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HUMBOLDT COUNTY
PLANNING DIVISION

11-28-06

Mr. Kirk Girard, Director
Community Development Services
County of Humboldt
3015 H Street
Eureka, CA 95501

RE: General Plan Update- Forest Resources Report

The undersigned representatives include both large and non industrial landowners, and collectively we represent the majority of the private timberland ownership in Humboldt County. We have been meeting with you and your staff over the last several months and have appreciated the opportunity to provide input to the process of developing alternatives for the Forest Resources Sketch Plans. We look forward to reviewing the next iteration of the Sketch Plans that includes our recommendations.

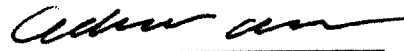
During our meetings we have expressed concern with some of the content of the Forest Resources Report and told you that we would be providing comments. We feel it is important that this report be accurate and complete as it will serve as a foundational document in the record for the Environmental Impact Report (EIR).

Attached please find our comments and recommended changes to the Forest Resource Report. These changes and comments were reviewed by the undersigned landowner representatives, all of whom are Registered Professional Foresters. We respectfully request that these changes be incorporated into the final report. We also request that the draft report be reviewed by the Forestry Review Committee before it is finalized and released to the Planning Commission, Board of Supervisors and the public.

Respectfully,



Bill Blackwell, Sierra Pacific Industries



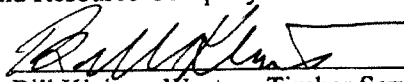
Adrian Miller, PALCO



Dan Opalach, Green Diamond Resource Company



Steve Horner, Barnum Timber Company



Bill Kleiner, Western Timber Services

CC: Mr. John Woolley, Chairman Humboldt County Board of Supervisors
Ms. Martha Spenser, Planning Department

**PROBLEMS, COMMENTS, AND CONCERNS WITH THE CONTENTS OF THE
FOREST RESOURCES AND POLICES DISCUSSION PAPER¹**

Prepared by Industrial Timberland Owners

RECEIVED

November 22, 2006

DEC 01 2006

HUMBOLDT COUNTY
PLANNING DIVISION

DETAILED COMMENTS REFERENCED BY PAGE NUMBER

Page 1-2, Table 1

The notes for Table 1 have a curious comment—"except the last column at 300 years old". This does not make any sense given the contents of Table 1. Is there a missing column?

Page 1-11, Paragraph 2

The *Forest Resources and Policies Paper* cites acreage numbers supplied by Humboldt Watershed Council (HWC) and then uses those acres to make conclusive statements. Why should the county accept HWC figures? They aren't a government agency or research institution. They are a group with an agenda. The county should make a determination of the number of non-industrial private forest acres not in TPZ based on publicly available data sets.

Page 1-12, Paragraph 1, Sixth Bullet Point

The sixth bullet point on this page is misleading in that it implies that harvesting operations are often "high-impact" and "not sustainable." This is simply not the case. Virtually all timber operations conducted in the state that are approved by CDF and other state agencies (via the THP or NTMP process) are designed and implemented such that the operations will not have a significant adverse impact on the environment. Furthermore, the Forest Practice Rules (FPRs) and the Forest Practice Act (FPA) have many provisions to ensure that harvested areas are adequately stocked with trees either upon completion of the harvesting operation or shortly thereafter. Such provisions ensure that these lands will continue to produce timber long into the future. Furthermore, why is Humboldt Watershed Council cited? Are there other individuals or groups that express their opinions that are also cited as authorities within this document? What are HWC's credentials? The sixth bullet point should be restated as follows:

¹ The title page for the County's discussion paper contains the following information:

Humboldt 2025 General Plan, Prepared by Humboldt County Department of Community Development Services, Forest Resources and Policies, A Discussion Paper for Community Workshops, October 2003 Draft, Revised April 2006

- *Because of these factors, NIPF owners should have a window of opportunity to apply for TPZ zoning, even if they have less than 160 acres.*

Page 1-14, Table 7

The data in CDF's THP submissions database may not reflect how the THP was ultimately operated. There are often changes in silviculture, logging methods, additional mitigations added to protect species, the year of the plan is not the year operated, and some plans are not operated due to changes in log markets. Thus, the submissions database will overstate what was actually done on the ground.

Page 1-14, Paragraph 2, Sentence 3

The *Forest Resources and Policies Paper* should note that a cumulative impact analysis is contained in every THP. It's highly unlikely that the County will discover any problems that are not already disclosed in these THPs. It's a mystery as to why the County would want to allocate substantial sums of money and time to cumulative impact assessments when such assessments are already available to the public. At the very minimum, the *Forest Resources and Policies Paper* should inform the public that THPs already contain cumulative impact analyses which may be inspected for those key watersheds for which there is a perceived problem.

Page 1-16, Paragraph 1, Sentence 1

This section is terribly misleading because it assumes that when a Certificate of Compliance (CC) is issued, or a Lot Line Adjustment (LLA) is approved, or subdivision is approved, this somehow equates to a "conversion" of the lands affected to a use other than timber production. No information is provided that would indicate the effect of the issuance of the CCs or the approval of the LLAs and subdivisions on timber production. It is our belief that lots of timber is harvested from such lands.

Page 1-16, Paragraph 5

This whole section (**Forest Ownerships are Fragmenting**) should be brought into conformance with the Findings in the Executive Summary. Only 1,000 acres since 1977 have been rezoned out of TPZ which were approved by the Planning Commission and the Board of Supervisors for development purposes. It should be noted that many of these acres have yet to be developed and are still growing trees! A perfect example is Green Diamond's non-TPZ acres (approximately 250 acres) east of Walnut Drive. On the other hand, government acquisitions have taken 78,616 acres out of production since 1977.

Page 1-16, Paragraph 5, Sentence 6

Is Humboldt County following these national trends? The links are weak. The assertions (e.g., “In Humboldt County this trend is manifested in the breakup of family ranches...”) should be supported with facts.

Page 1-17, Paragraph 1

This paragraph (**Individual Landowners are Aging**) is pure conjecture and not supported with data. The linkage as to what may happen in Humboldt County is weak.

Page 1-17, Paragraph 3, Sentence 5

Acquisition of forestlands by institutional investors is not taking place in California like the rest of the nation because of the high cost of regulation. G-P’s sale to a TIMO is a rare exception.

Page 1-19, Paragraph 6, Sentence 1

In response to this issue (direct conversion out of TPZ in Humboldt County) some landowner associations have adopted zero net resource land policies (e.g., Humboldt County Farm Bureau).

Page 1-20, Paragraph 3, Sentence 2

Non-profit organizations do pay compensation (for lost tax revenues) to counties when land is purchased for preservation purposes. Del Norte County has been involved in two such transactions: Save-the Redwood League’s purchase of the Mill Creek property (from Stimson in 2002) and Western Rivers Conservancy’s purchase of the Goose Creek property (from Green Diamond in 2005).

Page 1-20, Paragraph 4, Sentence 1

Legal parcels are not created by the Certificate of Compliance (CC) and Determination of Status (DS) processes.

Page 1-21, Paragraph 2, Sentence 1

CCs have been on the rise, but has this resulted in conversions out of TPZ? Answer: No.

Page 1-22, Paragraph 2, Sentence 3

A comment on the statement “*Since 2001, TPZ parcels as small as one and five acres have been approved with Joint Timber Management Plans by the Forestry Review Committee.*” This happened because the assessor would not issue a new APN. These small parcels were legal parcels (as defined by the Subdivision Map Act) but the County Assessor required the JTMP because of her interpretation of the Timberland Productivity Act.

Page 2-4, Paragraph 2, Sentence 1

We agree with the Forestry Review Committee in that all the issues identified by citizens are addressed by the FPA, FPRs, and all the other state and federal rules and regulations that apply to timber operations. County involvement in these matters would simply be a cost burden that would utilize County funds that could be better spent elsewhere, like rural road maintenance.

Page 3-4, Paragraph 1, Sentence 2

This sentence is incorrect. We suggest that the authors contact CDF to obtain a proper interpretation of the ways in which timberland owners demonstrate maximum sustained productivity.

Page 3-4, Paragraph 4, Sentence 1

The proper acronym for Non-industrial Timber Management Plan is NTMP.

Page 3-5, Paragraph 1, Sentence 2

A THP is good for up to five years. Three years initially with two one-year extensions.

Page 3-5, Paragraph 3, Sentence 2

“Pro-harvest” is a biased word that indicates the author’s prejudiced viewpoint.

Page 3-6, Paragraph 1, Sentence 1

It’s not all one-sided. CDF often prevails in court.

Page 3-6, Paragraph 3, Sentence 3

Last time we checked, 2,4,5-T was not registered for use in the state of California.

Page 4-7, Paragraph 3, Sentence 3

The best way to protect the current forest land base is to increase the timber value of such lands. The County needs to develop polices that will promote investment in timberlands. The County needs to support the industry’s efforts to reduce the cost of complying with the myriad state and federal rules and regulations that impact the industry.

Page 4-7, Paragraph 4, Sentence 1

The report says that “*some forest land is being converted to non-forest uses.*” First of all, this report has a biased view with respect to the term “conversion” that has already been addressed (see Page 1-16, Paragraph 1 comment). Secondly, simply due to population growth some forest land in Humboldt County will be converted. Humboldt County has a responsibility to provide for such increases in population and, inevitably

due to the preponderance of TPZ land in Humboldt County, some of this forest land will be converted to non-forest uses. As mentioned above (see Page 1-16 comment), almost all TPZ conversion has been due to government acquisition.

Page 4-7, Paragraph 5, Option 3.1

The timber industry will be glad to sit down with the environmental community to discuss strategies for reducing permitting costs for both small and large timberland landowners.

Page 4-8, Paragraph 1, Sentence 1

The current minimum lot size for TPZ lands is 160 acres (not 40 acres).

Page 4-8, Paragraph 1, Sentence 3

It is simply not true that “*On rural residential lands, timber is often clear cut and not replanted.*” This sentence should be deleted.

Page 4-8, Paragraph 2, Sentence 1

The industrial timberland owners in Humboldt County reject the report’s conclusion that “*Increasing the minimum lot size for core industrial lands would respond to the concerns expressed by the industry related to land use compatibility.*” This sentence should be deleted.

Page 4-8, Paragraph 3, Option 3.2

The forest products industry is absolutely opposed to a two-tier system of TPZ zoning system. Such a system devalues industrial timberlands, complicates or eliminates land exchanges that involve both tiers, and may lead to the unintended consequence of accelerating development on non-industrial timberlands. The arbitrary and discriminatory nature of such a system sends the wrong message to Humboldt County’s industrial timberland owners. The industry needs Humboldt County’s support. It does not need a policy that significantly devalues industrial timberlands.

Page 4-9, Paragraph 2, Option 3.3

The County should know that sustainable forestry is mandated by California’s FPRs and FPA. Also, all the industrial timberland owners in Humboldt County are already certified under the SFI program. Unfortunately, the marketplace rarely rewards certified producers with better prices. The industry would appreciate any promotion efforts that the County might undertake to promote the area as a model for sustainable forestry, but the effort will not yield any significant economic benefits.

Page 4-9, Paragraph 3, Option 3.4

Any cost sharing programs should logically include all the stakeholders that use County roads. It’s inappropriate to single out the forest products

industry in this option as there are many entities that use the County's roads.

Page 4-9, Paragraph 4, Option 3.5

The authors of the *Forest Resources and Policies Paper* do not appear to appreciate the extent to which current rules and regulations protect sensitive habitats or species. In a nutshell, vast acreages of productive timberland are set aside for such purposes. We would recommend that the County better acquaint itself with the current rules and regulations before pursuing this policy option.

Page 4-9, Paragraph 5, Option 3.6

It is our firm belief that all the "areas of critical analysis" listed in the report are already addressed within the THP process. We would recommend that the County better acquaint itself with the current rules and regulations before pursuing this policy option.

Page 4-9, Paragraph 6, Option 3.7

JTMPs are not the problem. The cost of acquiring permits to harvest trees is the problem. Monitoring and updating JTMPs will not motivate small landowners to harvest timber.

Page A-4, CERTIFIED SUSTAINABLE

The focus on FSC certification in this appendix is a significant oversight. The SFI system should be given equal treatment or the entire section should be deleted. Approximately 600,000 acres of Humboldt County timberland is certified as sustainable under the SFI standard.

Page A-5, Paragraph 3, Sentence 1

Two of the three mills certified under the FSC system have gone out of business and have been dismantled.

Page A-5, Paragraph 5, Sentence 1

Sustainable forest management is mandated by laws and regulations in the state of California.

Page A-6, Paragraph 3, Bullet Point 3

"Encourage certification..." Certification should be voluntary. Also, it has been our experience that the market does not reward certified producers with better prices for their products.

Page A-8, Paragraph 1

The County should support the repeal of the inheritance tax.

Page A-8, Paragraph 2, Sentence 1

The Timber Harvest Plan process... Change “may be required” to “will be required”.

Page A-8, Paragraph 3, Sentence 1

The Little Hoover Commission report dated June 1994 is no longer relevant. The laws and regulations have changed substantially since then. For example, cumulative impact assessments are now required as are sustained yield assessments. References to the Little Hoover Commission report should be deleted.

Page A-8, Paragraph 3, Last Sentence

“There is no mechanism for linking demonstrated effectiveness...” Not true. For example, the Monitoring Study Group (MSG) is a subcommittee of the Board of Forestry which reports regularly to the Board. Mitigation measures and the rules have been found to be effective where they are properly implemented on the ground.

Page A-8, Paragraph 4, Sentence 2

“Pro-harvest” is a biased term that should be removed from this report.

Page A-9, Paragraph 1, Sentence 1

The Little Hoover Commission report is outdated. It’s over 12 years old. References to the Little Hoover Commission report should be deleted.

WHAT’S MISSING FROM THE REPORT

The cost of doing business in California is putting tremendous pressure on the forest products industry and decreasing the value of industrial timberlands. It’s no secret that California has the most stringent forest practice rules in the nation. Quite simply, the industry needs regulatory relief. The industry needs the County to develop policies that support the industry and lead to a reduction in regulatory costs.

The industrial timberland owners in Humboldt County would like to see their views reflected in the next draft of the *Forest Resources and Policies Paper*. It is our position that in order to maintain a viable timberland resource base in Humboldt County the county needs to (1) rescind the New Merger Ordinance, (2) maintain current existing legal parcels thereby maintaining the value of the land, and (3) insure that the current Joint Timber Management Plan (JTMP) process stays in place.