

DRAFT
Wallowa Resources Sustainable Forest and Wood Products Project
Declaration of Cooperation

October, 2001

WHEREAS, Wallowa Resources was created by the community of Wallowa County as a non-profit organization to provide leadership in sustainability by promoting community, forest and watershed health and creating and maintaining family wage jobs and businesses; and

WHEREAS, past management practices and climatic conditions in the forested landscapes of the Northwest have contributed to a decline in forest health resulting in a majority of small diameter trees that are easily subject to catastrophic fire, disease and insect infestation; and

WHEREAS, the reduction in forest management activities on public lands has resulted in the loss of nearly 400 jobs in the wood and lumber manufacturing sector of Wallowa County's economy and unemployment has continued to increase over the past decade with current figures nearing 20%; and

WHEREAS, there remains a strong desire within the community to continue a natural resource-based economy based on sustainable land management practices that provides economic benefits to the community, both in terms of forest management activities and value-added manufacturing opportunities; and

WHEREAS, enhancing Wallowa County's economy, creating community viability and restoring the environment requires unprecedented, committed, multi-party partnerships between federal, state, local, non-profit and business; and

WHEREAS, Oregon Solutions are community-based projects in Oregon that simultaneously support the economy, environment and community and are developed through the collaborative efforts of business, government agencies and citizen organizations; and

WHEREAS, the partners in this Declaration of Cooperation agree that the Oregon Solutions framework is perfectly suited for demonstration in Wallowa County to engage local and external partners in helping local landowners and managers achieve sustainably managed and restored forests and local manufacturers find niche market opportunities and in identifying and providing training, technical assistance and capital resources to implement the community's vision; and

WHEREAS, Wallowa Resources, agencies, organizations, local mills, landowners, land managers and individuals are willing to make commitments to forest health restoration and diversification; now

THEREFORE, THE UNDERSIGNED AGREE TO PARTICIPATE AND SUPPORT THE WALLOWA RESOURCES SUSTAINABLE FOREST AND WOOD PRODUCTS PROJECT PARTNERSHIP, AS FOLLOWS:

Wallowa Resources

Wallowa Resources administers a number of programs that have the potential to support the project and the partnership. Wallowa Resources provides technical and financial assistance to private landowners, public land managers, and local businesses including Joseph Timber Company. This assistance is provided in a variety of forms, for example: conducting market research on brokers, wholesalers and retailers of certified and small diameter wood products as well as product types and prices paid, arranging and hosting a scooping visit for private forestland owners conducted by SmartWood in November 2000, and facilitating the chain-of-custody certification of Joseph Timber Company issues by SmartWood.

Wallowa Resources is committed to continued assistance in the following forms:

- Conducting certified and small diameter wood products market research, product development and product promotion in cooperation with regional advisors
- Developing and adopting an organizational structure for the Wallowa landowners certification association

- Providing expert information on the kinds of cooperatives and associations of limited liability corporations best suited for group certification and group woods marketing arrangements
- Developing a business plan for certified and small diameter roundwood products designed to create sufficient value-added profit to fund private landowner certification costs
- Furnishing information on innovative types of wood marketing arrangements between groups of Forest Stewardship Council (FSC) certified landowners and local mills such that some consistency of supply for mills and just prices for landowners is achieved
- Sponsoring continued audits of certification association landowner forestlands
- Identifying expertise to develop forest management plans required for certification and/or conducting necessary surveys e.g. T & E, Stand Structure, Cultural Resource, Riparian Condition
- Networking between the state's forest landowner groups to share innovations in this field as they are developed
- Funding and staff time (\$10,000) through existing and new grants

Diane Snyder, Executive Director

Date

Wallowa County

Wallowa County has the ability to assist the project in a number of ways. The Board of Commissioners facilitated the creation of Wallowa Resources beginning in 1995 and continues to endorse the programs and activities of the organization. The Commission Chair serves on the Board of Directors of Wallowa Resources and advises the organization in that capacity. Payments to Counties legislation is providing Federal funds to counties consisting of Title II and Title III funds. Wallowa County will use the County's Natural Resource Advisory Committee review process to give priority ranking to Title II County projects that emphasize community benefit, small diameter timber utilization and/or value-added processing opportunities. In addition, Wallowa County will commit some portion of Title III dollars to projects utilizing small diameter timber.

Mike Hayward, Commission Chair

Date

Joseph Timber Company

Oregon Department of Housing and Community Services

Oregon Economic and Community Development Department

The Oregon Economic and Community Development Department administers a number of programs that have the potential to support the partnership. The Department has already provided some short term financial assistance to the Joseph Mill and has also contributed to the project by funding \$3720 for a log residual study and \$35,000 for small diameter project. The Department is further committed to assisting by:

1. Providing technical and financial assistance in the amount of \$50,000 from its Industry Outreach Fund to Wallowa Resources to assist small landowners to achieve certification of the their lands under Forest Stewardship Council guidelines;
2. Assisting Wallowa Resources and others with technical assistance regarding support of a for profit entity through which to make low interest loans to qualifying applicants.

William Scott, Director

Date

Oregon Office of Energy

The Oregon Office of Energy administers a number of programs that have the potential to assist the project and the partnership. The Department has already provided technical assistance to the mill on energy efficiency and has_____. It further commits to assist the project by:

1. Assisting the mills and others to find cogeneration opportunities during the next ____months;
2. Provide ____days of further technical assistance on energy efficiency;
3. Assist the project to explore bioenergy opportunities by providing ____days of consultation over the next____months;

4. Assist OECDD and the project to identify market opportunities for certified lumber once certification is complete, by providing ___ days of consultation and research over the next _____ months;
5. Consider use of National Fire Plan money in the amount of \$___ to do an analysis of the potential for underutilized fiber and make a decision within _____ days.

 John Savage, Director _____
Date

Oregon Department of Corrections

The Oregon Department of Corrections administers several programs that may assist the Project. The Department commits to assist the Project and its other partners by:

1. By (date) providing a model for Youth Restoration Corps groups to participate in the activities of the Project;
2. Make a decision by (date) on whether to purchase wood from the mills participating in the project for use at its Snake River and other facilities.

Date

Oregon Department of Forestry

The Oregon Department of Forestry administers a number of programs that may assist the project. It has already been working with the project to assist with certification of the mills and private landowners. It further commits to assist the project and the other partners by

1. Collaborating on the development of a landowner association in conjunction with landowner certification by providing ___ days of consultation, research, training, tax and antitrust advice and other assistance over the next ___ months.
2. Work with the United States Forest Service on market research and new market development by providing _____ days of consultation.

 James Brown, State Forester, _____
Date

United States Forest Service undertakes a number of activities that could help the project. It commits to help the project by:

1. Assisting in testing design criteria for streamlining consultation by providing ___ days of _____ over the next ___ months;
2. Assisting in inventorying bioenergy supply by providing a preliminary inventory of potential supply on public lands within Wallowa County by _____ (date).

, United States Forest Service _____
Date

Oregon Department of Fish and Wildlife undertakes a number of activities that could help the project. It commits to help the project by:

1. Considering local entities in Wallowa County for contracting out funding for fish screens;
2. Seeking certification of ODFW lands in Wallowa County under FSC guidelines.

Lindsay Ball, Director _____
Date

Governor's Office can assist the project in a number of ways. The Governor and his staff have already provided letters, contacts and other assistance. They will continue to assist the project by:

1. Requesting state agencies to address issues and requests presented by the project and providing the level of assistance specifically committed to.
2. Assuring that Wallowa Resources and other appropriate parties in the County are involved in the Eastside Forest Plan activities that may affect the Project.

John A. Kitzhaber, M.D., Governor _____
Date

Built-e sells sustainable building materials both retail, and wholesale, through its store, the Environmental Home Center, on-line website and call center, and in doing so, assists users of wood products to find supplies of certified and other sustainable timber. It has already assisted the project by identifying a developer who is building homes using timber from the Joseph Mill. It further commits to assist the project by:

1. Developing partnerships with other building material retailers and wholesalers to enhance market availability and sale of certified and other sustainable timber products.
2. Assisting in the development of new products by communication of market signals and specific end-user demand.
3. Seeking out builders, developers and large home builders that would consider long-term supply agreements with Joseph Timber for FSC certified and other sustainable framing lumber.
4. Promoting Joseph Timber, Wallowa Resources and all the correlated Oregon Solutions partners through its store, website, newsletters and partnerships.
5. Integrating the “story” of Wallowa County, its people, and its drive to create a sustainable solution with the marketing and sale of sustainable building materials.

Tim Taylor

Date

Certified Forest Products Council

The Certified Forest Products Council is a non-profit organization, which undertakes a number of activities which may assist the project. In particular, it commits to assist the project by:

1. Identifying funding opportunities for land acquisition for sustainable forestry.
2. Identifying new product development opportunities
3. Providing one scholarship to the _____ conference in Atlanta at the end of April 25th, 2002.

, Director

Date

Sustainable Northwest

Sustainable Northwest is a non-profit organization, which undertakes a number of activities that can help the project. SNW has already helped in a number of ways, including making a \$100,000 working capital loan to the Joseph Mill. It also commits to assist the project by:

1. Funding and assisting landowner cooperatives in the certification process.
2. Making additional capital investments.
3. Assisting in new market development by _____.

Martin Goebel, Director

Date

United States Department of Agriculture, Rural Development

The Rural Development Administration operates a number of programs that may assist the project, including a revolving loan fund. It commits to assist the project by

1. considering applications for assistance from project participants
2. naming a person who will be available to provide responses to questions about agency programs and will stay informed about project status.

Lyn Schoessler, Director_____

Date

Northwest Energy Efficiency Alliance

The Northwest Energy Alliance is a nonprofit organization, which undertakes a number of activities, which may aid the project. It commits to assist the project by working with the League of Cities and the Association of Oregon Counties to identify opportunities for sharing information and opportunities for collaboration with individual cities and counties on specific project elements.

, Director

Date

These commitments represent a public statement of intent to participate in the partnership, to strive to identify opportunities and solutions whenever possible, to contribute assistance and support within resource limits, and to collaborate with other partnership members in promoting the success of the partnership.