

Oregon Board of Forestry Work Plans 2016: *State Forests*

Work Plan: **State Forests**

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State Forests Board Work Plan Topics

- 1) Develop an Alternative Forest Management Plan for NW State Forests
- 2) Improve State Forests Business Model
- 3) Business Practices
- 4) Recreation Rule Making
- 5) Spotted Owl Safe Harbor Agreement:

TOPIC: *Forest Management Plan Alternatives for NW State Forests*

The dominant management plan for State Forests is the NW Forest Management Plan (FMP) that includes 650,000 acres, about 75% of the total state forest land base and generates over 90% of the revenue from Board of Forestry lands. The original FMP was approved in January 2001 by the Board of Forestry as the first integrated resource management plan for the state. Analysis of the forest management plan outputs, at the time of approval, suggested a high level of timber harvest and a corresponding contribution to a diverse array of fish and wildlife habitats across the landscape. Once implemented, timber harvest levels and the corresponding revenues to counties, local taxing districts and the agency have fallen well short of expectations. As a result, the Board of Forestry revised the plan in 2010 with a performance measure of increasing revenues by 5-15% and to remain financially viable. It is now apparent that the Northwest FMP will not likely to meet revenue expectations for the counties or generate sufficient revenues for the state, assuming that timber continues to be the dominant revenue source.

In November of 2011, the Board directed the agency to start work on alternative management plans that could potentially meet Board-approved performance measures, ensure financial viability for State Forests and meet the Board's standards for "greatest permanent value." This Board direction followed Governor Kitzhaber's address to the Board in November 2011 in which he articulated a range of social, environmental, and economic challenges for forestry in Oregon and

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posed five specific goals to the Board of Forestry. These were to develop and use performance measures, consider a land allocation approach, clarify conservation areas, use an adaptive management approach, and review the State Forest's business model. The exploration of alternative management plans is informed by a rigorous external science review and transparent stakeholder processes.

Purpose

1. Explore and develop options for management approaches that will achieve financial viability and improve conservation outcomes for State Forests in NW Oregon.
2. Use a collaborative and transparent process with sound scientific basis to develop and analyze alternatives.

Board Deliverables

1. Updated project work plan reflecting recent direction from the Board of Forestry to analyze four management options.
2. Assessment of model outputs on the degree to which the management approaches meet goals for achieving financial viability and improving conservation outcomes.
3. Science Review completed by independent contractor and results are shared with the Board of Forestry and Subcommittee in public meetings.
4. As directed by the Board, draft a plan for review by the Board.
5. With Board approval, initiate formal administrative rule process for a new Forest Management Plan.
6. Final approval of a new Forest Management Plan for NW State Forests follows the administrative rule public process.

Stakeholder/Public Involvement

1. Update stakeholders and listen to feedback through periodic meetings
2. Update and solicit input from the Forest Trust Land Advisory Committee (FTLAC)
3. Collaborate with the Technical Expert Review Group
4. Updates for the State Forest Advisory Committee (SFAC)
5. Periodic broad public processes.
6. Board, Subcommittee, and standing committees all hold public meetings.

Timeframe with Milestones

Timeframes and milestones will be presented at the January 2016 Board of Forestry meeting.

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Topic: *Improved State Forests Business Model*

Background

Due to an extended decline in the wood products market, both regionally and nationally, and downward revenue projections associated with timber harvests on state-owned forest land, the Oregon Department of Forestry (ODF) is fundamentally re-examining the business model under which State Forests are managed, with a goal of improving the long-term financial viability of the program, within the context of GPV. The division relies on revenue from the sale of timber to support operations and provide revenue to the counties. This funding model makes the division vulnerable to shifts in the timber market combined with changes in forest conditions from disturbances such as fire, flood, insect and disease, wind and ice storms. Managing and restoring forest conditions is a long term endeavor. These conditions suggest a business model with greater flexibility and a diverse revenue stream would provide greater financial stability over time. This stability would enable the program to deliver more durable social and ecologic benefits.

A large portion of social benefits are provided through recreation, education and interpretation. There is a need to rebuild recreation, education, and interpretation staffing levels to meet growing demands in recreation management on state forest lands, and for the educational and interpretive programs of the Tillamook Forest Center. There is also a need to establish an appropriate balance of revenue sources and program expenditures that minimizes the fluctuation in the staffing and project expenditures required to maintain effective recreation, education and interpretive programs. Along those lines, the State Forests division is supportive and engaged in a long term collaborative process for designing and funding the Salmonberry Corridor Trail Project.

Purpose

1. Improve the long-term financial viability of the Department's state forest management program.
2. Establish an appropriate balance of revenue sources and program expenditures that minimizes the fluctuation in the staffing and project expenditures required to maintain an effective program.
3. Achieve long-term financial solvency, while increasing investments to more appropriate levels, meeting cost to revenue targets on Common School Land, and achieving Board of Forestry performance targets and revenue expectations.

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Board Deliverables

1. Comparisons of business models amongst Pacific Northwest states that manage state forests.
2. Explore potential partnerships and other mechanisms to fund services and benefits from State Forests that are not monetized.

Timeframes and Milestones

1. Summer 2016: Business model comparisons to other Pacific Northwest States
2. Winter 2016: Considerations for potential shifts in Division's business model

Stakeholder/Public Involvement

1. Update and solicit input from the Forest Trust Land Advisory Committee (FTLAC)
2. Updates for the State Forest Advisory Committee (SFAC)
3. Board of Forestry public meetings

Topic: *Improved State Forests Business Practices*

Background

In an effort to assure long term financial viability of the State Forest Division, efforts have been underway for several years to identify key measures that would assist in accomplishing this task. Two prior workgroups evaluated ways to increase financial viability or reduce costs working within the framework of how the division currently does business. To date the focus has centered on a revision of the current NW State Forests FMP that improves financial viability and conservation outcomes. This topic focuses on improved business practices that can be implemented within the context of a current or revised FMP as well as a changed business model. A careful look at the underlying business practices of State Forests, including areas of overlap between divisions and programs, is likely the next step in addressing the financial viability of State Forests.

Purpose

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Several improved practices are underway. The purpose of this topic is to update the board on the range of potential and prioritized business improvement practices as well as those that are underway.

Deliverables

1. Summary of practice improvements and benefits to sustainable management of State Forests.
2. This will primarily be review-only, unless a changed practice triggers a legislative concept or a program option package.

Timeframes and Milestone

1. Winter 2016: Summarize changes and characterize further changes being considered.

Stakeholder and Public Involvement

1. Update and solicit input from the Forest Trust Land Advisory Committee (FTLAC)
2. Updates for the State Forest Advisory Committee (SFAC)
3. Board of Forestry public meetings

Topic: Recreation Rule Making: Review and approve recreation/rave rule revision and rule making.

Background

Recreation Rules, codified in Division 25 Oregon Administrative Rules (OARs), were last updated in 1999. Since then, demands on recreation facilities have increased dramatically, as have the types of public recreation on State Forest lands. This has resulted in a need to examine Division 25 OARs and make changes to ensure the Department is able to protect resources and public safety.

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The Department frequently has to address issues related to abandoned property, reservation of facilities without actual occupancy, littering, unsafe fires, traffic obstruction, unattended minors, and demand that greatly exceeds the sustainable use of resources. Revisions to Division 25 will provide staff with the necessary tools to effectively attend to these problems.

Costs associated with maintaining recreation facilities are increasing dramatically and the fees for using those facilities are well below market rates. Also, since fees have not changed since 1995, they have not kept pace with inflation. Changes to fee structure and potentially fee rates will allow the Department continue to provide this important social benefit while maintaining flexibility and equity.

Raves

Large, unpermitted, commercial social events, such as overnight rave parties draw hundreds of people and vehicles to remote forest areas, representing serious public safety, law enforcement, fire danger and resource damage concerns on State Forests. This is particularly true on the Clatsop and Tillamook State Forests. House Bill 2453 becomes law on January 1st, 2016. At that point it will be a Class A misdemeanor to host large, commercial events on State Forests without proper permitting.

Purpose

Revisions to Division 25 will provide staff with the necessary tools to effectively address issues related to abandoned property, reservation of facilities without actual occupancy, littering, unsafe fires, traffic obstruction, unattended minors, and demand that greatly exceeds the sustainable use of current resources.

House Bill 2453 directs the Department to adopt rules related to health and safety standards requirements for Rave events, and a fee schedule for processing permit applications and for monitoring and enforcement of permit requirements. The rules adopted under House Bill 2453 will supplement rules currently found in Division 25, and will allow the Department to establish clear requirements for these events if permitted on State Forest lands.

Deliverables

1. Draft rule language
2. Summary of recommendations from a “fees advisory committee”.

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3. Summary of public comment after the public comment period closes on February 8th.
4. Final proposed rule language presented for Board approval.

Milestones

1. January complete public hearings
2. March: Board receives summary of public comment and is asked for final approval of rule language

Public Involvement

4. The Department convened an advisory panel to provide feedback on the topic of fees
5. The Department will host three public hearings
6. Update and solicit input from the Forest Trust Land Advisory Committee (FTLAC)
7. Updates for the State Forest Advisory Committee (SFAC)
8. Board of Forestry public meetings

Topic: *Spotted Owl Safe Harbor Agreement:*

Background

The U. S. Fish and Wildlife Service (Service) listed the Northern Spotted owl as threatened in 1992. The Service developed and approved a Recovery Plan for the owl in 2008, and revised it in 2011. The plan determined that the three main threats to spotted owls are: competition from barred owls, past habitat loss, and current habitat loss. The plan outlines recovery actions related to these three main threats. Many of the recovery actions are related to activities on federal lands, some mention state and private lands. One of the Service's strategies to address the barred owl threat is *Recovery Action 29: "Design and Implement large scale control experiments to assess the effects of barred owl removal on spotted owl site occupancy, reproduction, and survival"*.

To implement this recovery action, the Service is moving ahead with a research project on the effects of barred owl removal on spotted owls. This project has been many years in development, with a public process and an extensive Environmental Impact Statement (EIS) process. The general hypothesis is that once barred owls are removed from an area, spotted owls in the treatment area will do better than those in the control area.

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There are two study areas in Oregon: Coast Range (near Veneta) and Klamath/Union/Myrtle (located near Glendale). Both study sites include a mix of federal, state, and private lands. The Coast Range site includes ODF Western Lane lands within the treatment area; the Union/Myrtle site includes ODF Southwest Oregon lands in the control area. One of the possible outcomes of barred owl removal is an increase in the number of northern spotted owl sites. Therefore, ODF State Forests Division is in discussion with the Service on our level of participation in the project, and on the possibility of a Safe Harbor Agreement-specifically for our Western Land district. A Safe Harbor Agreement is a tool to protect the interests of the state, while participating in the project.

Purpose

ODF understands the value of further study of barred and spotted owl interactions, and wants to cooperate with the Service by allowing access onto ODF managed lands for barred owl removal. ODF also needs to maintain operational certainty in order to continue managing the Western Lane district to provide benefits to our stakeholders. The solution is a Safe Harbor Agreement, a tool made available through section 10 of the ESA.

Deliverables

Update on status of the Safe Harbor Agreement that protects the agency in exchange for allowing the USFWS access to ODF lands to remove barred owls.

Milestones

1. Agreement on the baseline of Northern Spotted Owl habitat on Western Lane district:
2. Establish agreed upon protection measures and allowable activities that will be applied to the baseline and any additional owl sites that occur as a result of barred owl removal (i.e. “non-baseline” sites).
3. Draft agreement ready to enter the federal NEPA process.
4. ODF will not proceed with an agreement if we determine it is not in the best interests of the state.
5. The project timeline for these Oregon study sites is from 2015 to 2019.
6. After the research study is completed State Forests is free to return to the established baseline conditions, and will have an incidental take permit for a period of years to cover any activities associated with returning to the baseline.

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Public Involvement

1. Communications with adjacent private landowners
2. Update and solicit input from the Forest Trust Land Advisory Committee (FTLAC)
3. Updates for the State Forest Advisory Committee (SFAC)
4. Board of Forestry public meetings

Topic: Board Updates

Staff will keep the Board of Forestry updated on several other key topics:

5. *Elliott State Forest Land Transfer*: The State Land Board has embarked on a Land Transfer process for the Elliott State Forest which includes a protocol and associated timeline to submit a proposal. The work at hand is extremely complex and needs to be completed in short order. The Department is examining our potential role in the transfer process, partnerships, and proposal development. We will continue to track and remain active in the process, recognizing that the expedited timeframe combined with our lack of resources challenges our ability to provide leadership in solving this incredibly complex problem.
6. *Salmonberry Rails and Trails*: partner with other organizations to plan for and implement portions of the trail from Banks to Tillamook.
7. *Research and Monitoring*: New information is shared with the Board.