

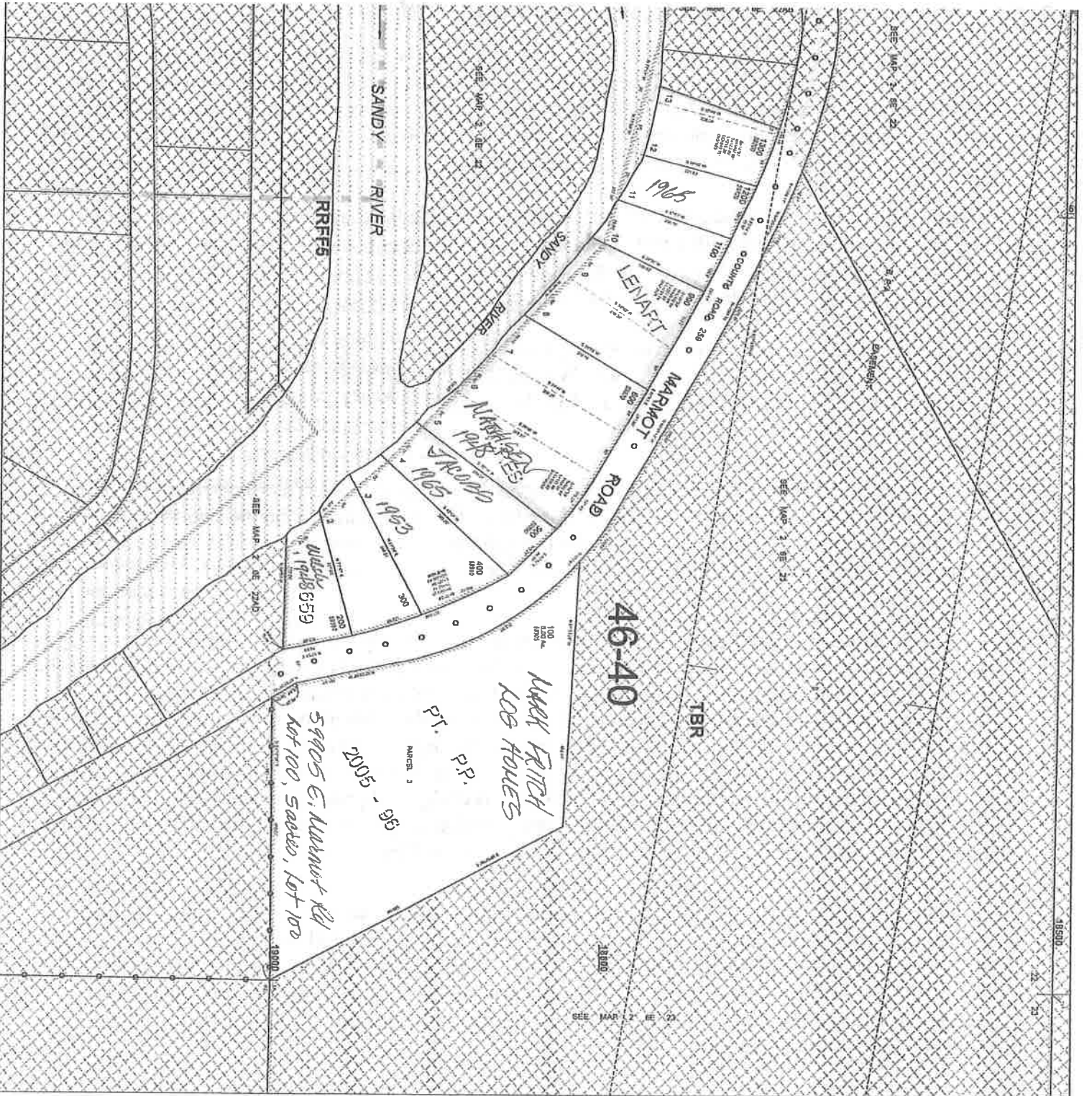
## Tom Partin Testimony SB 1575

- I have had the privilege of testifying before this committee on several occasions promoting better management of our public forests and the creation of more forest products industries and jobs in rural Oregon where unemployment and poverty is very high. Today, however I am here to oppose SB1575 which is disguised as an economic development bill, but is nothing more than a bill to allow Mark Fritch log homes to illegally locate and operate in a residential area.
- As I said I strongly support the establish and maintenance of the forest product sector, and in fact in 1983, I worked for a company that built a new facility in John Day Oregon, and in doing so we worked with local land use planning to find a proper location for our sawmill. I personally went around to each of our neighbors to explain our plans and to discuss any questions or concerns.
- Our industry prides our self on following strong forest practice rules that not only protect the forests, but also the waters, wildlife and other amenities. We also follow strict land use laws where we practice forestry, and locate facilities making sure our forests are growing and not turned into developments or ill placed industrial zones.
- However, we don't need to improve our rural economy by trumping Oregon's land use planning laws. I understand this because I served as chairman of the Grant County Planning Commission while finalizing our county land use allocations. These laws are fair and the process provides a mechanism for proper location for specific uses and a review for requested variances. Everyone gets a voice!
- This bill is disguised as an "Economic Bill" when in fact it is nothing more than an attempt to illegally locate a log home manufacturing business in a residential area. I strongly encourage you to not let this bill trump the good work on land use planning and zoning that have taken decades to implement. That is exactly what would happen with its passing. Mr. Fritch located on this property prior to applying for the proper land use permit. He was denied a permit by the Hearings officer at the Planning Commission level, he further lost at LUBA, and just last week was denied by the Oregon Court of Appeals. This is not about locating a business on farm or forest land or whether it is designated primary or secondary manufacturing, rather it is about locating an industrial, manufacturing business adjacent to rural, residential recreational homes within a Scenic River Byway along the historic Barlow Road.
- My family owns five of the 23 lots that were established in 1949 by my wife's grandfather. Imagine visiting our cabin on this site for over 50 years and then showing up to find an illegally placed log home business setting up just across the road from our cabin less than 300 ft. from the Sandy River. Wet areas have been filled in illegally, chemical wood preservative are put on logs leach into the small stream flowing directly into the Sandy River, and noise of the heavy equipment just destroys the tranquil setting of the homes adjacent to the Sandy River!
- I am all in favor of Mark Fritch and his log home company having a successful future, employing people, and helping rural Oregon, but that operation should not be allowed to continue in his present location and we ask that your committee not pass this bill out of committee. Thank you for taking my comments.

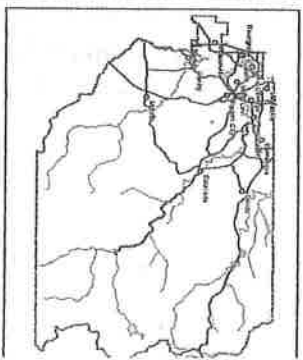


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CANCELLED TBR



- Parcel Boundary
- Private Road ROW
- Historical Boundary
- Railroad Corridor
- Tactocedlines
- Map Index
- Waterlines
- Land Use Zoning
- Pole
- Well
- Center
- Section Center
- 1/16th Line
- Govt Lot Line
- DIC Line
- Meadow Line
- PL 98 Section Line
- Historic Corridor 40'
- Historic Corridor 20'



THIS MAP IS FOR ASSESSMENT PURPOSES ONLY





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# The 2012 Forest Report

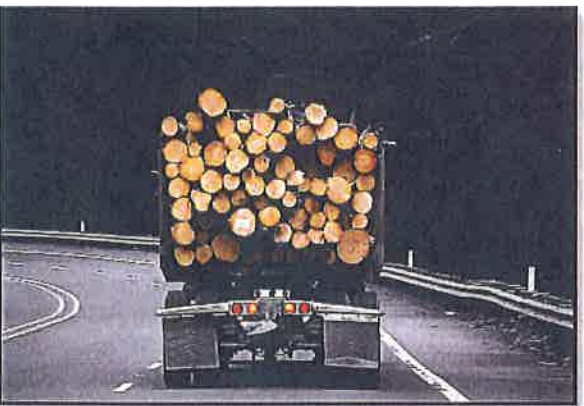
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## An Economic Assessment of Oregon's Forest and Wood Products Manufacturing Sector

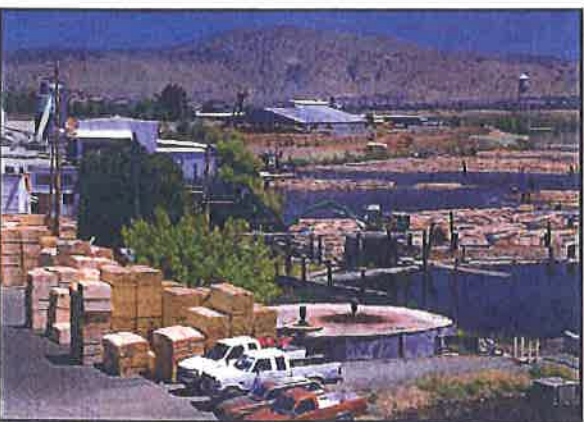
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Prepared for:  
Oregon Forest  
Resources Institute

July 31, 2012

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**Secondary and Tertiary Wood Products Manufacturing**

**(15,858 total employment and \$900 million in total income in Oregon)**

Secondary manufacturing of wood products employs 15,858 people in Oregon and provides \$902 million in total income (Table 1.2-4). This group includes all industries that use primary wood products in their manufacturing

operations. These include sawmill residuals and chips, millwork and cut-stock, wood containers and pallets, log homes, timber-framed homes, pre-built wood sheds, and mini-barns and wood furniture.

**Table 1.2-4: Jobs and income — secondary wood products**

Industry	Jobs	Total Income
Wood chips and other residual	973	\$45,731,000
Millwork and cut stock	7,903	\$566,109,013
Wood containers and pallets	622	\$31,389,971
Manufactured homes	1,590	\$71,371,141
Other wood products	754	\$31,976,387
Wood kitchen cabinets	2,649	\$79,935,808
Other wood household furniture	934	\$56,293,395
Office fixtures and furniture	433	\$19,110,937
<b>Total</b>	<b>15,858</b>	<b>\$901,917,652</b>

**1. Wood chips and other residuals**

Wood chips and other residual products employ about 973 people in Oregon, with total income of about \$45.7 million.

Sawmills, plywood mills, remanufacturing facilities, chipping in the forest, chipper plants and bark chipping businesses produce a variety of residual products. Some of these activities are included in other sectors or industries to avoid double counting. They are an important aspect of the profitability of sawmills, remanufacturing plants and logging operations.

While markets for other forest products have declined, markets for residuals have improved in the recession. This is common as residual markets tend to be counter-cyclical with log markets.

Asian chip exports are the primary factor driving the market expansion of residuals. Domestic consumption of residuals has declined as mills have scaled back operations and paper mills have closed. Primary wood processing facilities generate about 4.5 million bone-dry tons of residuals (Gale et al., 2012).

Asian markets for chips have increased significantly in recent years. Japan has traditionally been the destination market for the majority of Columbia River and Oregon chips (Busby, 2006). Chinese chip demand is increasing due to a rapid expansion of paper production in China.

Another market for residuals is wood fuels such as pellets, bricks and biomass electrical generation plants. While increased log and chip

SB1575 would allow the establishment (in forest zones or mixed farm and forest zones) of facilities utilizing raw logs by creating new definitions and zoning waivers for such facilities. These definitions clearly are designed to outright permit log home manufacturing in zones previously requiring a conditional use permit. Not only does this bypass the current land use planning process, it threatens water quality and neighboring property values.

The changes proposed by SB1575 would permit, without the current land use permitting process, industrial land-use directly adjacent to 23 riverside, residential home lots. Already the runoff from the unpermitted filled-in wetland, carrying remnants of diesel fuel and toxic chemicals from the worksite, flows across Marmot Road eroding our driveway. It then flows into the Essential Salmonid tributary the few yards through our family property into the Sandy River.

In 1991, the Oregon Legislature created the Oregon Forest Resources Institute (OFRI) to enhance collaboration among forest scientists, public agencies, community organizations, conservation groups and forest landowners; to provide objective information about responsible forest management; and to encourage environmentally sound forest practices through training and other educational programs.

In an OFRI publication titled "The 2012 Forest Report", the most comprehensive definition of primary, secondary and tertiary wood products manufacturing was outlined. On page 33 of the report it says: "Secondary manufacturing .... includes all industries that use primary wood products in their manufacturing operations. These include sawmill residuals and chips, millwork and cut-stock, wood containers and pallets, log home, timber-framed homes, pre-built wood sheds, and mini-barns and wood furniture."

Although it may be beneficial to formalize the definitions of forest products and production processes, we do not feel that SB1575 follows the definition already provided to the State Legislature, Department of Forestry, and Land Conservation and Development Commission by OFRI.

Further, we feel that SB1575 is cleverly disguised as an "economic development bill" using the cloak of downtrodden rural Oregon in an attempt to overturn a LUBA case involving Mark Fritch Log Homes. Mr. Fritch has illegally located his business in an area not zoned for log home construction without a permit. He has lost his case at the County Planning level, at a LUBA appeal hearing, and most recently State Appeals Court. Failing to win in the judicial arena, Mr. Fritch has turned to the legislative route to legitimize his illegal operation. We strongly feel that if this bill is passed, it would allow any manufacturing business that uses logs to operate in a forest zone i.e. Cabinet maker, furniture maker, box factory, etc. We feel the best path for rural economic growth is careful management of our natural resources. Not by allowing our forest and farm lands to be developed. This bill would set a very bad precedent by allowing Oregon's strong land use planning rules that took LCDC years to prepare to be overturned by the stroke of this new legislation.

We encourage you to not pass this bill out of your committee.



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