



May 17, 2016

RE Timber Values

Mr Green,

You asked if 5 acres of forest land would produce a profitable amount of timber. The amount of profit would be dependent on the goals and objectives, and management practices of the landowner. Current timber prices are approximately \$570.00 per one thousand board feet (mbf) delivered to the mill. Logging costs are generally around 40% of the delivered log value, referred to as stumpage value.

The low elevation to upper mid-elevations of Clark County are made up of some of the most productive forest land in the state. Referred to as soil site I and site II. These soils will generally produce a timber stand that can be commercially thinned at approximately stand age 35 and then a final cut, or even-aged harvest at approximately stand age 60 years. Producing roughly 30 mbf per acre.

On five Acres

$30 \text{ mbf/acre} \times 5 \text{ acres} = 150 \text{ mbf}$, $150 \times \$570.00 = \$85,500.00$, $\$85,500.00 \times 60\%$ (100%-40% logging costs) = \$51,300.00 stumpage to the landowner.

Reforestation on 5 acres would average \$240.00 per acre. After reforestation costs the net value would be \$51,160.00 profit.

The county assessor determines the tax classification for the land and timber, based on the Department of Revenue Regulations.

Sincerely,

Boyd Norton
Landowner Assistance Forester, NW Washington
Washington State Department of Natural Resources
919 North Township Street
Sedro-Woolley WA 98284

It is Profitable to Grow Commercial Timber on 5 Acres in Clark County

when Correct Management & Harvesting is Implemented as Shown by the Below Data:

2013 - 2015 Less than 5 Acre 35 - 45 Year Partial Cut Douglas Fir/Grand Fir Timber Thinning for Different Landowners in Clark County - Data Compiled from Harvesters who Agreed to Provide Data Within Privacy Limits

Year/Quarter	Acres Harvested	Harvest Volume (MBF)	Timber Gross Sale	Per DNR		Net Income per 1 acre	Net Income for 5 acres
				Less 40% Harvest Costs	Net Income		
2013 - Q2	3.00	38.00	\$29,100.00	(\$11,640.00)	\$17,460.00	\$5,820.00	\$29,100.00
2013 - Q3	1.00	17.00	\$11,700.00	(\$4,680.00)	\$7,020.00	\$7,020.00	\$35,100.00
2013 - Q4	1.00	20.00	\$12,200.00	(\$4,880.00)	\$7,320.00	\$7,320.00	\$36,600.00
2014 - Q1	2.00	29.50	\$23,100.00	(\$9,240.00)	\$13,860.00	\$6,930.00	\$34,650.00
2014 - Q2	1.50	28.50	\$20,200.00	(\$8,080.00)	\$12,120.00	\$8,080.00	\$40,400.00
2014 - Q3	1.25	23.00	\$17,700.00	(\$7,080.00)	\$10,620.00	\$8,496.00	\$42,480.00
2014 - Q4	1.50	16.50	\$16,100.00	(\$6,440.00)	\$9,660.00	\$6,440.00	\$32,200.00
2015 - Q1	1.00	13.50	\$10,050.00	(\$4,020.00)	\$6,030.00	\$6,030.00	\$30,150.00
2015 - Q2	0.25	3.50	\$1,600.00	(\$640.00)	\$960.00	\$3,840.00	\$19,200.00
2015 - Q3	1.25	12.00	\$7,200.00	(\$2,880.00)	\$4,320.00	\$3,456.00	\$17,280.00
2015 - Q4	1.50	17.00	\$13,800.00	(\$5,520.00)	\$8,280.00	\$5,520.00	\$27,600.00
2016 - Q1	1.00	3.00	\$2,300.00	(\$920.00)	\$1,380.00	\$1,380.00	\$6,900.00
						\$70,332.00	

The above data shows average net income to be \$5,861 per acre, or \$29,305 average net income for 5 acres.

RE: \$70,332 gross net income divided by 12 landowners = \$5,861.00 X 5 acres = \$29,305.00 average net income for 5 acres.

The above harvest would be followed by a second harvest approximately 25 years later, yielding additional income as described in the DNR letter of 5/17/16.

Note: The above harvest data includes gross sales receipts for the sale of export logs, poles, and domestic logs. Payment received for export logs and poles is greater than prices paid for domestic logs.

The DNR letter of 5/17/16 accounts only for domestic log prices and does not include the greater sales prices received for export logs and poles and does not account for future increases in log or pole payment prices

May 23, 2016

Clark County Board of Councilors
Marc Boldt, David Madore, Tom Mielke, Julie Olson, Jeanne Stewart
1300 Franklin Street, PO Box 5000
Vancouver, WA 98666-5000

Clark County Planning Commission
Steve Morasch, Ron Barca, John Blom, Karl Johnson, Eileen Quiring, Bill Wright

Clark County Community Planning
Oliver Orjiako
Gordy Euler

Comprehensive Growth Management Plan Update - Comments
P.O. Box 9810
Vancouver, WA 98666-9810

RE: Comprehensive Growth Management Plan Update

Subject: It is Profitable to Grow Commercial Timber on Five Acres in Clark County.

Dear Ladies and Gentlemen:

The purpose of this communication is to provide data to correct an inaccuracy.

I heard comments made by Clark County staff and elected officials at the May 4, 2016 joint work session of the Clark County Board of Councilors and the Clark County Planning Commission to the effect that it is not profitable to grow commercial timber on timber land parcel sizes of less of than 20 acres. It is an incorrect assumption that it is not profitable to grow commercial timber for a profit on parcel sizes less than 20 acres in Clark County. It is also an incorrect assumption that timber land parcels should not be less than 20 acres.

Data, testimony, and direct first hand observation and knowledge confirm that it can be profitable to grow commercial timber on five (5) acre parcels in Clark County. However, informed and correct timber management and harvest should be implemented.

I have tried to arrange a brief meeting with Planning staff to present the true facts about this subject, however, I have been ignored by Planning staff. Because I was ignored by Clark County Planning staff, I did testify on this subject before the Clark County Board of Councilors and the Clark County Planning Commission during the public comment period on May 19, 2016.

I have more than 50 years of experience in successful profitable timber management and timber harvest. Therefore, I have direct first hand observation and knowledge which confirms that it can be profitable to grow commercial timber on five (5) acre parcels in Clark County.

The attached spreadsheet "It is Profitable to Grow Commercial Timber on 5 Acres in Clark County" verifies that smaller parcels can produce income profit by growing commercial timber.

The attached letter, dated 5/17/16, from Boyd Norton, Washington State Dept of Natural Resources, proves that growing commercial timber on 5 acres in Clark County is profitable.

The State of Washington recognizes in RCW' 84.33 that it is profitable to grow timber on 5 acre parcels and provides the property tax reduction which creates an incentive for the profitable growing of timber on 5 acres.

Oral testimony at a public meeting in September 2015 by Lee Levenan, a logger with many years of experience verified that his logging experience has shown that harvest of commercial timber from 5 acres can be profitable.

As stated before, good timber management practices and proper harvest and timber marketing must be followed. One must be patient and wait to harvest when the timber is mature enough for profitable thinning or final harvest. An astute farmer would not harvest his corn crop when it is immature and has not produced marketable ears or corn. The same applies to timber harvest. Also, harvest timing is very important as poor general economic conditions do not provide for high timber prices.

Please encourage timber production on small acreages in Clark County so as to provide acreage mitigation to offset 1 acre on tree farms so that families may live on their own land and manage their tree farms more efficiently and enjoy living on their own land.

Please consider innovative zoning options as other counties do in Washington State to provide for growing timber on 5 acre parcels by creating an FR-6 zoning option (5 acres timber land or open space with 1 acre growing timber on a home site).

Promoting "carbon sequestering" for profit could provide new income to owners of 6 acre parcels who grow timber on 5 or more acres of their land and create more timber growing in Clark County to provide acreage mitigation or acreage exchange for us tree farmers to be able to live on our own land

Thank You

Sincerely,

Stan Greene
P O Box 227
Heisson, WA 98622

Enclosures Page 5 Spreadsheet "It is Profitable to Grow Commercial Timber on 5 Acres in Clark County"

Page 6 Letter, dated 5/17/16, from Boyd Norton, Washington State Dept of Natural Resources,