

Vernonia City Council Candidates Announced

Three positions on the Vernonia City Council (Mayor and two Councilor positions) will be open for the general election on November 3.

City Recorder Stephanie Borst announced on August 21 the following four persons have submitted to run for the two City Councilor positions for four-year terms: incumbents Bruce McNair and Susan Wagner, Lorna Poetter, and Grant Williams. The two candidates receiving the most votes will serve in the positions.

Incumbent Mayor Rick Hobart will run unopposed for re-election for a second two-year term.

WOEC 2020 Annual Meeting Report

The West Oregon Electric Cooperative (WOEC) held a brief version of their Annual Meeting on Saturday, August 22. The meeting was held virtually with members able to either listen by phone or watch a video feed of the meeting, which was held in the WOEC conference room and lasted approximately 20 minutes.

Three Board of Directors Officers were present in-person for the meeting, President Brett Costley, Vice President Jim Buxton, and Secretary Erika Paleck; Costley announced the rest of the Board was in attendance virtually, but did not introduce the Board members.

Also in attendance were staff members General Manager Bob Perry, Administrative As-

sistant Billie Kohler, and Parliamentarian Chuck Faley.

The Board approved the minutes from the 2019 meeting, and voted to approve all new members to the co-op.

There were no reports from staff, and there were no questions from the members.

Faley announced members had elected Jim Buxton as Director for District 3 and Mark Lude-man for District 7; both had run unopposed.

Faley also announced co-op members had approved a By-Law change which increased the length of time prior to the Annual Meeting that information is to be distributed to members from the current 30 days to 45 days.

The Timber Industry of Today, Part 2 Who Benefits From Logging in Oregon

By Scott Laird

Logging and the timber industry remain a big part of Oregon's history, culture, and economy. But the way it operates in Oregon, and especially in Columbia County, has been steadily changing, with much of our forestland now in the control of large corporations, many of them with little connection to the land they own. In this three part series we're taking a closer look at Oregon's timber industry. In Part 2 we examine who owns Oregon's timberlands and who is benefitting from the timber harvested – is it the loggers in the woods and the communities that depend on the income and tax revenues, or is it the corporate shareholders?

In 1900 Frederick Weyerhaeuser and 15 partners initiated the largest private land transaction in American history to that time, when they purchased 900,000 acres of Washington state timberland from the Northern Pacific Railway. The company ran sawmills and was an innovator in the lumber business, creating numerous new wood products, while also expanding into the ship-

ping and transport business. In 1929 they built the worlds largest sawmill in Longview, Washington. In 1937 the company pioneered the idea of trees as a “crop,” developed the idea of “replanting” by transplanting seedlings in harvested areas, and in 1941 established the country's first “tree farm,” creating a major shift in how timber companies managed their properties.

Over the next several decades the company continued as an innovator by increasing markets for wood fiber, plywood, particleboard, containers and paper products, and hardwood products. In 1961 the first harvest of a timber “crop” took place on their 135 acre, second growth tree farm in St. Helens.

In 1963 a major change occurred when Weyerhaeuser switched from being a self-financed enterprise to a publicly traded company that was listed on the New York Stock Exchange. Over the next several decades the company diversified into numerous fields including mortgage banking and financial services, real estate, and information services, while doing business in South America, Asia and Australia. In 2002 the company acquired Willamette Industries Inc, based in Portland, in a hostile takeover.

In 2010 Weyerhaeuser converted into a Real Estate Investment Trust (REIT) which allowed them to avoid paying any federal income taxes when it filed its 2010 tax return. The following is part of a press release Weyerhaeuser released on July 11, 2010 announcing this move: *Weyerhaeuser Company today announced the board of directors has declared a special dividend of \$5.6 billion. This marks a major milestone in the company's plan*



Weyerhaeuser purchased Plum Creek Timber for \$8.4 billion, making them the largest private owner of timberland in the country, controlling about 13 million acres. The company also has long-term licenses to manage more than 14 million acres in Canada. Closer to home, the timberland giant owns over one-third of all forestland in Columbia County.

Over the last century Weyerhaeuser has helped changed the face of the timber industry, first through innovation, management practices, and product development, then through diversification, and finally by changing the ownership and financial model of today's timberlands, which allows them to “make higher distributions to our shareholders,” and avoid paying taxes.

The impacts of those changes are felt directly in the communities surrounded by timberland owned by Weyerhaeuser and other large corporations – mills

have closed and jobs have been lost; locals no longer have unlimited access to lands that had been used for recreational purposes for decades; local environments have been degraded; and taxes on corporate landowners which fund schools and county services – community obligations we all share whether we actively use them or not – have virtually disappeared.

A recent article, published in partnership by ProPublica, the Oregonian, and Oregon Public Broadcasting (and going forward referred to as the “ProPublica article”), was especially critical of the large corporations that own timberlands in Oregon. An important aspect of the article examined the changes in Oregon's tax structure and how those corporately held timberlands

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The Timber Industry Part 2 – Who Benefits From Logging *continued from front page*

may not be paying their fair share. We decided to take our own look at corporate land ownership, specifically in Columbia County.

What is the timber industry's responsibility to the local communities where they own property? Are they meeting their obligations as good neighbors, and shouldering their share of the burden to fund community assets? Or are they using local resources only as a way to line their pockets and the pockets of their shareholders?

Columbia County Commissioner Alex Tardif, who is running for re-election in November, may have captured the local sentiment in a recent interview. "Being a long-time resident of Columbia County I recognize the importance of our land and timber harvests to our economy. That's why it's also important to protect it for future generations and ensure that it's a balanced partnership where we're all moving forward together."

The Benefits of Logging

I recently met with Peter Hayes of Hyla Woods, a sixth-generation, experimental family forest business that owns and manages about 1,000 acres of mixed forestland. Hayes and Hyla Woods have been working to demonstrate and prove that better models of forestry can be both ecologically sustainable and economically profitable. "One of our key goals is to create systems of forestry that will work as well in the long-run as they do in the short run," said Hayes during a recent visit to their 750 acre Mt. Richmond forest property outside of Gaston. "We have economic systems that put a high priority on short-term economic returns, and don't take into consideration long-term prosperity. I think, in too many cases, there are choices being made that make sense in the short-run, but reduce opportunities for people down the road and create less reliable prosperity for places like Vernonia."

Observing the complexities of the timber industry through a critical lens reveals things are not black and white. The industry provides local jobs and generates products we all use and appreciate – packaging and paper products, dimensional lumber and construction materials, hardwood products like doors, furniture, and flooring, even the newsprint you are holding in your hands. We all benefit from logging.

"While sometimes we focus on things we would like to see changed in the timber industry, I feel strongly that there are a lot of things that are right that we shouldn't take for granted," says Hayes. He recites a list of positives: mills and markets that are already functioning, a willing and capable workforce, a governmental system that needs to be better but could be worse, ancillary businesses like nurseries and equipment suppliers.

But he also sees a number of problems in the way the timber industry operates today: finding the balance between being a good steward of the land while also generating enough economic return to be profitable; the inability of our society to have a dialog about how we use our forests; the limits of the current system to help solve climate change; how to create opportunity, prosperity, and resilience for rural communities; not utilizing our forests to their full potential both ecologically and economically; and the unraveling of biodiversity on a large scale across the planet. "There are problems, but I think a lot of the problems are less about good guy versus bad guy individuals. They're more about structural problems," he says.

Oregon remains the country's top producer of dimensional lumber and plywood, and supports jobs across the state in government agencies, in the woods, in sawmills, carpentry and woodworkers, and in transport, especially in rural communities where it pays higher than average wages and accounts for up to 7% of jobs, compared to 2% in urban areas.

While the timber industry remains a key component in Oregon's economy, and its influence remains powerful, the number of jobs is shrinking for several reasons. According to a report by the Oregon Office of Economic Analysis, during the 1970s Oregon's timber harvest totaled about 8 billion board feet annually and directly employed over 80,000 workers. The 1980s and 90s saw a significant drop in timber production due to a number of factors: a severe recession that impacted housing construction and led to mill shutdowns; increased competition from other markets; and a 90% reduction of logging on federally owned forests. The timber industry has never fully recovered from those federal reductions, although timber harvests on large privately held forestlands have remained steady the entire time. Today the timber industry directly employs about

30,000 workers and the annual harvest is around 4 billion board feet. Automation has also caused a significant drop in jobs available in the industry.

A quick side note on the reduction of logging on federal forests: this is a complex issue that requires a rigorous and thoughtful examination. After researching the issue, I decided to wait to report on it until I can develop a more knowledgeable understanding. Because this series is focused on Columbia County, which has minimal federally owned timber acreage (2%), the reduction in federal harvests was less consequential locally. Peter Hayes notes that those national forests, where limited logging is taking place, provide a sort of "life boat" for species that depend on the forest for habitat. Our northwest corner of Oregon offers limited federal forest for protected habitat, which means it is more stressed by the management practice of clearcutting.

One issue in the reduction of jobs that I do want to explore is the role of timber exports in Oregon's decreasing timber industry. Exporting logs harvested on public lands is banned, so all exports come from private timberlands. While the amount of raw timber that is exported fluctuates from year to year, from between 9% to 21% annually in the last decade, the issue remains important, particularly in job creation. As we noted in Part 1 of this series, Oregon Stewardship Forester John Krause called it his biggest concern to today's logging industry.

A report by the Oregon Department of Forestry in 2013 notes that log exports do create valuable alternative markets, especially when domestic prices and markets are suppressed. The report suggests that instead of restricting private log exports, a better approach would be to increase and utilize sustainable timber supplies, and to expand and develop new markets for value-added forest products.

Peter Hayes agrees. At Hyla Woods they've been restoring their forests to a more natural state, encouraging the growth of hardwoods like maple and oak, and sustainably harvesting their timber rather than clearcutting, all while developing alternative, value-added markets, like furniture and flooring. "We need to acknowledge that wood is a global commodity and we're involved in global markets. So then we ask, what is our competitive advantage in those markets? And what is strange

to me is the mainstream model here in Oregon has been to grow large quantities of relatively low quality wood, which is made into 2x4s and 2x6s. And that is not our competitive advantage because elsewhere in the world labor costs and environmental standards are lower. So we're choosing to enter into a competition where we're at a significant disadvantage. What this landscape is really suited to is to grow smaller quantities of really high quality wood, and then to do things with it. I feel like the choice has been made to essentially behave like a colony – we're exporting our economic opportunities to other places. I think it's very clear that we could have much more economic vitality per board foot harvested."

Another important issue to consider is the ownership of regional mills. While Weyerhaeuser and some of the other large corporations do still

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VERNONIA'S
voice
reflecting the spirit of our community

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Voices from the Mill Pond, Vol. 2 Deadline Extended to October 5

Voices from the Mill Pond, Vol. 1, was a huge success in 2019 and a wonderful testament to Vernonia's talent. Hands on Art and *Vernonia's Voice* are eager to share this community's creative spirit once again.

We've received some excellent stories, poems, and photographs but have room for more. To encourage additional submissions, we've extended the deadline until October 5.

We haven't received any sub-

missions from children and would love to include the work of our younger generation in this volume. And don't forget, our editorial board will be selecting a cover for the book from the photography submissions.

Submission guidelines are available on the Hands on Art website: <https://www.vernoniahansonart.org/> Questions are more than welcome and can be emailed to Diana Peach: dwallacepeach@gmail.com.

Need some inspiration?

How to Write Syllabic Poetry

- Haiku is written in three lines with five syllables in the first line, seven syllables in the second, and five in the last: 5/7/5, for a total of seventeen syllables.
- Tankas are similar to haiku but have five lines with syllable counts of 5/7/5/7/7.
- Haiku and tanka do not rhyme.
- Most haiku are written about nature, the seasons, or an emotional experience

while in nature.

- Most tanka use vivid imagery and appeal to the senses.
- Neither form requires a title.
- The use of punctuation is optional.
- Two or more poems written together are considered a series or sequence.
- Be creative!

Vernonia's artists reflect the Mill Pond's beauty throughout the seasons

The Timber Industry Part 2 – Who Benefits From Logging *continued from page 3*

operate mills locally, several other mills that provide local jobs remain family owned and operated, with roots and a connection in the region. RSG Forest Products, who operate the mill in Mist-Birkenfeld, is a third-generation, family-owned company who have been in business since 1971 which also operate mills in Kalama, Washington, and Molalla, Oregon. Stimson Lumber Company traces their history back 160 years through six generations, and currently operates seven mills, including two local mills in Clatskanie and Gaston, manages 500,000 acres of timberland, and employs 750 people in Oregon, Idaho, and Montana. Hampton Lumber is a fourth-generation, family-run business which owns 10 sawmills in Oregon, Washington, and British Columbia, including their local mill in Banks, has ownership of 160,000 acres of timberlands in Oregon and Washington and also manages 300,000 acres in British Columbia, and employs 1,600 people. Pacific Fibre Products began operations with a portable chipper in 1982 and now provides barkdust and wood chips from facilities in North Plains, Longview, Molalla, and Central Point.

While timber and logging remain a cultural institution in Oregon, an iconic symbol of rugged and hard working individualism, and generate jobs for families who have worked in the industry for multiple generations, the fact is, the industry is changing. Local logging outfits, log truck drivers, and small-family forests, still practice the trade, often in many of the same ways it was done in the past. What has driven the most change are the large corporate landowners and the way they practice logging today.

Land Ownership

As was mentioned in Part 1 of this series, 88% of Columbia County's 420,000 total acres is forestland, with 61% of forestland held by large (properties over 5,000 acres) private owners and 34% held by small private owners. Columbia County has very little publicly owned forestland – just 2% is federal and 3% is owned by the state or other local government entities.

According to the Columbia County Assessor, those large landowners include just a handful of corporations, led by the giant Weyerhaeuser Company who is listed as owning over 128,000 acres, (96,000 acres under Longview Timberlands LLC); Claruth Inc., Willna Inc., Franbea Inc. (21,000 acres); Bascom Pacific LLC (20,000); ORM Timber Fund III Inc. (13,000); John Hancock Mutual Life Insurance Co. (12,000); Longview Fibre (11,000), Evenson Logging Co. (5,000). Exactly half (210,000 acres) of Columbia County's total land area is held by large timberland owners.

Let's take a closer look at Longview Fibre, which is different than the Longview Timberlands LLC acquired by Weyerhaeuser in 2016. Originally one of the large players in the Pacific Northwest, with mills and forestland around the town of Longview, Washington, Longview Fibre was sold to Brookfield Asset Management, a Toronto based company, in 2007 for \$1.63 billion. In 2013 Longview Fibre was sold by Brookfield for \$1 billion to KapStone Paper & Packaging Corp., an Illinois company.

Author and historian David Wilma chronicled the story of Longview Fibre in his book, "Whistles: The Story of Longview Fibre Company." Wilma noted the story of entrepreneurial owners and a company that cared about its

employees and the community where they lived and worked. "The story here was the story you don't see too much anymore," said Wilma, in an interview with the Longview Daily News in 2016. "It was the story of really smart guys who wanted to build a company for the long term. They weren't interested just in this quarter's dividends."

Or consider the ORM Timber Fund, another of the large landowners in Columbia County, and is, like Weyerhaeuser, also an REIT. ORM is owned by Pope Resources – a Delaware Limited Partnership, which also owns Olympic Resources Management; Pope Resources and all its subsidiary companies were purchased by Rayonier, Inc. in May of 2020. Here's what Rayonier's CEO said in the press release announcing the acquisition: "We are delighted to be combining two premier pure-play timber organizations using an innovative tax-deferred UPREIT structure," For another peak into Rayonier's motives take a look at their webpage where it says this about their company: "Our focused long-term strategy, coupled with our strong culture, will chart the path to achieving our vision of creating industry-leading returns for our investors through sustainable management of our forests."

Which highlights the questions: Which is it, sustainable management of forests, or industry leading returns for investors? Can it really be both?

Hyla Woods has been trying to answer these questions. "You have to sustain the land and sustain the people," says Peter Hayes. "The dilemma I feel forest owners are put into in the current situation is they have to choose between the two of those." Hayes points to what he terms the "Commonwealth Values" of the land – the shared wild-

life and habitat, clean water and air, and recreational opportunities – things we all should benefit from in the areas where we live. "If you pursue what it takes to be adequately profitable, often that is at the expense of the health of the land. It's like drawing down on a bank account. Instead of saying either/or, I think we need new approaches to both sustain the health of the land and sustain the people. In our current set of circumstances, we're being asked to choose, which is not a good choice."

Another question is how does the big corporate strategy impact the local economy and communities?

That's the question that has been bothering County Commissioner Tardif. Last year Columbia County published a Fiscal Sustainability Report which proposed a framework to address the County's current financial situation, which showed the costs of providing services rising faster than revenues, with a projected shortfall of \$42 million over the next five years. One idea the report proposed was the creation of the state's only local tax on harvested timber within

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Mandatory Water Curtailment in Effect

Please check the City of Vernonia webpage www.vernonia-or.gov for detailed restrictions and changes/updates



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Arrests/Reports Taken

- August 17, 2020 Report of Outside Agency Assist near Timber Road
- August 18, 2020 Report of Theft II near Jefferson Avenue
- August 21, 2020 Report of Criminal Mischief II near Weed Avenue
- August 23, 2020 Arrest on a Warrant near Bridge Street
- August 25, 2020 Report of Theft I near Parkside Drive
- August 26, 2020 Arrest on a Warrant near Bridge Street
- August 27, 2020 Arrest on a Warrant near Jefferson Avenue
- August 29, 2020 Report of Reckless

Driving near Nehalem HWY North

- August 29, 2020 Report of Reckless Driving near Nehalem HWY North

Citation/Other

- August 20, 2020 Cited for Driving While Suspended
- August 30, 2020 Cited for Careless Driving and Violation of the Posted Speed 62/35 mph

Vernonia Police Department responds to calls that do not always end in Arrest, Report, or Citation. 08/01/2020 through 08/31/2020 VPD had 259 calls for service.

The Transfer Station is scheduled to be open on the 2nd and 4th Saturday January - October
September 12 & 26

Currently not accepting oversized items (mattresses, couches, etc.) and limiting the number of vehicles in the yard at one time.

Dates are subject to change

Vernonia City Council Meetings and Closures

Please check the City's website for details on upcoming City Council Meetings scheduled for 7:00 pm:
Tuesday, September 8, 2020
Monday, September 21, 2020
www.vernonia-or.gov

City Closures are scheduled for:
Monday, September 7, 2020
Labor Day Holiday

Dates and times subject to change

Schools Update: Free and Reduced Lunches

By Superintendent Aaron Miller

With students learning at home through Comprehensive Distance Learning until at least the beginning of November, the Vernonia School District (VSD) will be altering its student lunch program for the school year to meet state and federal guidelines.

Throughout the spring and summer, the VSD has been able to provide a free breakfast and lunch for ALL children ages 0-18 every Monday-Friday. This service remains available at the Vernonia Schools front doors between 11:00 am and noon every Monday-Thursday between now and Thursday, September 17.

Starting September 21 the VSD will continue to provide breakfasts and lunches for pickup at school, but they will only be provided to registered VSD students, as per regular school year meal guidelines.

The State guidelines on who is eligible for Free and Reduced Meal Rates are also changing. The passing of the Student Success Act last year provided more funding to increase the number of students eligible to receive Free and Reduced Meals. Families not meeting Free and Reduced Meal Rate guidelines will be charged for provided meals starting September 21.

It is extremely important that

VSD families fill out the Free and Reduced Meal forms enclosed in their registration packets and return them to the school as soon as possible. This information allows us to provide resources where there is need.

Bussing of meals to students who are not able to make it to school to pick up their food will be available upon request, again only for students enrolled in the District.

It is the VSD's goal to provide all its students with an effective, well-rounded education including adequate nutrition to grow, think, and learn strong and healthy. If you have any questions regarding student meals in the VSD,

please contact the schools at (503) 429-1333, or the Superintendent at (503) 429-5891.

Vernonia School Board Meetings are held on the second Thursday of each month. The next meeting is scheduled for Thursday, September 10, 6:00 pm Please check the District's website for updates/changes www.vernonia.k12.or.us

The Timber Industry Part 2 – Who Benefits From Logging *continued from page 5*

the County. While the initial report had some factual errors, the points it makes remain the same.

“How do we repair and maintain our roads from the damage of these heavy loads,” asks Tardif “if the heavy haulers are not paying their fair share of property tax. Then it falls on the shoulders of the rest of the individual tax payers to pay for our services. The timber industry has done a phenomenal job of arguing that they pay taxes and they shouldn't have to pay more, but the county doesn't see the tax revenue necessary to maintain the infrastructure without a tax increase to residents, and I don't agree that the residents need to pay.”

How Timberlands are Taxed

The previously mentioned ProPublica article notes that the history of how Oregon appraises timberlands and taxes timber harvests is complex and has been changed numerous times to reflect changes in industry demand and prices, the quality and value of the trees that were accessible, advancing technology and increases in annual harvests, and the influence of timber industry lobbying efforts.

In 1977 the legislature introduced the Severance Tax, collected at the time of harvest (called the “Privilege Tax” at that time), revamped how they assess property taxes while exempting standing timber, and added an additional Severance Tax which was slowly reduced over time. These taxes were substantial and benefitted Oregon's schools and counties.

In the 1990s changes in environmental regulations sharply reduced logging in National Forests which significantly decreased annual tax revenue. The passage of Measure 5 by Oregon voters in 1990, and Measure 47 in 1996 limited government's ability to increase property taxes. At the same time the legislature reduced Severance Tax rates, and instituted a Forest Products Harvest Tax (FHPT). This tax was established to pay for forest protection, forest research, and public information outreach through four sources: administration of the Oregon Forest Practices Act which enforces protection of natural resources; forestry research at Oregon State University; the Oregon Forestland Protection Fund to help fight wildfires, and the Oregon Forest Resources Institute which was created to inform the public about forest resources and practices.

In 1999 the legislature again made changes, which phased out the Severance Tax in 2003, and again changed how forestland is assessed for property taxes. “Timber companies argued that since they'd already cut nearly all of the existing forests on their land, and state law required them to plant new trees, they were essentially farmers. And since Oregon didn't tax crops, it shouldn't tax trees,” states the ProPublica article. The article goes on to point out the severe impact those changes have had on local school funding along with county funding for services.

Today, according to the Oregon Department of Revenue, timberland owners are taxed in several different ways in Oregon. The following is a simplified explanation of the current timberland tax structure.

All landowners pay property taxes to the local counties where their properties are located; in Columbia County those taxes support local schools, local fire protection or fire patrols, county operations (law enforcement, roads, parks, administration), along with 9-1-1 dispatch, Portland Community College, the Soil and Water Conservation District, and the County Extension Service. Properties within city limits also pay taxes to fund the operation of their local government entity.

Property in Oregon is valued based upon the Real Market Value (RMV) – the price the land and any structures would sell for on the open market, but are taxed on the Assessed Value, which is generally a lesser amount.

Most forestland owners choose to have their property classified as Designated Forest Land and taxed under the Forestland Program, which is available to owners with at least two acres of forested land, and provides a reduced property tax assessment which again is typically much lower than the RMV. To be considered Designated Forest Land the landowner is required to be actively growing, or have a plan to grow a marketable species of trees on the property. For the purpose of assessing property taxation, the Oregon Department of Revenue assigns value to forestland in western Oregon by classifying land into eight productivity classes for each 40-acre block of land, based on measurements of trees, topographical features, vegetation types, and soil types on the property; timberland rated and assessed in a lower category pay less in property taxes.

In addition to those reduced property taxes, owners of Designated Forest Lands pay the Forest Products Harvest Tax (FPHT) when they harvest their timber, which, as previously mentioned, funds timber industry research and protections.

Another option allows landowners of at least 10 but less than 5,000 acres of forestland to enter the Small Tract Forestland (STF) program. Under the STF program, the landowner defers their tax payments by only paying 20% of their assessed property tax annually, but must pay the STF Severance Tax when they harvest timber from the property. Severance Tax receipts are distributed to the State School Fund which funds local school districts, the Community College Support Fund, and the county. This is the funding that has been significantly reduced and has directly impacted counties across Oregon. One local landowner I spoke with said he chooses not to put his land into the STF program because it doesn't provide annual funding to the county and schools for operations.

As an example, I own a home on 1.1 acres of land within the Vernonia city limits and paid \$3,178 in property taxes in 2019.

In comparison, a nearby 9.74 acre property of Designated Forest Land outside city limits, owned by an individual, paid \$75.49 in property taxes in 2019 (about \$7.50/acre). That owner clearcut their timberland in 2016, harvesting 422,280 board feet and paid \$2,525 in STF Severance Tax at the time of harvest, along with \$1,700 in FPHT which goes back to support the timber industry; together their property and severance taxes averaged less than \$18 per acre annually (over 20 years) toward local services, while they also earned revenue from their timber harvest.

Taxes paid on my 1.1 acre property equal around \$40,000 during that same 20 year period, or \$2,000 per year on one acre, which generates no revenue.

Meanwhile, Weyerhaeuser's 128,000 acres of property in Columbia County has a total assessed value of \$72 million; they paid \$826,000 in property taxes in 2019, or \$6.45 per acre. They will only pay the FPHT at the time of harvest.

According to the Oregon Department of Revenue (ODOR), in 1994 the Privilege Tax generated almost \$60 million for Oregon counties; by the

time it was phased out in 2006 timber harvest taxes were generating just over \$900,000 under the program. In 2001 under the reformed program Columbia County received \$139,000 as their share of the timber taxes; in 2019 that number was less than \$15,000.

The Weyerhaeuser Company has 750 million individual stock shares and paid out a quarterly dividend of \$0.34 during each of the last seven annual quarters, or roughly \$250 million per quarter to shareholders, or \$1 billion in annual dividends in 2019. As noted in the introduction to this article, in 2010 when Weyerhaeuser elected to become a REIT, quarterly dividends were \$0.05 per share when the company made a Special Dividend payout of \$26.46 per share, an incredible windfall for shareholders.

“We need to hold the large timberland owners accountable for the lost jobs and revenue in our communities, and to incentivize bringing those jobs back,” says County Commissioner Tardif. “But to the majority of people in Columbia County, all they hear is ‘more taxes’ and that we just want more of their money. But it's not about their money, it's about community assets. We shouldn't be asking our residents for their money if the timberland owners are paying their fair share and we have the resources we need.”

Next issue: How the timber industry is regulated, and a closer look at alternative methods to managing timberland.



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