Institute

Oregonians who own up to 5,000 acres of forest are known as family forestland owners. Some earn their living by selling timber from their land; others have non-forestry careers that provide their primary livelihood. This diversity results in many different objectives for the land, and means that family forestland – 40 percent of the state's private forest acreage – significantly contributes to the quality of life that Oregonians desire. These forests provide many things that Oregonians value, such as varied wildlife habitat, clean water from forest streams, carbon storage, wood products and land kept forested rather than lost to development. With the right incentives, family forestland could contribute even more to Oregon's vitality. However, in many ways, these owners and their forests are threatened, both economically and socially, and losing them would be a blow to the state's ecological, economic and cultural future.

There is little question of the value of family forestland – with its mix of ownerships, management styles and wildlife habitat – to the diversity of Oregon's forest landscape and economy. But the challenges are significant and increased public awareness will be essential to encouraging policy changes that can help keep this type of ownership economically viable.

HIGHLIGHTS

- While family forestland owners contribute about 11 percent of the state's total wood output, production of forest products is not the primary motive for many family forestland owners.
- In a recent survey, family forestland owners listed over 100 occupations and professions – everything from doctors, educators, librarians, lawyers and engineers to accountants, florists, clergymen, journalists and firefighters as well as professional foresters.
- Family forestland owners can contribute significantly to meeting public values like wildlife habitat and water quality. However, there is a real cost to maintain and enhance these contributions, and it may not be economical or equitable for them to shoulder this entire burden alone.
- In the U.S., there are about five acres of forestland per capita today, but by 2060 that number is expected to drop to two acres. This will put enormous pressure on forestland owners to serve competing values.
- The family forestland population is aging – nearly half the owners are over 65 – and many families and heirs have joined the migration to urban centers and have little interest or financial ability to assume management responsibility.
- Losing forestland to development is a real risk, since much of the state's small woodlands is on the outskirts of residential areas and is highly desired for other non-forest uses. Increasing cost burdens may accelerate conversion of family forests to non-forest uses.
- Emerging developments such as conservation and recreation easements, biomass fuel markets and carbon credits hold some economic potential for landowners to offset the cost of increased environmental contributions.
- There is some potential for developing niche or specialty markets for locally grown forest products.

On the Cover: A Bald Eagle lands on Bob and Margaret Kintigh's family forestland outside Springfield. The Kintighs are winners of the 2006 National Outstanding Tree Farmer of the Year Award.



OREGON'S UNDISCOVERED TREASURE

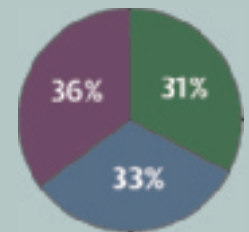
They number about 70,000, yet to most Oregonians, they are largely invisible. Combined, they own and care for almost 5 million acres of prime Oregon forestland. Half are 65 or older. Four of every 10 are female. Two of every three have owned their land for more than 25 years. Three of every four live on it. Half of them say they wouldn't sell it for any reason. For classification purposes, these 5 million acres are known as family forestland. Excluding public lands, that acreage constitutes around 40 percent of Oregon's total forestland.

In the Oregon Board of Forestry's strategy for sustaining environmental, economic and social benefits from Oregon's forests, family forests fit into the one-third that can be managed primarily for wood production. Public lands are divided between reserve forests managed primarily for older forest habitat and other environmental priorities, and multi-resource forests managed for a variety of uses.

However, these owners distinguish themselves quite differently than do larger company forestland owners, who manage primarily for timber growth and

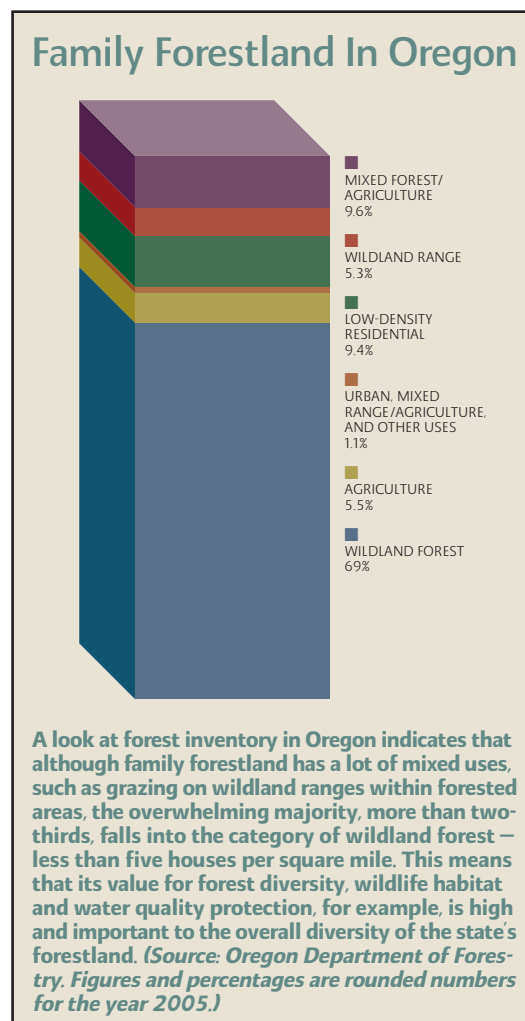
harvest. Family forest ownerships are smaller and their objectives and land uses are varied and their forestland is diverse. To forest professionals, scientists and wildlife experts, the existence of this rich and varied forested landscape is critically important to the diversity – not only in flora and fauna, but also in the economic potential – of the state's total forestland.

The 70,000 figure represents the number of family forestland owners in Oregon with 10 to 5,000 acres, according to preliminary estimates from the U.S. Forest Service 2006 National Woodland Owner Survey. Many family forestland owners (also known as tree farmers) have undertaken extensive improvements to their lands. They have planted trees, improved streams and riparian areas,



Oregon Forest Management Classification
Proportion of all forestland in each major management class

- **Reserve**
 - Not open for timber production.
 - City and county parks
 - State
 - Wildlife refuge
 - Parks
 - Recreation area
 - Wayside
 - Game management area
 - National
 - Park
 - Monument
 - Wildlife Refuge
 - Wilderness areas
 - Botanical areas
 - Ecological emphasis area
 - Late-successional reserve (LSR)
 - Administratively withdrawn
 - Area of critical concern
 - Natural Areas
 - Research Natural Areas
 - Proposed Research Natural Areas
- **Multi-resource**
 - Restricted timber production is allowed. Land is managed for other resources as well.
 - State
 - Research Areas
 - Forest
 - Scenic Waterway
 - Other
 - National
 - Scenic Area
 - Recreation Area
 - USFS and BLM
 - Matrix
 - Adaptive Management
 - Cooperative Management Area
- **Wood Production**
 - Actively managed for wood production.
 - Tribal lands
 - Private industrial lands
 - Family-owned lands





Anna Starker May
Forester
Starker Forests
Corvallis

Starker Forests epitomizes both the past and the future of family forestry in Oregon. Four generations have worked in their forests, most recently Anna Starker May and her brother, Jim, great grandchildren of founder T.J. Starker. Education is a huge part of surviving as a viable business in today's changing forestry market and Anna studied forestry at OSU like her father, grandfather and great grandfather. "I've known since I was little that I wanted to continue the legacy my family has built here," she said. "We grew up in these woods and working in the office." Anna feels strongly about the company's public outreach efforts and school programs, believing in the importance of good relations with the general public and their neighbors.

enhanced wildlife habitat, conducted sustainable harvests, reduced fire hazards, maintained roads and created forest management plans for keeping their land healthy and sustainable. On the other hand, some of them have taken on little or no active management, and have been content simply to enjoy the beauty and scenery of their sylvan setting. In fact, in a recent member survey conducted by the Oregon Small Woodlands Association (OSWA), production of forest products is not a primary reason for owning forestland.

Who Are They?

"Basically, they are you and me and you may say 'hello' to one every day," says Mike Gaudern, executive director of OSWA. What he means is that these owners are as diverse as their forestland. In the OSWA survey, owners listed over 100 occupations and professions – everything from doctors, educators, librarians, lawyers and engineers to accountants, florists, clergymen, journalists and firefighters as well as professional foresters.

Although there are family forestland owners throughout the state, said OSWA president and forestry consultant Mike Barnes, they are likely to be your suburban neighbors if you live in the outlying areas of Oregon's metropolitan centers. While the larger forest products companies tend to own more rural land at higher elevations, much of the state's family forestland – with many exceptions, of course – is situated in ecologically important, lower elevation settings, often near residential areas.

What They Care About

Despite their numbers and value to Oregon's forestland diversity, family forestland owners are, in many ways, a threatened breed. "In the big picture," said former State Forester Jim Brown, "there are in this country about five acres of forestland per capita today, but by 2060 that number will drop to two acres. That's going to put enormous pressure on both large and small forestland owners to keep their land in forest. We're now at a juncture of determining what happens to that land as population density and the resulting housing demand increases. And we need to address what policy scheme is necessary to make that happen. Society has to figure out what it wants forestland to provide, and that's a tall order at best, because society generally is not conscious of forestlands, other than thinking they'll always be there."

When family forestland owners get together to discuss common issues and concerns, several themes emerge with regularity. The first is the simple one of recognition, a desire on the part of owners to be recognized by the general public for their contribution to Oregon's forestland diversity and the potential public benefits their forests provide. In addition, there is a real economic cost to

Committee for Family Forestlands

In January 2000, sensing the importance of family forestland to the diversity of the state's forests, the Oregon Board of Forestry established the Committee for Family Forestlands. Specifically, the committee advises the board and the State Forester on family forestland issues by monitoring forest policy development and its potential effect on small landowners. It also helps the board determine the types and levels of assistance measures needed for family forestland owners. Recognizing the way outside factors like globalization, access to timber markets and shifting ownership patterns are making family forestland ownership more difficult, the committee's role in keeping the Board of Forestry informed is increasingly important. The



committee's 10 members are appointed by the Board of Forestry and include representatives from the family forestland, forest industry and environmental communities, as well as ex-officio members from the OSU College of Forestry, Oregon Forest Resources Institute and a representative from the State Forester. As part of its work, the committee conducts numerous public meetings to discuss items on its annual work plan. It also plans and conducts workshops and major symposia on topical subjects related to family forestland.

The WOW Network - Women Owning Woodlands

Most people are surprised to learn that 40 percent of family forestland owners are women, according to a recent Oregon survey. "There are other reasons, but what often happens," said Nicole Strong, a statewide forestry instructor and Master Woodland Manager Program coordinator with the OSU Extension Service, "is that the husband of a family dies and leaves ownership to his wife. More often than not, she has no forest management experience and doesn't know what to do with the land. In such a state, widows often become victims of individuals or companies that send them letters telling them their forests are in bad health and need logging." The turning point for Strong came at a forestry gathering where all the women were talking together in one corner, away from the group. Sara Leiman, a forestland owner from Monroe, observed the group and approached Strong about an outreach program for women. The idea immediately resonated and the Women Owning Woodlands (WOW) Network was born. The steering committee consists of Strong, Jerri Obrien, Sara Leiman, Elissa Wells, Brenda Woodard, Sara Deumling and Beverly Koch. WOWnet exists to recognize the growing number of women taking active woodland management roles, to raise their basic forestry and decision-making skill levels through hands-on educational opportunities, to support and increase women's access to forestry-related resources and to encourage communication among Oregon's women woodland managers through the development of state and local networks. Strong says that WOWnet is Willamette Valley-oriented right now, but the hope is to make it statewide. Founded in 2005, it already has over 200 members, and has held some 20 events in its first year.





John Bliss
Professor and Starker
Chair in Private
and Family Forestry
Oregon State University
Corvallis

"Family forestland owners are an important resource in Oregon in the same way the land is a resource," said John Bliss. "These are the people out coaching soccer and little league, joining the PTA - the mainstay of the rural communities of our state. Retaining this segment of ownership is important from a social as well as an economic standpoint. For whatever reason, the forestry profession has historically looked at small forest landowners as a problem to be addressed because they're unpredictable in their opinions and methods. Empirical tests have shown, however, that this diversity of values is the very thing that makes them a crucial part of our diversity in landscape."

providing all the benefits desired by the public, such as more area devoted to healthy, diverse wildlife habitat. The threat and uncertainty of additional regulatory costs or taxation translate into burdens that could make forestland ownership uneconomical and make the sale of these lands for non-forest land uses – such as development – more likely over time. It may not be economically feasible or equitable for landowners to shoulder these burdens alone. And rising cost burdens may accelerate conversion of family forests to non-forest uses.

Other issues and concerns are more internal, though not without a public dimension. Family forestland owners see a value in communicating among themselves. It may be to promote good stewardship, galvanize their membership for collective representation in the policy arena, or to address critical questions like ownership succession and intergenerational transfer. Their population is aging – nearly half (49 percent) are over 65 – and often families and heirs have little interest in managing forestlands. Other issues relate to economic viability – seizing opportunities like the emerging incentives offered by global climate change and biomass fuel, and developing markets for locally harvested forest products.

SHARING THE BENEFITS

Bob Kintigh and his wife, Margaret, have for years operated and made a living from their family forest outside Springfield. In 2006 – having previously won at the county, state and regional levels – they were named National Tree Farmer of the Year by the American Tree Farm System. When asked what the public should understand about family forestland owners, Bob paused a moment to collect his thoughts. "They're just a bunch of ordinary good citizens working hard, taking care of their land and keeping it productive," he said. "I've been cutting trees for years on the same piece of land and I have more timber today than when I started."

Family forestland owners annually harvest approximately 425 million board feet of timber, or about 11 percent of the state's total wood product output. They have become very important as the "marginal log supplier" in Oregon, a niche that used to be filled by federal lands. With federal timber harvest at historically low levels, timber supplies from family forests have become very important to mills as they try to ride the ups and downs of global markets.

According to Kintigh, "We take care of our trees and follow Oregon's Forest Practices Act. We're proud of the way we do it. We're also supplying a product the public needs and wants. If we're complying with all the best management practices and the state's forest protection regulations, why shouldn't we be able to harvest trees responsibly on our own land?"

A SHARED LOVE OF THE LAND

“Bob is articulating a common sentiment among small forest landowners,” said John Bliss, professor of private and family forestry at Oregon State University (OSU). “They want the public to understand who they are and what they’re doing. The irony is that these owners and the general public share many of the same values when it comes to preservation and conservation.”

“Their knowledge and love of the land is readily apparent,” he said. “One of the ‘ah-hah’ moments I can count on having when I talk with these landowners is the realization that they have an understanding about something that’s happening on their property that’s completely outside the conservative-liberal, Democrat-Republican, kinds of dichotomies we sometimes set up. That deep knowledge and level of sophistication is something you don’t always anticipate.”

“My dad could tell you more about salmon health in his part of the state than anyone,” said Gary Springer, a forester with Starker Forests in Corvallis and a small forest landowner going back several generations. Gary’s father, Thad

Springer, has walked his streams and counted coho each season for years. “No one asked or ordered him to do it. Taking good care of his streams is part of his understanding and attachment to his woodlands. We love this land,” he said, “and that’s why we choose to live on it.”

Clint Bentz, an accountant in Stayton and a forest landowner, understands this clearly, but believes it has not been well articulated. “Whether we’re talking about Oregon’s 70,000 or the 10 million family forestland owners nationally, we’re just not by nature a cohesive body,” he said. “It’s not that we disagree – although we do enough of that – but we are all out there for different



Gary Springer
Forester
Starker Forests
Philomath

Gary Springer believes that a strong connection with the public is the key to ensuring that family forestland remains a viable option for landowners throughout Oregon. “For a while now, we’ve really been preaching to the choir – we’re very successful at outlining the challenges facing small woodland owners, but how do we reach out to the general population to help them understand what we do?” Springer is a key part of the educational component of Starker Forests, helping organize events, tours and even school field trips to help achieve what he calls a “social license” to practice forestry. “It’s a great feeling when we have an educational field tour, and get people from urban areas to see salmon spawning in a stream, or the care we take to ensure sustainability within our working forests.”



Anna Starker May is the fourth and latest generation of Starker family to tend the family’s forestland outside Philomath. Her father, Bond (standing at left), and his brother, Barte (right), both professional foresters, have been stewards of the land since their father’s death in 1975. Anna holds a portrait of her great-grandfather, T.J. Starker, who was a member of the OSU College of Forestry’s first graduating class over a century ago and founder of Starker Forests.



Brenda Woodard
Family Forest Landowner
Douglas County

Brenda and her husband, Dale Cuyler, have long had an interest in tree farming, and gradually acquired about 400 acres over the course of their careers in the U.S. Forest Service, actively managing it throughout their ownership. Now retired from their government jobs, they both look at their forestland as many things: a source of enjoyment and recreation, a supplement to their retirement, and a boon to their community. "We both believe in utilizing local services because harvesting wood from our land is creating new wealth. We use local loggers, truck drivers and even a mill here, so we're enhancing our region on many levels," said Woodard. "Besides doing our part to help the economy here, we're harvesting in a sustainable way, adding volume on the stump each year."

reasons. We are 10 million landowners with 10 million management styles and goals. Those differences are what help create needed diversity in the forest landscape, which is part of our public and societal value. But getting us together to speak with a common voice, whether as a political force to lobby for policy change or to communicate with non-forest owning Oregonians, that's a challenge."

Perpetuating Good Stewardship

For some family forestland owners, particularly those who are not using their timber as a primary source of income, active management can be sporadic. For that reason, they often are less aware of or up to date on best management practices. These owners benefit from the availability of expert advice from stewardship foresters who work for the Oregon Department of Forestry (ODF) and extension foresters from Oregon State University.

"Trees grow slowly," said Mike Barsotti, recently retired from ODF. "As a result, a landowner may undertake a particular management action only once in his or her ownership tenure, so institutional memory is short. That's why it's important to be there for them when they have a need for assistance with anything from harvest to habitat enhancement."

Rick Fletcher, an extension forester and professor with the OSU Extension Service, said that many landowners lack information because they are not conducting business every day. "That also makes them vulnerable to being taken advantage of," he said. "A unique feature of their lives is that there is real value in their timber inventory, but they're not aware of how to value it, which can create problems from them in unexpected areas, like estate planning. We can be of service to them there as well."

More active landowners also find the assistance of stewardship and extension foresters valuable from a professional perspective in their day-to-day operations. Assistance is available from other sources as well, such as members of the Association of Consulting Foresters and through some county forestry programs.

Carrying on the Tradition

In a large percentage of forestland-owning families, children do not have an interest in continuing the tradition or may not have the financial resources to do so. The pressure to migrate to urban areas is leaving an aging group of forestland owners in a quandary when it comes to passing the mantle. When he became aware of the ownership succession problem, Clint Bentz decided to do something about it. Bentz grew up on a 700-acre "stump ranch" outside Stayton that his father and two uncles had bought for cattle grazing. Bentz went on to college, studied accounting and moved east, but he describes the tug of the land like a rubber band, with his heart nailed to the life he knew growing up. So he

Family Forestland's Value To Oregon

The varied objectives of Oregon's 70,000 family forest landowners add complexity and diversity to the state's forests. This land classification constitutes some 40 percent of Oregon's private forestland and provides numerous and often unrecognized public benefits.

Water Quality & Fish Habitat

The excellence of Oregon's drinking water is due in large part to its origins in forest watersheds. Forest streams and rivers also provide better habitat for salmon and other fish, whose numbers increase in healthy aquatic habitat.

Native Plants

Family forestland often has a healthy understory of native vegetation. Plants like salal, various ferns, hazelnut and salmonberry provide ground cover that protects soils from direct rainwater and resultant erosion, as well as habitat for wildlife.

Wildlife Habitat

Forest complexity and diversity of the kind often found in family forestland — like varied tree species and sizes, and a rich understory — result in similar richness and diversity for wildlife habitat.

Carbon Sequestration

Trees play a major role in removing and storing carbon from the atmosphere. This is an important consideration for Oregon because of its rich and vast forest resources.

Recreation and Aesthetics

The aesthetic value of Oregon's forests cannot be overlooked. Family forestland owners often make their land available to the public for recreational uses such as hiking, camping, hunting and fishing.

Non-Timber Forest Products

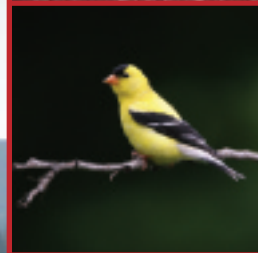
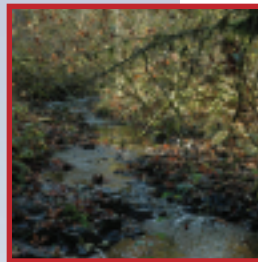
Forests provide a range of products other than timber, from mushrooms to floral greens and wreath material.

Wood Products

Oregon leads the nation in softwood lumber production. Wood products contribute approximately \$22 billion, about 11 percent, to the state's economic output.

Jobs

The forest sector provides over 85,000 jobs in the state, or about 10 percent of Oregon's labor income. Wages average about 18 percent higher than the average for all sectors statewide.





Carol Whipple
Family Forest Landowner
Douglas County

While her current land ownership dates back only to 1962, Carol Whipple's family roots in Douglas County extend back six more generations to the pioneers. Both her father and grandfather operated a sawmill in nearby Drain. It is this connection to the land that makes her and other landowners like her want to be good stewards of their forests in order to ensure a legacy for future generations. In the past, her property had been used primarily as rangeland with some minor forest operations. In the last decade, Whipple has begun much more intense management, and has averaged 60 acres per year of planting new trees on her property, gradually converting former rangeland into forest.

left his career and moved home to work the land with his father, earning the National Tree Farmer of the Year award in 2002.

Both he and his father had seen families devastated by the inheritance process, so they sought a way to leave their property better than they found it, and pass it down so that future generations could continue the relationship. In his accounting practice Bentz says he had seen it all: "...brothers suing sisters; timber harvested prematurely; families torn apart by bickering, dissension, greed and disappointment; lives ruined by sudden wealth; and lifetimes of hopes and dreams ending in confusion, sorrow and bitterness."

Ties to the Land

"Families just didn't have experience with ownership succession or intergenerational transfer," Bentz said. "Most either split properties or had big fights and bought each other out. When parents leave land to their kids equally, they often don't have any experience in being partners. It's the responsibility of each generation to convince the next generation that it's a good thing to do. If at some point they don't love the land, then someone else who does should own it." Looking for some structure or resource for helping these families and not finding any led him to work with Oregon State University and OFRI to develop a program he called Ties to the Land.

The program's essence is to help landowners plan for succession while avoiding common pitfalls. Rather than selling their land, dividing it among heirs or leaving it to only one child, landowners are guided through ways of leaving their estate to all the children equitably. Bentz's background in accounting made him familiar with the ways of setting up business entities like family limited partnerships and limited liability companies that help owners gift or sell ownership interests to their children.

A Living Legacy

A key element of the program involves landowners learning to communicate their passion and vision for the land, focusing on its heritage value, sustaining a family legacy and the environmental and recreational benefits. Brenda Woodard, a retired U.S. Forest Service forester and a landowner in Douglas County, is the daughter of a former Lane County Extension Forester, Steve Woodard, who was the Oregon Tree Farmer of the Year in 2004. He lives on the tree farm that has been in his family since his grandfather purchased it in 1948. "His vision and passion are what inspired my husband and me to become forestland owners," she said. "If you want to share your legacy and see it live on, you've got to create opportunities for your family members to get connected to your land." Every July 4, the couple puts on what they call Camp Cuyler,

The Oregon Small Woodlands Association

In Oregon, the largest group that represents the interests of family forestland owners is the Oregon Small Woodlands Association (OSWA). Its vision is to see privately owned family woodlands remain a thriving part of Oregon's landscape through the mid-century and beyond. The association serves several functions for landowners.

- It keeps them aware of current research related to applied forestry practices and management issues.
- It provides a forum for the exchange of ideas among small and large landowners, public agencies and forestry professionals.
- It serves as a medium for investigating and solving problems related to sustainability, protection measures, improved management, harvesting, marketing and other business issues.
- It represents the collective voice of family forestland owners in legislative and policy affairs and in communications with the general public.

OSWA represents some 3,000 family forestland owners who collectively own over a half million acres. Members keep abreast of the latest issues and forest practices through regular newsletters, communications tools like email and Web services, and a range of statewide



and regional workshops. There are currently 20 chapters in the state representing 26 counties. Each offers local activities like tours, workshops and classes tailored to better management in their specific regions. Said current OSWA president Mike Barnes, "Our guiding principle is to promote better stewardship of the land and help keep family forestland a working, viable and thriving part of the Oregon landscape in future years."

The Oregon Tree Farm System

Most people traveling Oregon's smaller roads have seen the small, green and white diamond-shaped signs, reading "Certified Tree Farm, American Tree Farm System: Wood, Water, Wildlife, Recreation." As a national organization, it has been around since 1941 under the American Forest Foundation. Current Oregon chair Mike Barsotti, a retired ODF forester, said that membership requires a written management plan based on international sustainability standards.

The Tree Farm System also administers the annual "Tree Farmer of the Year" competition on the county, state, regional and national levels, and Oregon has had more than its share of winners. Bob Kintigh of Springfield won the National Tree Farmer of the Year title in 2006, and Ron Bentz of Stayton captured the title in 2002. Burt Udell and Wayne Krieger preceded them as national award winners. Barsotti says he is excited about helping landowners practice good forest management.

Other certification systems operating in Oregon include the Sustainable Forestry Initiative and the Forest Stewardship Council.





Bob Kintigh, CF
Kintigh Tree Farm
Springfield

Each year, the American Tree Farm System holds county-wide contests to judge the best family forest. Winners of each county compete at the state level and state winners compete in one of four regional competitions, and each of those winners is voted on by a national committee to determine the national tree farmer of the year. Bob and Margaret Kintigh's 250 acres surrounding their house has been the object of much admiration over the years, as Bob is an active advocate of well-managed forestland at a small scale. It was only fitting, then, that they were named 2006 National Tree Farmers of the Year. "We're doing something we like while filling a social obligation in a responsible way," said Kintigh. "I like to say that tree farmers are filling four basic needs: wood, water, wildlife and recreation."

inviting all the potential heirs and their extended families. "They just bring their tents," she said, "and we provide the food, camping site and everything else. We try to pick different activities each year, each one having something to do with a different aspect of forestry or type of management. We're trying to create curiosity about forestry as well as pleasant memories and an attachment to a piece of land."

Every landowner's situation is unique, said Bentz, and there are many examples of successful intergenerational transfer. Carol Whipple lives not far from Brenda Woodard in Douglas County where she grew up, and her ties to the land are strong. In her case, succession meant a younger neighbor, Paul Zolezzi ("For all intents and purposes, practically my son," she said), who grew up working on her land. They set up a limited liability corporation in 1996 and work together managing the property, which these days involves an active regime of converting much of their rangeland back to forest. "It's nice to have your feet firmly planted, but not stuck," she said.

For Anna Starker May, her interest in her family's forestry business started at about age 12 when her father and uncle would take her, her brother and cousins into the woods to watch different management activities and give her odd jobs around the office. Anna is the fourth generation of her family to be involved in Starker Forests in Corvallis. Her great grandfather, T.J. Starker, was in the first graduating class of the College of Forestry at OSU, in 1910. Across the state in North Powder, Justin Heffernan, whose father, Chris, served on the state Board of Forestry, worked on his family's range and timber operation, went off to college, then decided that family forestry was the life he wanted for himself and has returned to the land. Examples like these illustrate Bentz's contention that if early ties to the land can be established, then there is hope for carrying on the tradition of family forestland.

Markets for Local Forest Products

Some family forest landowners are well connected to traditional timber markets and mills and rely on timber sales to support the economic viability of their forest operations. Without those market incentives they may be financially pressured to turn to other land uses such as development or agriculture.

However, most family forestland owners are not in the business of marketing products, and are not well connected to the general timber marketplace because they are not selling logs on an annual basis. This is an especially significant problem on the east side of the Cascades where mills have closed over the past decade due to lack of wood supply from federal lands. Eastside family forest landowners such as Lynn and John Breese, if they can find processing facilities

for their logs, have to pay extra for long hauls. Many landowners have an intuitive sense that there might be a good market for locally harvested forest products, but are unsure of the steps needed to develop it. But there are certain signs that the public might be ready for this market niche.

“Markets are emerging for small woodland owners to add value to their products,” said Martin Goebel, executive director of Sustainable Northwest. “There is the potential to market them locally, and gain income from non-traditional products. Members of Sustainable Northwest’s partnership, ‘Healthy Forests, Healthy Communities,’ are seeking market-driven solutions for restoring forests and community vitality, and other non-profit groups are working toward the same goal. Active restorative forestry is becoming more socially acceptable. Such reinvestment in the land helps retain forest as forest.”

Just west of Portland in Hillsboro, Tom Nygren, a retired forester with the U.S. Forest Service, has been instrumental in activating a woodland cooperative. The Oregon Woodland Management and Sales Cooperative in Washington



Brenda Woodard and her husband, Dale Cuyler, spent their careers as professional foresters for the U.S. Forest Service. Like many family forestland owners, they are attached to their land for other than purely economic reasons. “From the beginning,” she says, “we thought of harvesting as something that would supplement our retirement. Timber is like an IRA that is tax deferred on the stump – you don’t pay taxes until you harvest it.”

County actually began in 1981, but its activity had dwindled over the years. A few years ago Nygren, who prefers working at the local level and likes to share his knowledge, helped put together a successful value-added planning grant with the U.S. Department of Agriculture. The business plan is now completed, and the co-op is being implemented. The co-op method of sharing resources and providing leverage in the marketplace is yet another approach to creative marketing for small landowners.

A Bold New Experiment

Out on Mt. Richmond about an hour west of Portland, many assumptions about the viability of a market for specialty wood products from locally harvested



Jim Brown
Former State Forester
Salem

“From a policy perspective, the public needs to decide what it wants from our forests in the future,” said Jim Brown. “If you look at the history of our policies that are currently in place, most of them kept evolving over time. During the past several decades, however, they’ve basically stayed the same. So many of our current rules are from a different era. We need a contemporary set of policies.” Brown says he became interested in family forest landowners as a group about 10-15 years ago when harvest was restricted on federal lands. The dynamics within the industry started to change, and these small landowners went from being an afterthought to playing a significant role in the state’s forestland contributions.

ODF Offers Landowner Assistance

The Oregon Department of Forestry, through its Private Forests Program, assists landowners by providing professional expertise on good forest management, compliance with the Oregon Forest Practices Act and effective solutions to specific landowner problems. Each year ODF Stewardship Foresters inspect some 17,000 harvest sites prior to or after timber operations. They offer advice on best management practices and, when necessary, corrective actions. Landowners turn to them for advice when planning and conducting projects like stream improvement, wildlife habitat enhancement or road construction and maintenance. Stewardship foresters are particularly helpful when landowners are planning operations in sensitive locations, such as around fish-bearing streams, spotted owl or eagle habitat, or land with sensitive terrain issues like steep slopes and landslide risks. ODF Stewardship Foresters also are familiar with a variety of financial assistance programs available to landowners designed to create social, economic and environmental benefits over time. For example, the United States Department of Agriculture, through its Forest Service Cooperative Programs, provides technical and financial assistance through State Foresters to landowners, communities and tribes to foster sustainable natural resource management. Some county forestry programs, including Douglas and Deschutes, also offer technical assistance.



OSU Extension Service

If one thinks of resources helpful to family forestland owners as a three-legged stool consisting of technical assistance, financial incentives and educational programs, the latter is the mission of the OSU Extension Service. "Our role is forestry education," said Jim Johnson, associate dean of Extended Forestry Education with the OSU Extension Service, "and we serve the whole spectrum of landowner needs from those of new owners to the most knowledgeable long-time practitioners." For more advanced owners, the service provides an intensive, six-to-eight month Master Woodland Managers program to train owners to be volunteers to help other owners. The Extension Service accomplishes its goal of helping people understand the complex issues of forestland ownership through workshops, volunteers, demonstration areas and publications. Subject areas include everything from regeneration and harvest to valuing timber and market issues. Educational subjects also include broader management objectives like enhancing fish and wildlife habitat, reducing fire risk, increasing biodiversity and achieving



sustainability goals. Some programs are based at OSU in Corvallis, while others are offered throughout the state and focus on the issues of the particular forest ecosystems of specific regions. Programs often draw on the expertise of consultants and other forestry professionals and scientists. Johnson also said that while the ODF Private Forests Program and OSU Extension Service are separately managed, in reality, both work very closely together to help landowners.

forests are being put to the empirical test. Peter Hayes, a recently appointed member of the Oregon Board of Forestry, and his wife, Pam, assisted by forestry consultant Mike Barnes, have taken a big gamble that there are people who will pay a little extra for knowing where their wood came from, that it was harvested in the most ecologically sensitive manner, and that it was milled there in the forest where it grew and dried onsite in a hand-built, solar-powered kiln. “If there are consumers who shop at farmer’s markets and pay a little more for locally grown, organic produce whose source they know,” Hayes said, “then there ought to be people who feel the same about wood products.”

What Hayes calls high conservation value forestry is really a somewhat unconventional approach to traditional forestry. For example, because of their commitment to ecological diversity, they have cut down some very marketable Douglas-fir to help restore a stand of Oregon white oak, a wood with relatively little market value, but high ecological value. Sara Vickerman of Defenders of Wildlife says white oak ecosystems historically were common to western Oregon valleys and lowlands and they supported a good deal of wildlife diversity, but for a variety of reasons they are very scarce today.

Peter and Pam actually have developed a market for white oak and other undervalued hardwoods, which make excellent flooring, specialty lumber and countertops. Because they harvest, mill and dry wood onsite and sell directly to architects, builders and consumers, they can make considerably more than selling raw timber to local mills. Hayes is passionate about what he is doing, but looks at this new venture with the quiet modesty of a student of forestry, still learning. While he and Pam acknowledge the risk, they see their work as an important experiment in shifting forest diversity from being a liability to being a financial asset.

SHARING THE COST

In 1971, Oregon became the first state in the country to enact a set of laws governing timber harvest and forest management. Since its inception, the Oregon Forest Practices Act (OFPA) has grown and continued into one of the most comprehensive sets of forest management regulations in the country, and one that has been improved periodically to respond to both scientific advances and to society’s expectations for its forests.

Protection regulations, however, though necessary and supported by the forestry community, do not come without a price. When, for example, streamside zone regulations increase buffer width along streams, that loss of usable areas on certain properties may add up to a significant percentage of the ownership



Mike Barnes
Forestry Consultant
Newberg

Mike Barnes, who deals with family forestland issues both as a forestry professional and personally on his own land, believes the major stumbling block today for these owners is public education and outreach. “The public tends to look at forestland as either public or industrial, with no middle ground,” he said. “Unless they have a family member who owns land or has studied forestry, most people would be very surprised to learn that small owners not only control a huge amount of acreage in the state, but most of it is in the critical valleys and lowlands that are affected by issues like urban/wildland interface and conversion to development. Education is a necessary part of addressing family forest owners’ needs going forward, as the same policies enacted to regulate large companies may not succeed on a small woodland property.”



Clint Bentz
CPA and Family Forest
Landowner
Stayton

Clint Bentz personifies the ideal of intergenerational transfer. With no background in forestry, but a strong bond with the land on which he grew up, he moved back home and enrolled in OSU's Master Woodland Manager Program, which he credits with changing his life. "The people and the content of the program are just amazing," said Bentz, whose property encompasses 700 acres of multi-use land. "After going through it, we decided to start planting more trees on former grazing land, and returning it to the state it was in a century ago. We need more people to rediscover their love for land where they spent their childhoods." Bentz's father was the national Tree Farmer of the Year in 2002, and is currently the first landowner to chair the American Tree Farm System.

being unavailable for timber harvest. The value of trees left behind in these buffers to maintain stream quality and for fish and wildlife habitat also can be substantial. The same is true of land and trees set aside for endangered species and other wildlife habitat protection. By relying solely on regulation, the public demand for increased environmental benefits puts a significant cost burden for these benefits on the landowner.

Small woodland owners agree with the need for protection regulations, but simply want the burden to be shared more equitably. John Bliss recalls a conversation with Bob Kintigh, who was commenting on the cost of complying with OFPA regulations. When Bliss asked if family owners would be better off without the OFPA, Kintigh, a former state senator, quickly replied with pride, "Oh no, I helped draft that legislation!"

Conservation Incentives

At the same time, Oregon's family forestland owners would prefer more programs offering incentives for enhanced conservation. There are policy measures that can address the cost burdens created by additional regulations. Steve Hobbs, professor and associate dean at Oregon State University's College of Forestry and chair of the state's Board of Forestry, said, "Lawmakers should be aware, as they create public policy, of maintaining an environment where it is economically viable for people to continue managing this forestland. If we don't, it's going to go for development and be lost." Many small forest landowners are already faced with acreage that is worth much more for development than for timber production.

Ron Cease sees the problem from the perspective of a former legislator and professor of political science and public administration at Portland State University. He has looked closely at the issue in his role as chair of the state's Committee for Family Forestlands. "If you're going to require regulations and restrictions," he said, "you have to be looking at the other side of the coin – in other words, 'How do we help them?'" As Jim Brown put it, "Fundamentally it comes down to some form of having the public help pay for ecosystem services instead of doing it solely on the backs of the landowners. You can't solve this issue within the forestry community alone – it will require policy on a much larger scale." Perhaps landowner Clint Bentz summed it up best when he observed that "only 4 percent of the population owns and lives on rural land, and it's the other 96 percent who are going to be making the laws that govern them."

Family forestland owners see a number of options for addressing the issue. One would be to develop financial incentives for maintaining and enhancing environmental values and services. For example, the state of Georgia offers an

incentive program for landowners who have entered into Safe Harbor Agreements to protect the red cockaded woodpecker. Largely funded with federal monies, the program assists landowners who submit a management plan and agree to carry out specific management actions within a 10-year period.

Other options include enacting tax credits for keeping land in forest uses and easements for recreation access and wildlife habitat. Policy and market incentives could be enacted for managing forests according to even stricter environmental standards than are currently required by the OFPA. Similarly, Oregon's land-use regulations could be reformed to encourage private forestry that would enhance public values. These changes and incentives would build on existing tax breaks designed to help lower the burden of holding forestlands.

Yet another option is to take the entire forest landscape into account (e.g. through ODF's Forest Assessment Process) in determining whether or not old-growth habitat and other public values are adequately addressed. This may help avoid the problem of disproportionate burdens being placed on certain owners.

Resources For Family Forestland Owners

Oregon Department of Forestry – Private Forests Program

<http://egov.oregon.gov/ODF/>
503-945-7200
Stewardship Foresters, Forest Practices Assistance, Forestry Incentives, Forest Health Information

Committee for Family Forestlands

<http://www.oregon.gov/ODF/BOARD/CFF/cff.shtml>
503-945-7472
Provides advice to Board of Forestry and State Forester on issues affecting family forestlands

Oregon Small Woodlands Association

www.oswa.org
503-588-1813
Landowner Organization, Workshops, Tours, Newsletter

Oregon State University Extension Service

www.cof.orst.edu/cof/extended/extserv
541-737-3700
Forestry Extension, Master Woodland Managers, Publications, Workshops

Oregon Forest Resources Institute

www.oregonforests.org
1-800-719-9195
Publications, Workshops

Society of American Foresters

www.forestry.org
503-224-8046
Certified Forester Program, Workshops

Association of Consulting Foresters

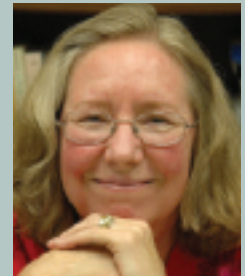
www.acf-foresters.org
703-548-0990
Find-a-Forester Program

Oregon Tree Farm System

www.treefarmsystem.org
503-362-0242
Tree Farm Certification, Tours, Newsletter

Other Creative Compensation

There are today some emerging methods for acknowledging the value of family forestland through creative forms of compensation, and environmental groups have been involved in promoting some of them. Sara Vickerman, director of the Northwest office of Defenders of Wildlife, said that her organization is concerned about the family forestland issue because of their interest in habitat. "Many of these owners are not motivated primarily by harvest for income. We work with them to develop ways of protecting wildlife habitat, like extending harvest rotations for species that need older forest structure, for example."



Sara Vickerman
Defenders of Wildlife
Portland

Sara Vickerman sees many ways that family forestland owners can contribute to the biodiversity in Oregon's forests and across the nation. "The interesting thing about this ownership is that many of them are not primarily motivated by harvest for income," said Vickerman. "The vast majority really wants to do what's best for the land and the environment." Defenders of Wildlife is focusing on a few key areas to protect wildlife and habitat diversity: extending rotation ages before harvest, a decrease in harvest intensity and putting land under conservation easements. Many of these activities have monetary benefits now that could increase in the future. Conservation easements that prevent development and specify certain management standards can provide income to landowners. A demonstrable change in management can lead to carbon credits that may be sold, and the price for carbon is likely to increase as mandatory cap and trade systems are adopted.



Tom Nygren
Family Forest Landowner
Forest Grove

As a retired forester with the U.S. Forest Service, Tom Nygren knows a lot about forest management. Since purchasing an 80-acre wooded home site in 1997, he has used that knowledge to manage his own land and become deeply involved in helping local family forest owners. He has become an integral part of a cooperative of owners who have banded together to try to leverage the marketplace, market their timber and share the services of a professional forester. The Oregon Woodland Cooperative applied for and received a USDA planning grant last year, which allowed it to complete a detailed business plan with the help of OSU and private consultants. He believes this type of cooperative can be a model for others, so he volunteers much of his time helping the co-op implement the business plan, with the assistance of a USDA working capital grant. He also produces a monthly newsletter for the Washington County Small Woodlands Association, from which he gets feedback and ideas for local projects.

Ecotrust, a conservation organization based in Portland, is focusing attention on diversifying family forestland through such activities as selling conservation easements and forest carbon credits. Brent Davies of Ecotrust told a symposium of family forestland owners that “conservation-based strategies” have emerged in Oregon to help sustain family forestlands. These include the Northwest Sustainable Timber Growers, whose members are certified as sustainable by the Forest Stewardship Council and who mill and market their logs in the United States.

The Nature Conservancy has been buying forestland and managing it for



Peter and Pam Hayes stand in front of a solar dry kiln they built right in their forestland about an hour west of Portland. The couple is seeking new approaches to traditional forestry in the belief that there is a viable market for wood that is managed, milled and dried right in the forest where it is grown. Working on a small scale, they are able to meet the custom needs of architects, builders and individuals who want smaller quantities of high-quality, specialty wood products that are sustainably grown, harvested and manufactured. Their prime motive, they said, is to seek ways to improve the economic viability of owning forestland.

environmental values, including restoration of forest health, habitat and fire resiliency. The Conservancy also has been active in promoting the development of biomass plants that would generate power as a means of creating a market for wood thinned from overstocked, fire-prone forests, primarily in southern and eastern Oregon.

There are now organizations like the Carbon Trust of Oregon that essentially “buy” carbon credits from landowners who grow trees or manage their land in ways that result in more carbon storage. A more complete treatment of the subject appears in “Forests, Carbon and Climate Change,” a special report available from OFRI by request.

Family forestland owners see potential in these emerging opportunities, viewing them as possible ways of creating jobs and business opportunities that improve economic conditions and the environment. They can stimulate communication among forest landowners, environmental groups, manufacturers and consumers, and reconnect urban and rural Oregonians through the marketplace.

FAMILY FORESTRY'S FUTURE

There is little question of the value of family forestland – with its mix of ownerships, management styles and wildlife habitat – to the diversity of Oregon's forest landscape and economy. But the challenges are significant and increased public awareness will be essential to encouraging policy changes that can help keep this type of ownership economically viable. Among other things, these changes should address the pressures on the young, future generations of owners, many of whom are leaving the land for more financially rewarding careers in urban areas.

Whatever engages or excites the younger generation about family forestry ought to be pursued, said Clint Bentz. “Once you get connected,” he said, “once that tie to the land has been established, then the future of family forestland becomes brighter. But if 20 years from now all this land is not owned by people who love and live on it, the political pressure on them to liquidate and get their money out of the land will be unstoppable.”

John Bliss summed it up well in addressing a symposium of family forestland owners. “It's easy to despair,” he said, “about the difficulties of making it as a family forest owner in a global market. However, historian Barbara Tuchman said, ‘Pessimism is a primary source of passivity.’ To that I might add, ‘Optimism opens opportunity.’ The challenges seem overwhelming and the solutions too complex, too long in the making or too unlikely to materialize. But I know you are, at heart, optimists, because you plant trees.”



Peter Hayes
Landowner and Member,
Oregon Board of Forestry
Portland

“With some wildlife species listed as endangered or threatened, family forestland owners, often growers of more complex and diverse forests, open themselves to the very real risk of becoming landlord for tenants whose presence undermines the forest's economic viability. If, for example, spotted owls or bald eagles move into our forest, the financial consequences of the limitations on harvest would likely tip our operation below the threshold of financial viability. In a time when government agencies should be providing incentives to landowners willing to forgo short term profit in order to provide valuable habitat for threatened and endangered species, current policies penalize those making this choice, encouraging forest owners to reduce the risk of being put out of business by cutting down their more complex, ecologically valuable stands.”



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