



Keep the Children's Forest

Dr. Dave Sullivan
12875 Kings Valley Highway
Monmouth, OR 97361
DrDaveSullivan@gmail.com
541-791-6470
January 18, 2021

OSU Board of Trustees
care of lauren.skousen@oregonstate.edu
638 Kerr Administration Building
Corvallis, OR 97331

Dear Board of Trustees:

I am an emeritus OSU Business Professor, which is a fancy way of saying I worked at OSU for 25 years and retired honorably. I also served on the Corvallis School Board, and I was Polk County Tree Farmer of the Year in 1991. Finally, I am the current President of Oregon Websites and Watersheds, an educational non-profit founded in Philomath in 1996. Along with a talented and informal steering committee of Oregonians and three other non-profit educational organizations (described more fully at www.KeepTheChildrensForest.Org), I have been working to ensure Oregon honorably meets its School Land Trust obligations to Oregon's K-12 schoolchildren.

The Current Situation

The Elliott is Oregon's first state forest and was created specifically for Oregon's K-12 children as School Trust Land in 1930. Oregon's Constitution requires School Trust Lands, such as the Elliott State Forest, to be managed for the benefit of the Common School Fund. These lands were intended to provide a permanent endowment for future generations of Oregon's schoolchildren.

For many decades, this arrangement worked well and generated more than \$700 million dollars for Oregon schools along with hundreds of good paying jobs for rural Oregon workers. But in recent years, harvesting trees on the Elliott State Forest has become politically inconvenient, so the State Land Board decided to:

- **Stop all active forestry on the Elliott.** This involved firing the Oregon Department of Forestry and replacing them with a Department of State Lands forester who oversees the Elliott from an office in Bend, a four-and-a-half hour drive away. He has been told not to harvest anything commercially from the Elliott State Forest, and he has taken these instructions literally, so along with not harvesting trees, he denies requests to harvest things like mistletoe or huckleberries.

- **Give the Elliott State Forest to the College of Forestry** at OSU, but OSU refused to put up any money to finance the sale or even to write a management plan for free. So the Department of State Lands signed an intergovernmental agreement to pay OSU \$1,000,000 to put together a plan for a research forest, and it gave OSU more than 2 years to write the plan.
- **Create a false "public involvement" cover story** by appointing a biased advisory council filled with environmentalists, holding their meetings in secret, and spending hundreds of thousands on professional facilitators whose stated goal is to arrive at "consensus."

Now that OSU has finally (after more than two years) written an \$820,000 plan for a research forest, the State Land Board has a problem: the Elliott State Forest is worth a lot of money. It has some of the best timberland in the world and is filled with Douglas Fir trees of harvestable age, so it's easily worth more than a billion dollars ... we estimate it to be worth \$1.2 to \$1.5 billion.

The general public and the state legislature won't want to pay full value for this research forest when so much comparable land is available for research in the nearby Siuslaw National forest. So I've concluded the State Land Board has no intention of following its fiduciary responsibility to the Common School Fund and will attempt to give the Elliott Forest to OSU for pennies on the dollar. This would result in a legal case similar to the Oregon Forest Trust Lands case decided in November 2019 when a Linn County jury gave Oregon counties a \$1.1 billion dollar award because Oregon had breached its contract with 13 rural counties by failing to maximize logging revenues on state land.

I also expect the State Land Board will delay indefinitely. For example, at their December 8, 2020 meeting, they announced a new schedule through the end of 2022. Obviously, if they delay enough, someone else will inherit this problem. In the meantime, the Elliott State Forest remains completely shut down -- no harvesting whatsoever -- so the radical environmentalists continue to win by default. The real losers are our children, and of course, the rural communities near the Elliott State Forest. Ultimately, this is hardball politics between urban environmentalists who want to shut down all logging and rural people who don't understand why people so far away should be making these decisions.

Confusion about OSU's role and intentions

I worked at OSU over 25 years, and I love the place. That's why I'm so sad and confused about OSU's role in this process. The OSU that I know and love would never try to steal from Oregon's K-12 children, and the College of Forestry that I know and love would never willingly convert productive timberland into a de facto wilderness area.

So I personally suspect OSU was misled when they volunteered to get involved in this process. I expect the then-OSU-President, Ed Ray, was told the Department of State Lands would select a well-balanced Elliott State Forest Advisory Committee that would create a consensus plan for running a legitimate research forest. Why would he suspect the committee would be so lopsided and biased? Why would he suspect OSU's "ownership" of the research forest would be controlled by rules written primarily by environmental groups who want to stop all logging. This whole process seems similar to how a drug addict gets hooked. The first steps seem innocent enough: a drug dealer (the State Land Board and Department of State Lands) suggests trying things and offers stuff for free. The initial experience seems positive, and it's only later -- after it's difficult to back out -- that downsides become apparent.

Because OSU's role in this planning process is so perplexing, we wrote an eleven-page letter filled with basic questions and addressed it to OSU President King and College of Forestry Dean DeLuca. You can

read a copy of the letter at the [Questions for OSU page](#) of the [Keep the ChildrensForest.Org](#) website. So far, neither President King nor Dean DeLuca have even acknowledged receiving our letter.

What's in the [KeepTheChildrensForest.Org](#) website?

Your rules require me to keep this letter to three pages, but there is a lot to learn about the Elliott State Forest and how it is being mismanaged. That's why I would like you to look at our [www.KeepTheChildrensForest.Org](#) website. Here's a summary of some of its fourteen pages:

- **Home:** Provides an overview of the KeepTheChildrensForest.org website.
- **Broken Trust:** Uses a case study to explain in simple terms how the State Land Board and OSU have been working together to illegally pickpocket the Common School Fund.
- **Questions for OSU:** Asks two top OSU administrators to comment on important questions, such as: Would OSU accept ownership and management for the Elliott State Forest if the transfer takes place for less than a quarter of the forest's fair market value?
- **Growth and Volume:** Explains basic ideas about timber growth and volume that the OSU College of Forestry has kept hidden. For example, the Elliott State Forest now has six times more timber volume than it had when Oregon acquired it in 1930, despite more than 50 years of logging and active management.
- **Market Value and "Decoupling":** Looks at the value of the Elliott State Forest to determine what an appropriate sales price would be: an artificially low \$221 million or a fair market value over \$1 billion?
- **Catastrophic Fires:** Looks at how catastrophic fires repeatedly swept over the Elliott Forest in the 1800s, and examines how fires will shape it in the future.
- **Competing Research Visions:** Examines the agenda-based "research" being proposed for the Elliott State Forest. Short answer: "When you mix science and politics, you get politics."
- **Legal Ideas:** Explains why the Oregon State Lands Board has a legal responsibility to manage the Elliott State Forest for Oregon's K-12 schoolchildren.
- **Secrecy and Bias:** Describes how deliberately hidden information, secret meetings and biased advisory committees have all been used to deflect attention from an effort to steal from our children's School Land Trust endowment.

As you learn more about the current proposal to have OSU manage an Elliott State "Research" Forest, I expect you will become increasingly concerned. Oregon's State Land Board has been behaving like a shopper who deliberately damages merchandise and then asks for a discounted sales price. This is not the sort of partner or behavior OSU should be associated with.

Sincerely,

Dave Sullivan