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**NONINDUSTRIAL PRIVATE WOODLANDS
MANAGEMENT
ADMINISTRATIVE RULES**

1. LEGAL AUTHORITY FOR RULES. These rules are adopted pursuant to Section 17.040.220 of Douglas County Code Chapter 17.04 , entitled Nonindustrial Private Woodland Management Ordinance for the County.

2. DEFINITIONS. In these rules, unless the context or subject matter otherwise requires, words and phrases shall be given the same definitions as set forth in Section 17.04.020 of the Douglas County Code.

3. PURPOSE. These rules are intended to implement the provisions of Chapter 17.04 of the Douglas County Code and to accomplish the objectives of the Ordinance.

4. INTERPRETATION. These rules are intended to be complementary to the provisions of Chapter 17.04 of the Douglas County Code and any directives issued by the Board or the Committee. In the event of a conflict or discrepancy between the provisions of the Ordinance, these rules, or any directive issued pursuant to the Ordinance, the following priorities shall apply:

4.1. The provisions of the ordinance shall take precedence over inconsistent provisions in these rules or any directives.

4.2. The provisions of these rules shall take precedence over any inconsistent directives.

4.3. The directives of the Board shall take precedence over the directives of the Committee.

These rules shall be interpreted to effectuate the policies of Chapter 17.04 of the Douglas County Code. When, in the administration of these rules, there is a doubt regarding the intent of the rules, the Forester shall request an interpretation of the rules by the Committee. The Committee may issue an interpretation to resolve the doubt, but such interpretation shall not have the effect of amending the provisions of these rules or the Ordinance. Any interpretation of these rules shall be based on the following considerations:

4.4. The purpose and intent of the Ordinance and these rules.

4.5. The opinion of the Forester.

4.6. The opinion of the County Counsel.

The interpretation of the Committee shall be forwarded to the Board. The board shall have the right to modify any such interpretation.

5. WOODLANDS ADVISORY COMMITTEE.

5.1. **Organization.** The Committee shall be composed of five members and four ex-officio members as set forth in Section 17.040.030 of the Douglas County Code. Ex-officio members shall not vote on Committee decisions and shall not be officers of the Committee. The Committee shall elect a chairperson and a vice-chairperson each year. The chairperson shall preside at all meetings of the Committee and shall conduct the meetings of the Committee in accordance with procedural rules established by the Committee. The vice-chairperson shall perform the duties of the chairperson when the latter is absent.

5.2. **Committee Actions.** Three voting members shall constitute a quorum. No decision shall be made by the Committee unless a quorum is present. A majority of the members present at a meeting must vote in favor of any proposed decision or action of the Committee before it may be implemented.

5.3. **Records, Notice of Meetings.** The Director of the Douglas Land Department shall serve as the official recording secretary for the Committee pursuant to Section 17.04.030 D. of the Douglas County Code. The Director shall provide for the taking of minutes of all meetings of the Committee. The Director shall give notice of meetings to all members. The Director shall be responsible for compliance with all requirements for public meetings as set forth in ORS Chapter 192.

5.4. **Committee Meetings.** The Committee shall meet as necessary to perform its duties. If requested by the Committee, the Board, or the Forester, the Committee and the Board shall hold joint meetings to consider matters pertaining to the Ordinance. The Director of the Land Department shall be responsible for scheduling all meetings.

5.5. **Subcommittees.** The Chairperson may appoint voting members and ex-officio members of the Committee to subcommittees to assist the Committee in carrying out its functions.

6. LOANS.

6.1. **Applications.** An applicant for a loan under Section 17.04.180 of the Douglas County Code shall complete an application form approved by the Forester. All applications shall expire on April 30 of each year. However, applicants who desire assistance covered by applications filed prior to April 30 may renew such application. Applications shall be available at the Douglas County Land Department. The applicant shall provide the Department with an aerial photograph depicting the applicant's property boundaries and the area of the project to be covered by the loan. Department personnel shall assist the applicant in completing the loan application and shall explain restrictions and requirements for loans to the applicant.

6.2. **Title Report.** The loan applicant shall provide the Department with a preliminary title report for the property for which the loan is requested. If the loan request is approved the County may require the applicant to obtain a mortgagee's title insurance policy insuring the County for the amount of loan.

6.3. **Review of Applications.** Applications shall be reviewed by the Forester in the chronological order in which they are filed with the Department. The Department shall encourage applicants to submit applications as early as possible to allow sufficient time for review. After the

Forester has made a preliminary review of an application he shall arrange for a meeting with the applicant to view the site for which the loan is requested. The Forester and the applicant shall discuss the applicant's long range plans for forest management, alternative methods for forest management and loan requirements and restrictions. The Forester shall inspect the site and make any measurements or tests that may be necessary for evaluating the loan application.

6.4. Forester's Report. The Forester shall prepare a report for the Committee on each loan application. The report shall contain sufficient information for the committee to evaluate the application and apply the priorities set forth in these Rules to the proposed loan. If practical, the report should include the following information:

6.4.1. Unit acreage and legal description

6.4.2. Site index

6.4.3. Description of type of cover

6.4.4. General map of the unit

6.4.5. Soil series information, if available or readily discernible

6.4.6. Number of saplings per acre for pre-commercial thinning loans

6.4.7. Average cost per acre per year for each forest management practice required

6.4.8. The Forester's evaluation of the application

6.4.9. Feasible options for forest management practices

6.5. Evaluation of Applications. The Committee shall review all loan applications and reports submitted by the Forester in the chronological order in which they are received by the Committee. The Committee shall consider the following information for evaluation of applications:

6.5.1. Financial information including but not limited to the applicant's ability to pay principal and interest on the loan and the adequacy of security

6.5.2. Forester's recommendation

6.5.3. Priority rating for the unit

6.5.4. Priority rating for the forest management practices to be financed by the loan

6.5.5. Available funds

6.5.6. Status of existing loans and pending loan applications

The Committee shall recommend approval or disapproval of a loan application within a reasonable time after it has been reviewed. The Committee may approve all or part of an

application and may recommend conditions for approval.

6.6. Forest Land Management Agreement. Before any loan documents are submitted to the Board for final approval, the applicant shall be required to sign a Forest Land Management Agreement as defined in Section 17.040.020 G. of the Douglas County Code. The Management Agreement shall include the following:

6.6.1. A provision requiring the eligible owner to perform a forest management practice or series of practices necessary for successful tree stand establishment or improvement on the owner's commercial forest land.

6.6.2.

A schedule for completion of each practice.

6.6.3. A provision requiring the eligible owner to submit to periodic field checks, inspection and monitoring by the Forester to insure the owner's compliance with the Agreement.

6.6.4. A provision which states that failure to comply with any of the conditions of the Agreement shall constitute a default on the loan.

6.6.5. A requirement that the eligible owner must comply with the provisions of these rules in effect at the time the loan agreement is signed.

6.6.6. A provision requiring the eligible owner to manage timber stands for which the loan is requested for commercial harvest within a reasonable rotation length with commercial species approved by the Forester. The minimum rotation length shall be to an average tree size permitting sale of the stand for whole wood products. The maximum rotation length shall not exceed 90 years.

6.6.7. A provision requiring the eligible owner to use forms approved by the Forester for any contracts with independent contractors to accomplish forest management practices covered by the loan.

6.7. Security. Each loan shall be secured by collateral of sufficient value to cover the principal amount of the loan, interest, and collection expenses. The Committee shall apply the following guidelines to evaluate the sufficiency of security.

6.7.1. The principal amount of the loan together with any other liens against the collateral should not exceed 70% of the value of the collateral.

6.7.2. Preference should be given to securing the loan by a first lien on the eligible owner's interest in real property. If it is not practicable to obtain a first lien, a junior lien may be used so long as the value of the collateral is sufficient to secure the loan from the County and any prior obligations.

6.7.3. Preference should be given to securing the loan by a lien on the real property

covered by the Forest Land Management Agreement.

6.7.4. If a security interest to which ORS Chapter 79 applies is used to secure loans the Director shall be responsible for renewing financing statements for such security interest.

The Committee may require loan applicants to furnish copies of security instruments for prior encumbrances and payment records for prior encumbrances for purposes of evaluating security. If practicable, the Committee should use information available from County resources for determining the value of the security. However, if necessary, the Committee may require the applicant to furnish a written appraisal of real property to be used for collateral.

6.8. **Loan Instruments.** Loan instruments shall be reviewed by the Forester, the Committee, and County Counsel and approved by the Board. Loan instruments shall require the eligible owner to comply with the provisions of the Forest Land Management Agreement and shall incorporate the Agreement by reference. A loan may be secured by a mortgage, trust deed, assignment of a purchaser's interest in a land sale contract, a UCC security agreement, or any combination of such instruments.

6.9. **Board action on loans.** After the Committee has made its recommendation on a loan application, the Forester shall make a recommendation to the Board for action on the application pursuant to Section 17.04.070 C. of the Douglas County Code. The Forester's recommendation may differ from the recommendation of the Committee. The eligible owner shall sign a Forest Land Management Agreement which incorporates the Forester's recommendation. The Board may approve, disapprove or modify any loan agreement. The Forester shall notify applicants of any action taken by the Board on loan applications.

6.10. **Interest.** All loans made after December 1, 1981, shall bear simple interest at the rate of 4% per annum.

6.11. **Term.** The term of each loan shall allow sufficient time for the owner to pay the loan with proceeds from the sale of timber covered by the Forest Land Management Agreement.

6.12. **Payment.** Loans may be paid by the owner by any of the following methods:

6.12.1. Annual payments of principal and interest.

6.12.2. Annual payments of interest only with principal balance paid on maturity.

6.12.3. Payment of principal and accumulated interest on maturity. The payment schedule for a loan should allow the land owner to accomplish objectives of the Forest Land Management Agreement without creating unnecessary financial hardship.

7. PRIORITIES FOR ASSISTANCE. Due to the limited amount of funds and other resources available for assistance to eligible owners under the Ordinance, it is necessary to assign priorities to the types of practices for which assistance will be given. Also, it is necessary to assign priorities based on the characteristics of the eligible owner's forest land. The priorities set forth in this rule

shall be used as guidelines to assist the Committee, the Forester, and the Board to accomplish the objectives of the Ordinance.

7.1. Site priorities. The two main factors to be considered in evaluating the eligible owner's site are site productivity and the size of the unit for which assistance is required. In general, priority for assistance should be given to larger units in order to obtain greater benefits from limited resources.

Units also should be evaluated for productivity using "Weyerhaeuser Forestry Paper No. 8- July 1966, Site Index Curves for Douglas fir in the Pacific Northwest" by James E. King also known as "King's Tables". First priority should be given to forest land with Site Class 3 and above (96-114 ft. at age 50). Second priority should be given to Site Class 4 (74-95 ft. at age 50). Third priority should be given to Site Class 5 (50-73 ft at age 50). Lowest priority should be given to forest land with Site Class lower than 5.

7.2. Forest management practice priorities. The following practices are listed in the order of priority for assistance under the Ordinance:

7.2.1. planting and associated practices including site preparation, animal and disease damage control, and moisture control

7.2.2. release

7.2.3. precommercial thinning

7.2.4. fertilization

7.2.5. other reforestation or young growth management practices.

7.3. No funds eligible owners' labor. Eligible owners may not use loan program funds to pay themselves wages for time spent on funded loan projects. Eligible owners are encouraged to be involved in funded projects on their land, but it is not the intent of the program to reimburse them for their personal participation even though such personal participation may be eligible for reimbursement from other federal, state or local financial assistance programs.

7.4. No duplication of funds. Eligible owners may not receive loan program funds if the cost of the approved forest management practice is to be paid by other federal, state or local financial assistance programs. If a payment is received by an owner from another assistance program and the owner has received loan program funds for the same management practice then the Owner shall immediately apply such payment to reduce the loan principal. Failure to immediately apply such payment shall constitute a breach of the management agreement with the Owner.