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# Small Forest Landowner-related Ideas

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## 1. Organizing Question

Are there ways to enhance the contributions of private non-industrial forestlands to rural economies, trust revenue, or marbled murrelet conservation?

## 2. Background and Context

Small forest landowners manage 25% (5.7 million acres) of Washington' forestland.<sup>1</sup> In counties entirely within the marbled murrelet's Washington range, small forest landowners manage 1.7 million forested acres compared to 1.2 million forested acres managed by DNR (Table 1). These private non-industrial forestlands contribute to rural economies and wildlife conservation. Small forest landowners face an array of challenges that affect their ability to maintain their lands and sustain these contributions.

## 3. Potential Opportunities

The main opportunities associated with small forest landowners are around avoiding conversion and incentivizing active management for harvest and/or conservation. Potential goals include:

- Halt the loss of private non-industrial forestlands within 5 years (2024) and thereafter experience zero net loss,
- Remove disincentives that discourage small forest landowners from realizing commodity-based and non-commodity based financial benefits from ownership of their land, and
- Replace disincentives that discourage small forest landowners from growing suitable habitat for marbled murrelets and other species with incentives that support habitat development.

As used in this paper, "small forest landowner" means an owner of forestland who harvests no more than an average timber volume of two million board feet per year (RCW 76.09.450), "private non-industrial forestlands" means forestlands owned by small forest landowners.

Maintaining private non-industrial forestlands will maintain jobs for logging contractors who harvest and transport trees for small forest landowners, and at mills that process timber from private non-industrial forestlands. Favorable changes to the financial, logistics, and regulatory aspects of small forest landowners' operating environment would help to secure these jobs and support increased timber volume from private non-industrial forestlands. With decreased regulatory risk, increased education and technical support, and meaningful, adequately funded incentive programs, private non-industrial

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<sup>1</sup> Rogers, L. W., and A. G. Cooke. 2010. The 2007 Washington state forestland database: final report. Univ. Wash., Seattle. 81p.

forestlands have the potential to provide long-term habitat for marbled murrelets and other species that require focal management. Private non-industrial forest lands do not have any significant potential to increase trust revenues.

#### 4. Challenges/Uncertainties

**Appreciation.** Small forest landowners feel disrespected and unappreciated. They do not feel that people appreciate the benefits that they and their lands provide, or the challenges they face. These feelings can discourage small forest landowners, leading to sale and conversion of the land to other uses.

**Social License.** Small forest landowners feel that they face a lack of social license to conduct active management on their lands. Harvesting timber is viewed as an undesirable activity by many people. Laws and policies promulgated in response to this sentiment can deter small forest landowners from maintaining their forestlands, leading to sale and conversion of the land to other uses.

**Development Pressures.** Washington's human population is the fourth fastest growing state population in the nation. Population growth is exerting pressure on private non-industrial forestland in the form of housing developments, commercial and industrial developments, and outdoor recreation. Washington's population growth is projected to be compounded by an influx of "climate refugees" from other parts of the country. Development pressures increase the financial value of private non-industrial forestlands, especially those near population centers, prompting sale and conversion of the land to other uses.

**Regulations.** Small forest landowners are overwhelmed by what they perceive as ever-increasing regulatory burdens that disproportionately impact them. Small forest landowners continue to experience what they view as broken promises from the Forest Practices Final Habitat Conservation Plan in the form of inadequate funding for the Forestry Riparian Easement Program, inadequate technical assistance from the Small Forest Landowner Office, and the lack of alternate harvest rules for small harvesters.

**Inter-Generational Transfer.** Small forest landowners face barriers to the inter-generational transfer of their forestlands. These barriers include negative attitudes around timber harvest, development pressures increasing the value of private non-industrial forestland for other uses, regulatory complexity, estate taxes, and variable skills and desire among younger generations to continue working family tree farms.

**Climate Change.** Washington's climate is changing. Warmer temperatures, reduced snowpack, a Mediterranean precipitation pattern, and more intense storms are making growing trees more difficult and risky.

## 5. Potential Next Steps

### Stakeholder & Community Outreach

**Working Relationships.** Build strong, mutually supportive working relationships among small forest landowners, regulatory agencies, and non-governmental conservation organizations around a shared goal of maintaining the extent of private non-industrial forestlands. Jointly develop and deploy communications programs and tools that support private non-industrial forestlands and explain the unique situation of small forest landowners.

**Social License.** Improve small forest landowners' social license to operate their tree farms and harvest timber. Increase public understanding and respect for small forest landowners, the work they do, and the benefits they provide. Promote a widespread awareness--particularly among urban people--that small forest landowners seek to be good stewards and must make a reasonable profit in order to maintain their tree farms.

### Exploring Regulatory and Financial Incentives

**Development Rights.** Accelerate and expand programs that acquire and remove development rights from private non-industrial forestlands.

**Zoning.** Work with municipal governments to configure, and where necessary reconfigure, zoning regulations to reduce development pressures on private non-industrial forestlands. Utilize opportunities within the Growth Management Act (GMA) in counties planning under the GMA.

**Regulatory Reform.** Reduce the volume and complexity of regulations under which private non-industrial forestlands must be managed. Minimize new, additional regulations. Develop riparian buffer options in the Forest Practices Rules (Chapter 76.09 RCW) that can be tailored to local conditions and are equally effective to what small forest landowners view as "one size fits all" buffers that constrain their ability to manage their forestlands.

**Assistance.** Adequately fund the Forestry Riparian Easement Program and the Family Fish Passage Program. Strengthen the Small Forest Landowner Office's capability to provide technical assistance and education. Link small forest landowners to small business assistance programs.

**Incentives.** Compile, review, and where necessary adjust (add, change, eliminate) incentive and assistance programs available to small forest landowners. Add additional resources to help small forest landowners access these benefits.

**Safe Harbor.** Develop and deploy a multi-species Safe Harbor Agreement to safeguard small forest landowners against assertions of incidental take and to encourage small forest landowners to take actions that provide favorable habitat for marbled murrelet and other species that require focal management, without fear of undue operational constraints or economic loss.

**New Revenue.** Create new revenue streams to increase the profitability of private non-industrial forestlands. Develop carbon offset programs that are well suited for small forest landowners. Explore

programs to pay small forest landowners for growing older forest conditions that benefit marbled murrelets and other late seral species.

**Taxes.** Review and as necessary adjust tax policies to remove disincentives to passing family tree farms to the next generation. Instead, create tax incentives for inter-generational transfer. Retain and seek to improve the current land use taxation system that encourages long-term forest management. Consider additional changes to tax policies that would support small forest landowners.

**Infrastructure and Logistics.** Ensure timber processing infrastructure capable of processing large-diameter trees will be accessible to small forest landowner who choose longer rotations or low-intensity selective harvests. Review and as needed improve small forest landowners' access to markets for their forest products.

**Table 1. Forested acres managed by small forest landowners<sup>1</sup> (SFL) and Washington State Department of Natural Resources (DNR) in counties entirely within the Washington range of the marbled murrelet.**

County	Forested Acres	
	SFL <sup>2</sup>	DNR <sup>3</sup>
Clallam	81,337	155,163
Grays Harbor	134,700	85,549
Island	76,239	301
Jefferson	62,378	198,342
King	171,150	107,151
Kitsap	116,703	13,615
Mason	101,326	54,659
Pacific	70,023	83,050
Pierce	180,364	23,807
San Juan	76,378	539
Skagit	118,523	133,767
Snohomish	216,846	139,308
Thurston	163,911	59,205
Wahkiakum	28,640	38,749
Whatcom	138,678	85,676
TOTAL	1,737,196	1,178,881

<sup>1</sup> See RCW 76.09.450.

<sup>2</sup> Rogers, L. W., and A. G. Cooke. 2010. The 2007 Washington state forestland database: final report. Univ. Wash., Seattle. 81p.

<sup>3</sup> DNR unpublished data (<http://sharepoint/sites/frc/teams/reports/default.aspx>)