

Boxx 2557  
Smithers, BC V0J 2N0  
2007 November 8

Adrian de Groot, Chair  
Bulkley Community Resources Board

Dear Adrian:

As you and probably other members of the Bulkley Community Resources Board (CRB) are aware, BC Timber Sales intends to auction timber rights to a large block of land in the NW angle of the confluence of the Telkwa and Bulkley Rivers, or between Tatlow and Chapman Roads, about 10 km south of Smithers. This intended sale has been the object of great concern on the part of residents of this neighborhood. To date, resident apprehensions have focused mainly on the effects on road safety of some 3,000 logging truck loads travelling along Tatlow, to say nothing about many thousands of trips by empty logging trucks, equipment vehicles, workers' pickups, and so on. Individual residents have also expressed alarm about potential effects of the sale on moose and deer winter habitat, visual quality, and domestic and irrigation water supply. Aggravating the ill effects of the BC Timber Sales auction, in the opinion of many residents, are a number of other Crown, municipal, and private undertakings in the Tatlow-Chapman neighborhood.

In response to resident email messages, telephone calls, letters, and office visits, district managers of provincial ministries and agencies with responsibilities relating to the activities in the Tatlow-Chapman area have amended their plans to some extent. For example, the Ministry of Transportation will be upgrading Tatlow Road to make it safer, and BC Timber Sales has apparently modified its cutting plan to take moose and deer habitat into account. I think it is correct to say that the district managers, including the district manager of the Integrated Land Management Branch, have shown a real willingness to accommodate resident concerns, within the framework of the Bulkley LRMP and their own established administrative constraints.

The reason I write you is that despite the efforts of both citizens and public servants, a major planning and development disaster seems to be looming for the Tatlow-Chapman neighborhood. Moreover, that disaster may very well be repeated in other parts of the Bulkley LRMP over the next few years.

What I am referring to is the failure of the Bulkley LRMP and SRMP to provide for a special planning regime for lands along the Crown-settlement interface. According to a cursory review I have made of the environmental economics literature, the massive log hauling BC Timber Sales has in mind for Tatlow Road can be expected to reduce property values all along Tatlow Road, and well back from it in all directions, by up to 30% for at least three years. Chapman Road properties will also be affected. (See, for

example, Wilhelmsson (2000) in the reading list attached to this letter.) The loss in value to the public could therefore amount to something like 40 (properties) x \$200,000 (average value of a residential property) x 0.20 (percentage loss to a distance of about one kilometre) = \$1,600,000. Properties adjacent to or near the logging block would undergo a decline, probably independent of the traffic disamenity, of 5% or 6% in value because of reduced natural amenity. (See, for example, Kim and Johnson 2002.) This kind of loss might amount to roughly 10 (properties) x \$350,000 (average value of larger rural properties in the area) x 0.05 = \$175,000. Precise values would require research specific to the Bulkley Valley.

Opportunity costs in the form of reduced values for new subdivisions the Crown or private interests might develop in this sensitive area, between Smithers and Telkwa, are incalculable but probably very large. Currently the ILMB is contemplating the severance of new rural residential lots out of land actually bordering the BC Timber Sales planned cutblock. Other subdivision proposals already undergoing review either overlook or extend very close to the planned cutblock.

Another form of real and opportunity costs which will be entrained by the BC Timber Sales auction is impacts on amenity migration to the Bulkley Valley. Through their spending, amenity migrants constitute a kind of export industry, since they bring their incomes with them and spend a large proportion of those incomes locally. Amenity migrant spending has a multiplier effect such that it has been found to generate between 0.6 and 2.0 jobs per in-migrant. Furthermore, many amenity migrants bring businesses with them. (If references substantiating these claims are desired, I can provide them in abundance.) In general, amenity migrants have a preference for rural residence; but amenity migrants do not want to live next to land which has been clearcut. To the extent that the Tatlow-Chapman timber auction and other BC Timber Sales auctions on the edge of settlement discourage amenity migration to the Bulkley Valley, the long-term cost in forgone community development could amount to tens and even hundreds of local jobs.

In short, the BC Timber Sales auction will impose costs of several million dollars on the public. I do not know what benefits BC Timber Sales anticipates from its proposed sale, but in a letter to me from Mr. Jim David, attached below, BC Timber Sales has more or less confirmed that it has not included in its benefit-cost calculations any of the kinds of costs I have just mentioned. Since it seems unlikely that the Crown will gain several million dollars in stumpage from its sale, or will generate more than a few jobs for a short time, I conclude that the Tatlow-Chapman sale would not be in the best interests of the public and a decision to go ahead with it would be the outcome of an irrational planning process.

In my opinion, what is needed to address the Tatlow-Chapman situation and others like it in the Bulkley Valley is special provision within the Bulkley LRMP and SRMP for interface planning to cover Crown lands on the margins of the settlement area. The obvious model for this kind of interface planning is greenbelt planning, for which there is a large, well-developed literature and an abundance of professional expertise. Greenbelt planning for the Crown-settlement interface would be of landscape scale and it

would extend to middle or distant time horizons. It would involve visioning and other forms of goal-setting participation by the entire public of the Bulkley Valley. Its purpose would not be to preclude logging or other resource extraction activities on Crown land. Rather, it would be to ensure that resource development on Crown land does not do economic or social damage to settlement land values out of all proportion to the economic rent from extraction; and on the other hand, that Regional District settlement occurs in patterns entailing a minimum of conflict with Crown land resource development.

I should say here that planning for the Tatlow-Chapman sale has considered tourism values inasmuch as BCTS has made some effort to minimize impacts on visual quality as perceived by people passing through the Bulkley Valley on Highway 16. Although in line with Bulkley LRMP and SRMP requirements, this limited form of impact assessment is far from adequate. From an economic perspective, amenity values, including visual quality, are far greater in relation to residential economics than to tourism economics. Amenity migration, for example, can easily be five or six times as important economically as tourism.)

An alternative, short-term kind of planning regime which might properly apply to the Crown-settlement interface in the Bulkley Valley is buffer planning. Buffer planning would at least specify that agencies such as BCTS would have to consult the public as the agencies begin planning for developments, rather than leaving residents to find out by chance and by rumour that massive change is about to commence in their back yards. It would lay out requirements for Crown development setbacks from private land and requirements for conservation of local amenities. It would resemble what government planners such as those in BCTS and the Ministry of Forests currently do in an ad hoc, often grudging way at present, but it would be a systematic obligation rather than a matter of concessions given because of individual complaints and it would be intended to preserve values of interest to the general public, including neighborhood property values, rather than to respond to individual desires.

The Bulkley LRMP suggests that citizens who see shortcomings in Crown land planning should make proposals for amendment to the Bulkley CRB. In concluding this letter, therefore, I ask *first* that the Bulkley CRB consider the desirability of recommending revision of the Bulkley LRMP and SRMP to include either greenbelt or buffer planning for the interface between Crown lands and the settlement zone. *Secondly*, I ask that the CRB invite BCTS to provide a complete benefit-cost analysis of its decision to proceed with the Tatlow-Chapman sale; and if BCTS has not conducted such an analysis, that the CRB urge BCTS to postpone its auction until a thoroughgoing benefit-cost analysis shows the sale will produce a net gain for the public.

Finally, attached below are some documents the CRB may find useful in its deliberations on these requests: (1) A copy of a letter from me to Eamon O'Donoghue, regional manager of the ILMB, representing my views on the Tatlow-Chapman developments; (2) A discussion paper I prepared for my visit with Mr. O'Donoghue

when I met with him in his office; (3) A list of peer-reviewed references and suggested readings; and (4) An email letter to me from Jim David, BCTS.

I thank you and the Bulkley CRB for their time and attention.

Yours sincerely,

Raymond Chipeniuk, Ph.D.  
(Regional Planning and  
Resource Development)

Adjunct Professor, School of  
Environmental Planning, &  
Adjunct Professor, Outdoor  
Recreation and Tourism  
Management Program,  
University of Northern  
British Columbia

Ph. (250) 847-5758  
Email [chipsaw@telus.net](mailto:chipsaw@telus.net),  
[chipenir@unbc.ca](mailto:chipenir@unbc.ca)

## ATTACHMENT I

**LETTER FROM R. CHIPENIUK TO EAMON O'DONOGHUE,  
BULKLEY DISTRICT MANAGER OF THE INTEGRATED LAND  
MANAGEMENT BRANCH,**

Box 2557  
Smithers, BC V0J 2N0  
2008 February 13

Eamon O'Donoghue  
Manager, Regional Client Services  
Integrated Land Management Bureau  
Skeena Region

Dear Mr. O'Donoghue:

I am one of the rural residents of the Tatlow-Chapman Road area to whom you copied your February 1 response to a letter from Liz Osborn. The correspondence between you and Ms Osborn, of course, relates to public alarm about the many resource development and associated projects under way, completed, or planned for our neighborhood.

The main reason I am writing you is to do what I can to further the personal interests my wife and I have in living in a well-planned, well-managed local environment. In this matter, satisfaction for us would be to have the complex of developments about to descend on our home area reasonably mitigated.

Nor do I wish to criticize the individual Crown managers in your circulation list. I like and respect all those I have met, and several of them have shown real sensitivity to the concerns of rural residents.

However, I also happen to have a Ph.D. in regional planning and resource development, the area of professional specialization within which planning and management for projects of the Tatlow-Chapman kind broadly fit. It may contribute to the present and future welfare of the Bulkley Valley as a whole if I comment on a few points your letter raises concerning regional planning.

First, your letter asserts that the public was consulted in the making of the plans according to which management of the lands of the Tatlow-Chapman neighborhood proceeds, namely the Bulkley LRMP and SRMP and the Smithers-Telkwa ROCP. That is true, to a degree; but not to a degree consistent with modern principles and practices relating to public participation in planning.

In the first place, none of these three plans had a public visioning component meeting contemporary standards. According to the *Bulkley Land and Resource Management Plan Summary*, available on the Internet, the Bulkley LRMP takes its “common vision of future land use for the area” from twelve residents of the Valley who sat at the BV Community Resources Board planning table in 1998 and earlier. Although the Bulkley LRMP process was pathbreaking in some respects, especially in its devices for avoiding stakeholder stalemate, I do not believe anyone versed in planning theory or history would regard it as sufficient as a means of achieving a democratic bottom-up vision of what the Bulkley Valley should become over the long term. I do not want to go into technical details here, but the very fact that in the *Summary* all twelve members of the LRMP CRB of the time are characterized by occupations, and most of those occupations relate directly or at one remove to resource extraction from Crown land, is an indication that it is inappropriate to view the Board as representative of the general public, or their consensus views as being representative. Most members of the general BV public did not then, and do not now, have livelihoods closely tied to resource extraction. Nor does “consultation” after a plan has already been substantially drafted constitute an acceptable kind of public consultation, at least for professional planners. At any rate, today certain resource developments sanctioned under the LRMP are the focus of so much public opposition that it seems self-evident the LRMP process failed to take into account the perspectives of a large segment of the Valley population.

Second, although I have not had the time to examine the Bulkley LRMP and SRMP in detail, I fail to see in them anything which might be construed as planning to ensure that the landscapes of the Bulkley Valley remain good ones in which to live. The only concern for identification and conservation of amenities, except for wildlife, where the motivation is essentially biological in nature, relates to recreation and tourism. The seriousness with which the LRMP treats resident recreation can be measured by the atrocious history of RAMP development over the past ten years and the consistent pattern of the Crown selling recreational assets to commercial interests or trading them off for timber. As for VQA, its being mentioned in the LRMP is simply a nod in the direction of the economic desirability of deceiving travelers passing through the Valley on Highway 16. One or two phrases in the SRMP might be construed as planner awareness that residents care about the amenities of the Valley from the perspective of their enjoyment of living in it; but they are not followed up with prescriptions. Yet a large proportion of the Valley population is composed of residents who came here because of landscape amenities, the number of jobs that Valley amenity migrants create through their spending is on a par with those generated by forestry and wood manufacturing put together, and Valley amenity migrants preferentially live in the rural areas, far from Highway 16. I suppose this monumental omission of regard for amenity can be excused in the LRMP because ten or twelve years ago the concept of amenity migration and amenity retention was not then well understood. By the time the SRMP was being developed, however, the very great economic and social importance of amenity migration was common knowledge in the Valley. SRMP planners appear simply to have ignored one of the most important generators of economic activity in the Valley and its relationship with Crown land use – perhaps because, as the SRMP itself puts it, “...The strategies [of the plan]

were developed by various resource experts in local government agencies and private industry....”

Third, in your letter you allude to “an extensive public consultation process” in the recent revision of the Smithers-Telkwa Rural Official Community Plan. As a resident, I participated in that process. I can tell you with complete confidence that although the new director of planning for the Regional District of Bulkley-Nechako did his best to redeem the public participation component of the ROCP process once he was in his new position, public participation in the ROCP for Smithers-Telkwa was a mere parody of modern planning. For example, the ROCP “vision” was the product of the appointed planning advisory committee. Until the very end of the process, when members of the community offered verbal comments on the draft plans, those comments were not recorded in any way. When members of the community offered written comments, those submissions were not acknowledged. Comments of both sorts were typically disregarded from one draft to another, no matter how carefully thought out.

In short, in my professional opinion the Bulkley LRMP and SRMP, and the Smithers-Telkwa ROCP, have no legitimate claim to represent a vision for the central Bulkley Valley as a place for people to live. As a consequence of this state of affairs, which is not the fault of individual public servants in the Government of British Columbia or the Regional District of Bulkley-Nechako, only a consequence of a bad system for regional planning at the interface between Crown and settled land, residents of particular rural neighborhoods in the Valley can find their quality of life nosediving under the weight of Crown resource development approvals which meet all the relevant bureaucratic requirements. But good planning is not solely a matter of following bureaucratic procedures. It aims to achieve desirable outcomes. Nor do circumstances remain unchanged between the time of the making of a plan and the time when it is revised or when its successor is enacted. That is why modern public planning always builds in possibilities for minor adjustment.

Now back to the particular matter at hand. My wife and I think the current batch of development proposals in the Tatlow-Chapman area calls for planning adjustment. In particular, there is a need for significant adjustment in the BC Timber Sales plans for the area immediately south of our property, SW ¼ Sec. 33 – not just because those plans will impinge disastrously on our own welfare (ruining our peace and quiet, spoiling our visual quality, raising the chances we will have a serious road accident to an unacceptably high level, drawing mechanized recreationists into an area a short distance from our home, delaying our trips to town by hundreds of times, and potentially diminishing our water supply while feeding a greatly augmented spring freshet through our back yard) but because if followed in their current form they will harm the quality of life of dozens of local residents and threaten their health and safety. Beyond private harms, the BC Timber Sales auction plans plainly take no account of damage clearcut logging in residential areas will do to the quality of life of all Tatlow-Chapman residents or the attraction of the Bulkley Valley as a destination for amenity migrants.

Personally, also, I must say we are flabbergasted that one manager in a minor Crown agency, BC Timber Sales, can make a decision to auction off a large acreage of forest at giveaway prices, paying serious respect only to wildlife habitat, when the cost to residents of the Valley and the province is likely to be millions of dollars in lost amenity values, to say nothing of costs to health and safety – and all that manager need do is send referrals to his colleagues and the Office of the Wet’suwet’en. This in the heart of the Bulkley Valley, the confluence of the Bulkley and Telkwa Rivers, adjacent to residents whose properties have been settled in some cases for nearly a hundred years. What kind of public planning is that?

In her January 12 message to local provincial government managers responsible for the many different projects descending on the Tatlow-Chapman neighborhood, Liz Osborn suggested there was a need for the managers to have a collective exchange with residents of the area. My wife and I consider that the desirability of such an exchange of views has not lessened during the past month and a half. We understand the managers have held meetings about the projects with each other. Surely it is not too much to ask that they do the same with the people whose daily lives are being transformed by their decisions. Alternatively, if it is too consumptive of time for all the managers to meet with the residents, perhaps you would be able to speak on their behalf. Whatever the case, a gathering with all the managers, a gathering with you alone, or no meeting at all, some thirty or forty residents are hoping to learn what is going to happen to them next.

Raymond Chipeniuk

847-5758



## ATTACHMENT II

**DOCUMENT SUPPLIED BY R. CHIPENIUK TO EAMON O'DONOGHUE,  
BULKLEY DISTRICT MANAGER OF THE INTEGRATED LAND  
MANAGEMENT BRANCH,  
2008 MARCH 17**

Omissions in the BCTS planning process

A letter from James David, forest planner, to Liz Osborn, 2008 March 10, describes the planning done for the proposed BCTS timber sale in the Tatlow area. The planning process Mr. David describes in his letter apparently does NOT take into account:

1. The impact of clearcutting on the value of residential properties adjacent to and near the proposed cutblock (within several kilometres at a minimum), probably on the order of 6% of \$5 million or so, or \$300,000 (Kim and Johnson 2002, Raunika and Buongiorno 2005). Effects would last at least 11 years and more likely 20 or 30.
2. The impact of logging traffic on property values along Tatlow Road. The impact would probably be on the order of 15%-25% of potential resale values while the hauling is going on, for all properties along Tatlow Road, so for three years persons wanting to sell their properties might lose anything up to \$100,000 in resale value. Possibly 40 or 50 property owners would be affected. (See Farber 1998.)
3. Opportunity costs in the form of losses in amenity (hedonic) value of lands, both Crown and private, as residential development takes place between Smithers and Telkwa. People will not want to settle in an area where large-scale logging is taking place or has taken place, so potential rural residential developments in the Chapman area will have lower value, or none at all. The scale of this effect is hard to quantify exactly, but it could amount to millions of dollars.
4. Opportunity costs in the form of forgone amenity migration to the Bulkley Valley as a whole as potential amenity migrants are discouraged from settling here because the natural amenities have been degraded. It's hard to quantify the particular contribution the BCTS sale in the Telkwa-Bulkley angle would make to people's decisions not to settle in the Valley, but because the Valley currently attracts hundreds of amenity migrants per year, and the amenity migrant population as a whole contributes many tens of millions of dollars per year to the BV economy, generating hundreds of jobs, the losses could be considerable.

Suggestions for remedying the situation (1) in the Bulkley LRMP area as a whole

1. In the interim, the ILMB should require that all development proposals for Crown lands along the Crown-settlement interface include an assessment of the losses in property values which might be entailed by a given proposal. Such an assessment should include, at a minimum, (i) private losses in property values to be expected because of the degradation of landscape amenities; (ii) private losses in resale values because of new disamenities that will be imposed on the neighborhood; (iii) opportunity costs in the form of forgone hedonic value.

2. Also in the interim, the ILMB should consider offering “amenity” or “hedonic” leases to private land owners adjacent or near to proposed Crown timber harvesting. Such a lease would allow land owners whose own property might lose value as a result of logging on nearby Crown land to pay for the privilege of continuing to enjoy the adjacent Crown amenities, such as views of uncut forest. Economists have developed means of calculating the hedonic value of forest amenities, so the cost of the lease could be calculated in an objective manner. (Indications from research are that the lease would appropriately be something like 6% of the value of the private property potentially affected by loss of amenity, but prorated over the expected life of the lease.) Alternatively, the lease could be calculated on the basis of the revenues the Crown would forgo by not logging forest adjacent to the private property, or logging it in a different fashion.

3. In the middle to long term, the ILMB should initiate steps to update the Bulkley LRMP so as to include amenity (hedonic) values. A proper understanding of the importance of amenity values in modern resource management would probably mean the entire LRMP needs revision. At very least, however, a new component of the Bulkley LRMP should cover the Crown-settlement interface and include new provisions recognizing the actual and opportunity costs of forestry and other kinds of resource development both to private land owners and to the Bulkley Valley economy as a whole.

## ATTACHMENT III

**SOME REFERENCES AND SUGGESTED READINGS**

Eckley, Michael, and Andrew Egan. 2005. Harvesting where the people are: Aesthetic preferences for logging-in-progress. *Journal of Forestry*. December: 4001-406.

Farber, Stephen. 1998. Undesirable facilities and property values: A summary of empirical studies. *Ecological Economics* 24: 1-14.

Garber-Yonts, Brian E. 2004. *The Economics of Amenities and Migration in the Pacific Northwest: Review of Selected Literature with Implications for National Forest Management*. USDA Forest Service, Pacific Northwest Research Station.

Kim, Yeon-Su, and Rebecca L. Johnson. 2002. The impact of forests and forest management on neighboring property values. *Society and Natural Resources* 15: 887-901.

Raunikaar, Ronald, and Joseph Buongiorno. 2006. Willingness to pay for forest amenities: The case of non-industrial owners in the south central United States. *Ecological Economics* 56: 132-143.

White, Eric M., and Larry A. Leefers. 2007. Influence of natural amenities on residential property values in a rural setting. *Society and Natural Resources* 20: 659-667.

Wilhelmsson, M. 2000. The impact of traffic noise on the values of single-family houses. *Journal of Environmental Planning and Management* 43(6): 799-815.

## ATTACHMENT IV

**LETTER FROM JIM DAVID, BC TIMBER SALES, TO R. CHIPENIUK,  
2008 MARCH 20**

[chipsaw@telus.net](mailto:chipsaw@telus.net)

Dear Mr. Chipeniuk, and Ms. Sawchuk

Thank you for your email regarding proposed development in the Tatlow Rd. area.

BC Timber Sales mandate is to be an effective timber marketer generating wealth through sustainable resource management. In consideration of the other values on the landscape we strategize to minimize the impacts of our activities to all British Columbians. Managing adjacent private land is however, not specific in our mandate or managed through legislation.

Residents should be aware of the adjacency of their own properties to Crown land, and recognize these areas may be subject to changes in utilization for the benefit of the people of British Columbia

In proposing area for harvest BC Timber sales takes into account what is defined through numerous higher level planning and other processes as the "Timber Harvesting Land Base" (THLB) . The THLB is the land base deemed through these processes to be suitable for timber harvesting. Being designated as crown land also suggests to BC Timber Sales, and we would think private land owners, that these areas could potentially be used for numerous different crown mandated activities. This is becoming evident by the other crown mandated uses being proposed in the Tatlow area as suggested in Ms. Osborn's email. The co-ordinated planning processes are designed to give us guidance in order to manage all the values across the land base that are primary focused on FRPA values as per my response to Ms. Osborn.

There are strategies we use to mitigate impacts to the visual sensitivities to areas surrounded by private land and we have applied these strategies to the blocks in the Tatlow area. These strategies include visual screening by designing and laying out rounded edges to avoid straight corners, and the increased use of wildlife tree patches. Fourteen wild life tree patches are being considered in the proposed sale in your area which aid in visual screening and help minimize the impacts to the wildlife and hydrology in the area.

Please contact myself or Steve Willis should you wish to discuss these or other strategies regarding our proposed development.

Jim David, R.P.F.