

Landowner News



“Stewards of the Land for Generations to Come”

February 2009

Message From the President

Landowner News is the official newsletter of the Washington Farm Forestry Association.

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Martin Flynn Public Affairs, Inc.

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From challenge comes opportunity!

As a nation we have gotten ourselves into quite a pickle. Starting at the very top with a federal government that has never (at least in recent history) embraced the idea of a balanced budget, all the way to your neighbor down the street who makes \$40,000 a year and lives in a lovely new house with a \$300,000 mortgage that he can't afford. America has been on a drunken spending spree of money it does not have, and the consequences have come home to roost.

As you well know, our state government is in the same pickle except they can't print money. The fiscal challenges facing our elected officials in Olympia are immense. But with these challenges comes opportunity! The governor said last week that it no longer makes sense to her to have three different biologists from three different state agencies standing in the same creek to make one decision! I am delighted to hear that the governor finally agrees with me!

The next year or two will not be pretty for the economy. We all will struggle. But I honestly believe that we, as a state and as a nation, will be better for it. Houses may be affordable to our children once again. Citizens may actually decide to live on what they make. Credit cards might actually go away. And our tree farms will be recognized for their immense value to our society. They provide needed resources. They provide needed jobs. They provide needed tax revenue. Just take off the fetters and let us go to work. That's what I will tell the state.

I hope you will join me and here's how. If you have not yet sent in your renewal of dues, do it now - please! We are in a unique situation with the legislature, the governor's office and even with the state agencies. They are asking for our counsel. Our message needs to ring out clearly and your WFFA leadership is prepared to do so. But they need your support. Renewing your dues, even when your own household or business budget is tight, makes a statement that you truly believe your stewardship of the land is important. Your dues allow the Washington Farm Forestry Association to help others realize it too.

One more thing. There was a lovely new membership brochure enclosed with your dues statement. Why don't you take that over to your neighbor and encourage them to join with you, and join WFFA for this special moment of opportunity!

A handwritten signature in dark ink that reads "Bob Brink".

Bob Brink

Calendar

2009 Annual Meeting Plans Taking Shape

The next Annual Meeting of the Washington Farm Forestry Association is scheduled for May 29-30, 2009 in Ellensburg, Washington. Host and Kittitas Chapter President Phil Hess has tapped Andy Perleberg as his program chair.

With the theme, "We can't hide our FOREST PRIDE: Keeping Farm Forest Lands for Generations to Come", the Friday event will held at the Kittitas Valley Event Center and the Saturday Tree Farm Tour and Demonstration will be on the tree farm of local member Larrin Wanechek.

After Friday morning's General Membership Business meeting we will be welcomed by Kittitas County Commissioner, Alan Crankovich and then be addressed by the new Commissioner of Public Lands. This will be followed by a presentation on the Washington State Forestland Data Set. We will then host the Washington Tree Farm Program "Outstanding Tree Farm of the Year" luncheon. After lunch there will be a panel presentation with experts discussing "The Basics of Growing Forest Trees: What do I need to know?" The Friday evening Awards banquet will also include a guest presentation. Saturday's tree farm tour will be a half day event finishing with a BBQ lunch.

This is our association's annual event where you can meet and greet both our "fresh" and our "seasoned" tree farmers from around the state, get some sage advice, and see some new tree farm tricks. Registration packets will be sent in the mail to all WFFA members after March 15th, so mark your calendars and register early to take advantage of the early bird special. For more information call Phil at (509) 952-0678 or email Erica at info@wafarmforestry.com.

**Western Washington
Family Forest Owners Field Day**
Saturday August 1, 2009
Skagit County (5 miles west of Concrete)
Contact John Keller, DNR Stewardship Forester
Phone (360) 856-3500 or
email: john.keller@dnr.wa.gov

Letter to the Editor

To WFFA Members:

Some landowners need to harvest some trees every year as their primary source of income. Most, however, can just let the little beggars grow for another year or two if market conditions aren't so good. Unfortunately, the majority of the contractors that do the logging for us are more like the first group. They need to be logging to keep making payments on the equipment and put shoes on the kids. Without jobs now, many of these trusted partners we have come to rely on in the recent "good times" will simply not be there when "things get better" down the road a bit. At least on the west side, while domestic sawlog prices are at their lowest (inflation adjusted) in 25 years, and you have trouble finding anybody to even take the wood, both hemlock and Doug fir export prices have remained pretty darn good. Cedar has only weakened a little, and alder saw (as well as hardwood pulp) has been "adequate" and may bump back up to near summer 2008 prices (do not expect to see summer 2007 prices again in my lifetime - that was "irrational exuberance" - remember export fir prices in springs of '93 - '95).

So, what to do? If you have a rehab unit, 2009 is a great time to do it. Even if you just break even, you will get going on the new plantation, and help keep a logging family alive. Cedar, Alder, or high-percent export stands could do as well as recent averages, or better. If fir pulp strengthens, do that commercial thinning you know you should do, and get those crop trees released sooner rather than later. Young folks are simply not coming into forestry/logging professions, so we better keep the old farts around, or you are going to be bidding big bucks for the few remaining experienced, good contractors when you finally do get around to doing that next logging job.

Steve Pedersen, Chehalis

Single-Tier Buffer Promises Regulatory Relief



Kevin Van De Wege

When the legislature adopted the “Forests and Fish” legislation in 1999, it adopted a section that said, “The legislature intends that small forest landowners have access to alternate plan processes or alternate harvest restrictions, or both if necessary, that meet the public resource protection standard . . .”

That promise has never been adequately kept. The alternate planning process devised by the state agencies in response to that declaration has been weak, costly and ineffective.

Now, almost 10 years after the passage of Forests and Fish, small forest landowners have run out of patience.

Legislation has been introduced by Rep. Kevin Van De Wege (D-Sequim) that will allow for a single-tier buffer for harvest units of less than 20 acres. Under the terms of **HB 1725**, the no-touch buffer on a fish-bearing stream of 10 feet (bank full width) or smaller would be 75 ft. The buffer on a stream 10 feet or wider would be 100 ft.

Rep. Van De Wege has been a champion for small forest landowners since his election in 2006. He is joined in sponsoring this legislation by other long-time advocates, Reps. Orcutt, Takko, Kretz, Blake, and Kessler.

Please consider sending Rep. Van De Wege an e-mail thanking him for his support of small forest landowners and for his sponsorship of HB 1725:

vandewege.kevin@leg.wa.gov

For a complete and detailed list of the legislation affecting the wood products industry, e-mail:
Megan@MartinFlynnPublicAffairs.com

Important Changes Proposed for FREP Program

No one in the legislature has worked harder to advance the cause of small forest landowners than Rep. Ed Orcutt.

Rep. Orcutt is a consulting forester and has been a WFFA member since 1993. In 2007, Rep. Orcutt was WFFA’s “Representative of the Year” for his successful work to eliminate the so-called “six-year moratorium.”

This year, Rep. Orcutt is once again sponsoring legislation that would make changes in the Forest Riparian Easement program. The changes sought by **HB 1637** would allow forest landowners with less than 20 acres to participate if they played by the Forests and Fish Rules. Timber on unstable slopes would be considered as qualifying for the FREP and the DNR small forest landowner office must reimburse small forest landowners for costs associated with hiring a qualified expert to complete required studies or reports as part of the forest practices application upon which an easement is based.

Other changes will push family forest owners to the front of the line for payment ahead of non-profits and cities. Most importantly, DNR is given permission to set the value of individual easements before the money is available to pay for them, giving landowners a firm idea of the value of their easement.



Ed Orcutt

Other state representatives co-sponsoring this legislation are Reps. Blake, Kretz, and Herrera.

Write Rep. Orcutt and thank him for his sponsorship of this important legislation:

orcutt.ed@leg.wa.gov

New DNR Supervisor is Familiar Face

Commissioner of Public Lands Peter Goldmark has appointed Lenny Young as the Supervisor of the Washington Department of Natural Resources.

"Lenny brings experience, strong ethics and a commitment to public service that will help him be successful in this very important position," said Goldmark. "His science background and can-do attitude will serve DNR and the people of Washington very well."

Young joined DNR in 1989 and has served as the Forest Practices Division Manager since 2001. He has also served the agency in multiple capacities as a wildlife biologist. Young holds a B.A. in Zoology and B.S. in Wildlife Management from the University of Maine and a M.S. in Wildlife Biology from the University of Montana.

"I'm honored to have been selected by Commissioner Goldmark to help implement his vision of sustainability and economic opportunity," said Young. "I look forward to working with my colleagues in this new capacity."

2008 National Outstanding Tree Farmer of the Year Announced

by Sherry Fox
Vice Chair
Washington Tree Farm Program

The American Tree Farm System (ATFS) has named Bob and Jean Cooper of North Carolina as its 2008 National Outstanding Tree Farmers of the Year.

The Coopers received the award during the 15th Annual National Tree Farmer Convention in Portland, Oregon on October 17, 2008. This award recognizes outstanding sustainable forest management on family-owned forestland.

The Coopers own Meadowbrook Farm in Winston-Salem, North Carolina, a 118-acre farm that they purchased 34 years ago. At the time, the property and its accompanying home were rundown and in severe disrepair. But over the years and with "sweat and money earned through timber harvests," the Coopers restored the property and its home to a manageable state and made it their residence in

1985. Meadowbrook Farm has been enrolled in ATFS since 1985, and is home to several forestry projects including the first Green Ash planting project in North Carolina.

"You have to have a passion for the land. If you don't, you are not going to get very far. You need to sell people on the concept that not only are you growing trees for lumber, for fiber, for the many products, but probably equally important, maybe more important, is the water quality, the wildlife, and the recreation," remarked Dr. Cooper.

The Coopers are passionate about their land and are committed to standing up for the rights of all forest landowners.

The National Outstanding Tree Farmer of the Year awards is sponsored by Stihl, Inc. the world's leading chain saw manufacturer and a variety of handheld outdoor power equipment.

Thank you to all who attended the 15th Annual Tree Farmer Convention in Portland, Oregon! Over 700 people participated in the Convention and Field Day to make this event a success! Thirty-eight states were represented, coming together to form our largest convention ever.

The 2009 National Tree Farmer Convention will be held in Washington, DC. Stay tuned for more information.

On behalf of the American Tree Farm System and the Washington and Oregon Tree Farm Committees, we would like to thank the Washington Farm Forestry Association for making the 2008 National Tree Farmer Convention a great success! With your help and donations, the Silent Auction raised over \$13,000 for the Washington and Oregon Tree Farm Committees. All this could not have been possible without your generous support and dedication to our program. WTFP really appreciates all the volunteer hours that were donated from your members.

If you are interested in learning more about the Washington Tree Farm Program and the certification they provide free of charge, feel free to contact me at tstmp@tds.net.



DESIGNATED FOREST LAND: BENEFITS AND CHALLENGES

Many WFFA members have their tree farms and forests enrolled as "Designated Forest Land" with their local county assessor's office. But do you understand the benefits and responsibilities?

According to the Revised Code of Washington (RCW) 84.33.035(4) "Forest Land" is synonymous with "designated forest land" (DFL) and means any parcel of land that is 20+ acres or multiple parcels of land that are contiguous and total 20+ acres that is or are devoted primarily to growing and harvesting timber. DFL means the land only and does not include residential home sites. DFL includes land used for incidental uses that are compatible with the growing and harvesting of timber (ex. Gravel pit, land used to store forestry equipment) but no more than 10% of the land may be used for such purposes.

DFL is assessed at the value of the bare land for growing and harvesting timber (current use) rather than market value (highest and best use). DFL values are determined by the WA Department of Revenue, and vary depending on the productivity of the soil and operability/cost of harvesting. Forest Land Values are adjusted annually using an index based on a 5-year moving average of reported statewide private and public stumpage values. The specific property tax rate is dependent upon the taxing authority's levy, but generally it is 1.4% of the assessed value. County Assessors have the tough job of determining if a parcel fits the DFL definition - "primarily growing and harvesting timber". If DFL designation is removed by the assessor (no longer used primarily for growing and harvesting timber) or at the request of the owner, a compensating tax to the county may be required. Land owners have the right to appeal DFL removal to their county Board of Equalization.

It is recommended that DFL landowners have up-to-date Timber Management Plans that are prepared by a trained forester or a person with knowledge of growing and harvesting timber that clearly identifies the location of the property and covers planting, thinning, harvesting and environmental protection measures. When harvesting DFL lands, harvesters must comply with the WA Forest Practices Act (RCW 76.09) and Timber Excise Tax (RCW 84.33).

WA's DFL Taxes combined with the timber excise tax were designed to ensure that taxes do not destroy the economic incentives for growing and harvesting timber by providing uniform, predictable and fair taxation. WA's Forest Taxes also ensure that forestlands (private and public) will continue to pay a share of local and state taxes.

John Walkowiak, WA Dept of Revenue - Forest Tax

Succession Planning Workshop for Owners of Forest and Farm Land

Few challenges that family forest and farm owners face are more important than the issue of trying to pass the land to the next generation. Tax accountants and estate planners frequently work with landowners that want to hand the property down to their children, but often these landowners are addressing the issue too late. The children may not be ready to work together. The estate taxes could be too much to bear.

Ties to the Land is a program to help landowners with succession planning, or the "human side" of estate planning. About 50% of forest land nationwide is in private ownership. Of family-owned forest land, about 1/3 of the owners are over retirement age. Experts anticipate that an enormous amount of forest land in Washington State will be transferred in the next decade. The question is: Who will the land be transferred to? Landowners often dream of having their children inherit their land and manage it with the same care that they always have. This won't happen without some planning. **The Ties to the Land** program stresses the importance of formulating a plan with your family, involving the next generation in management decisions early on, and holding family meetings to understand the goals of all family members. It's never too early for families to start thinking about this issue rather than rushing the process once a parent's health starts to fail. Those who fail to plan may risk having to sell the property - and they may not like the final outcome, which could be conversion of the forest to other uses just to pay federal taxes.

Ties to the Land was originally developed by family forest owners, forestry extension agents, and business experts from Oregon State University. The WFFA and Washington State University Extension along with other partners hosted eight seminars across the state in 2008 bringing value to the 165 attendees. Watch the "Landowner News" for seminars being hosted in 2009.

Welcome New
WFFA Members!

Membership Chair **Donna Loucks** reports the following new members.

CLARK

Jim & Jennifer Bailey
Keegan Dunning
Jim Ishom
Jared Larwick
Mike & Diane Miller
George & Annmarie Scholes

COWLITZ

HFI Consultants, Tim & Dave
Halme

LEWIS

Jim Green

NE WASHINGTON

Sandy Clavell & Alanna Mitchell
Steve Gibson

OLYMPIC

Dennis & Darlene Golden

SOUTH SOUND

Joe & Ann Panesko

SPOKANE

Clarence Skip & Dorothy
Mitcham

UPS

Bob & Marty Elmore
Alex Kerr
Marilyn & Robert Ruckman
Ray & Judy Taipale
Jon & Cindy Wilbert

From the Executive Director's Desk



A good portion (60%) of this association's membership dollars go to policy, legislative, and public relations staff. They are experienced, well-qualified, and respected at their jobs and our association is served well by them.

Outside groups often call this office to ask if we would support 'their' bill and this legislative session has seen many bills that could have an impact on our forestland: from land surveyors wanting you to hire them to climate change legislation that would increase the cost of our state's goods and services; from a habitat open space bill that could compensate you for your protection of endangered habitat to our association's Forest Riparian Easement legislation which would help those who want to use the program.

Most legislation costs the state money (your taxpayer dollars) and is therefore at great risk this year, given our state's budget deficit. But some bills, like our association's Single-Tier Buffer (HB 1725), would be a simplification of a complicated rule allowing a reduction of government 'service' and a cost savings for the state.

Our legislative and policy goals are to continue to work with state agencies and politicians to seek solutions that we all can afford. We hope you will continue to recognize the generational value of these efforts and continue to support them, allowing us to work for you and "for generations to come".

Treefully,

Rick Dunning

Washington Farm Forestry Membership Application

Name _____

If this is a family membership:

Spouse's Name _____

Address _____

Local Chapter _____

City, State and Zip _____

Telephone (_____) _____

E-Mail Address _____

Dues Level (Please check One)

- General 1-40 acres \$65
- General 41-200 acres \$125
- General 201 and up \$175
- Lifetime \$1700 (onetime payment)
- Associate \$65 (non-land owning)
- Additional Chapter(s) @ \$10 each

Name of Additional Chapter(s)

Additional Voluntary Contribution to Support WFFA

Amount \$ _____

Please use this form to encourage new members to join.
Current members are invoiced annually in December.

Please cut off this form and mail with a check made payable to "WFFA" to:

Washington Farm Forestry Association
P.O. Box 1010
Chehalis, WA 98532