



## Committee for Family Forestlands (CFF) Annual Report 2014

Annual Report presented to the Board of Forestry July 25, 2014

By Dr. Craig W. Shinn, Chair of the CFF, on behalf of the Committee for Family Forestlands.

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The Committee for Family Forestlands is pleased to provide a report of its activities over the past year (July 2013 – June 2014). This year's report outlines accomplishments of the Committee for Family Forestlands (CFF) and discusses progress made on a forward-looking agenda to address key issues for family forestlands. The CFF Chair will be available at the Board meeting to discuss emerging policy issues and recommendations developed by the Committee.

The CFF, a standing committee established by the Oregon Board of Forestry to assist the State Forester and the Board of Forestry on issues relevant to some 70,000 family forestland owners in the state which includes the formulation of policy and the evaluation of the effects that changes in forest policy have or will have on those lands. The Committee provides recommendations on the Department of Forestry's strategies and actions to improve services and provides an avenue to raise public awareness of the role that family forestlands play in maintaining an economically, socially and ecologically healthy forest environment. In giving advice to the Board and State Forester, we are mindful of and strive to be consistent with the objectives of the Forestry Program for Oregon and the Oregon Indicators of Sustainable Forest Management.

The membership of the Committee for Family Forestlands 2013-2014 is as follows:

Craig Shinn, (Citizen-at-Large) Chairman, Voting Member

Susan Watkins, (Family Forestland Owner at Large) Vice Chair, Voting Member

Lena Tucker, (Deputy Chief ODF Private Forests Division) Secretary (non-voting)

Sara Leiman, (Northwest Family Forestland Owner) Voting Member

Rick Barnes, (Southern Family Forestland Owner) Voting Member

Scott Gray, (Forest Industry Representative) Voting Member

Sarah Deumling, (Environmental Community Representative) Voting Member

Roje Gootee, (Eastern Family Forestland Owner) Voting Member

Brad Withrow-Robinson, (OSU College of Forestry) Ex-Officio

Joe Holmberg, (Oregon Tree Farm System, Small Forestland Owner Group Representative) Ex-Officio

Cindy Glick, (Public Land Management/USFS) Ex-Officio

Mike Cloughesy, (Oregon Forest Resources Institute (OFRI) Representative) Ex-Officio

Rex Storm, (Associated Oregon Loggers (AOL), Forestry Interest or Consulting Group Representative) Ex-Officio

Peter Daugherty, (Chief Private Forest Division, State Forester Representative) Ex-Officio

## **Acknowledgments**

We would like to acknowledge the support we have received from the Oregon Department of Forestry and its Private Forests staff. We appreciate the access to and support we have had from Doug Decker, State Forester and members of the Board of Forestry.

We would like to specifically acknowledge the contributions of Jim Cathcart, Cooperative Forestry Manager, who supported our grant application efforts to obtain funding from the USFS State and Private Forestry Western States Competitive Grant and in doing so provided an invaluable service to those we represent. It is important to note that much of the CFF's outreach work wouldn't be successful without our partnering organizations: OSWA, OFRI, AFF, Tree Farm and OSU Extension. More broadly, we could not do our work without the willing participation of a wide range of individuals from various organizations and perspectives who accept our invitations to provide inputs on issues we are addressing because of a shared commitment to Oregon's forests. We also thank those ODF program employees who keep us informed on issues or upcoming rules and changes effecting Family Forestlands. In particular,

- Jennifer Weikel for keeping the members informed on Bald Eagle Rule Analysis and results from the Leave Tree and Downed Wood Study FPA Monitoring Study.
- Angie Johnson, who kept us updated on Rule modifications for HB2165 Statutory Written Plan Waivers, and also for her work on the HB 2615 Special Forest Products rulemaking.
- Jeremy Groom and Terry Frueh from ODF's Monitoring group and Kyle Abraham, Water Quality Specialist, who frequently answered our questions regarding complex water issues.
- Nick Hennemann, ODF Public Affairs Specialist, who joined ODF this past year to be our go-to counsel on public communications, an important factor in determining strategies and providing effective outreach.
- The Fire Protection Division staff who met with us periodically to keep us updated, provide inputs to our discussions and hear our concerns.

A *special* thank you to Gary Springer, Board of Forestry Member, for attending many of our meetings and sharing the Board's perspective. That perspective is important to us as a BOF Advisory Committee and assists us in formatting our responses and recommendations in the best way possible for those we represent and serve. The Committee is gratified that its work is important to the Board, the Department and the forestland owners we represent. We are mindful of that responsibility and trust as we go about our work.

## **Introduction**

This Annual Report is organized in the following way: topical 2013-2014 Work Plan; Key Accomplishments for that time period including a description of Sub-committees' members and purpose; and the topical Work Plan for 2014-2015. Taken together, the subjects provide a cogent executive summary of the CFF's work

over the last year and formal recognition of both the continuation of that work and new topics for 2014-2015. A more detail account of work related to the topical items in the workplan follows.

The CFF [website](#) hosted on the ODF site under the Board of Forestry contains more complete information regarding committee structure, agendas, meeting minutes and all formal recommendations, letters, reports and memos authored by the Committee for Family Forestlands in 2013-14.

## **2013-2014 Work Plan**

The Committee's Work Plan for 2013-2014 prioritized and directed CFF efforts for the past year. Some issues were added by direction of the Board of Forestry or in response to the agency's need. These issues are prioritized into three tiers of importance in their potential impact to family forestlands and family forestland owners.

### ***Tier 1 Issues***

- 1.1 Tax and Finance Issues facing family forestland owners. (Ongoing)
- 1.2 Private Lands Collaborative Pilot Project (Ongoing)
- 1.3 Continuation of Riparian Rules Analysis work by the BOF (Ongoing)
- 1.4 Extension Program Funding
- 1.5 Private Land Restoration after Fire (Ongoing)
- 1.6 Contracting/Operator Capacity
- 1.7 Water Quality – Roads and Operations

### ***Tier 2 Issues***

- 2.1 Public Values on Ecosystem Services
- 2.2 Intergenerational Capacity
- 2.3 Federal Lands engagement
- 2.4 'All Lands' approach for Federal and Private Lands (in Linn County)
- 2.5 Technical Assistance for Family Forestland Owners
- 2.6 Fire Management
- 2.7 Impacts of FPA through Compliance Audit/FERNS/Outreach
- 2.8 Board of Forestry directed issues/invitations to BOF Members (Ongoing)
- 2.9 Formal communication to Public/Non-Landowner
- 2.10 Private Forests Stem-to-Stem Review

### ***Tier 3 Issues***

- 3.1 Neighbor Issues
- 3.2 Climate Change

3.3 Entry/Barriers to Ownership

3.4 Short Legislative Session

## **Committee for Family Forestlands Accomplishments for 2013-2014**

### **Grants Applied For/Awarded**

**American Tree Farm System (AFF)** awarded Oregon Tree Farm a grant for \$10,000 to develop a landscape level model forest management plan that could be used both to facilitate the Private Forests Eastside Collaborative and, after being tested for efficacy with the Collaborative, if successful, as a template nationwide. The framework will enable users to identify landscape resource concerns and desired outcomes. Oregon Tree Farm has contracted with Mike Cloughesy, working as an independent contractor, to develop the framework.

### **State and Private Forestry FY2014 Western Competitive Resource Allocation Single State Grant**

With help from ODF and especially Jim Cathcart, the Committee's Eastside Private Forestland Collaborative Project was submitted to the USFS Western Forest Lands Coalition (WFLC) in 2013 for a Western States Competitive Grant following review by and excellent feedback from USFS Region 6 staff. The Collaborative Project was ranked 3<sup>rd</sup> out of 63 proposals.

### **Letters**

Letter of Comment to Chair Imeson and Board of Forestry Members

RE: Water Quality Issues (March 5, 2014)

Noting principles we consider important for any policy related to riparian management and recommended forestry practices related to water quality. The letter asked the Board to consider the concerns raised by the letter in deliberating these matters and to carry them forward in its response to the EPA and NOAA Notice of Intent to Disapprove Oregon's CZARA plan.

Letter to Chair Imeson and Board of Forestry Members

RE: Protection Standards on Small and Medium Fish Streams (March 12, 2014)

Asking the Board to remember that rule changes have the potential of placing a higher burden on family forest landowners. Further, to stress the importance of taking information learned in the Paired Watershed studies and to apply that knowledge to look at other hydrologic and biologic factors all while meeting the requirements of the Clean Water Act. The letter affirmed:

- The Committee's support of a BOF collaborative engagement with the EQC on the PCW Standard,
- Analysis of post-harvest years of RipStream Study data,
- Development of flexible outcome-based rules, and

- Consideration of the PCW Standard in the context of all FPA goals and whether the benefits outweigh the costs to family forestland owners.

Letter of Appreciation to Dr. Thomas Maness, OSU (March 6, 2014)

- Wishing to acknowledge and thank Dean Maness for his leadership since becoming Dean at the College of Forestry (OSU), the positive effects during his tenure on family forestlands, and his willingness to listen to the Committee's concerns.

Letters of Re-Appointment to the Committee, Term beginning July 25, 2013 to:

- Roje Gootee, Long Creek, Oregon (Eastern Family Forestland Representative)
- Sara Leiman, Monroe, Oregon (Northwest Family Forestland Representative)

**Recommendations/Motions**

- Motion carried that the Committee write to the BOF regarding the Committee's views of the NOAA/EPA Notice of Intent to Disapprove Oregon's Coastal Non-Point Pollution Control Program under the Coastal Zone Act Reauthorization Amendments (CZARA).
- Motion carried and affirmed that as a committee we support and affirm changes to the Key Performance Measures in the Private Forests Review (December 2013). These were elimination of Measures 7a and 7b and addition of a new #7 approved as amended with wording change to "or third party certification system."
- Motion carried to accept changes to the CFF response to the BOF regarding Disapproval of the CZARA Plan and to send as approved. (February 2014)
- Motion carried to finalize the CFF letter to the BOF re: Protection Standards on Small and Medium F Type Streams with suggested edits to be sent to the BOF, Environmental Quality Commission and Oregon Department of Environmental Quality Directors. (March 2014)
- Concurrence with recommendations following from report and discussion with Bob Young, Policy and Prevention Manager, on work stemming from the Large Fire Review Committee report (April 2014)
  1. Claim processing solutions that include:
    - Transparency in the claims process
    - Alternative processes (Accident Claim Process vs. Tort Claim)
    - Small Claim quick execution format (Montana Style)
  2. Immediate post-fire outreach to amplify and clarify in a list what ODF will do, may do or is unlikely to do, integrating all the agency responses.

3. Creation of an Emergency Restoration Fund with corresponding governance plan. (Not to come from Suppression funding).
4. Reforestation Assistance and Incentives.

### **Sub-Committees/Ongoing Projects**

- **Steering Committee Eastside Private Forest Lands Collaborative**

Roje Gootee, Mike Cloughesy, Brad Withrow-Robinson, and Craig Shinn with Roje and Brad as co-chairs formed the initial Steering Committee to guide the Collaborative Project until a permanent committee including local landowners can be put in place. The Steering Committee's tasks in the months preceding actual receipt of the Western States Competitive Grant funds include (no particular order):

- Select additional Landowner representatives.
- Complete a Landscape Level Resource Analysis. Mike Cloughesy is working independently to structure a landscape view and look at what solutions could be populated into individual landowner planning.
- Link landowners to the local Natural Resources Conservation Service (NRCS) for individual or group project funding.
- Provide technical support to landowners on the process of applying for funding.
- Produce a detailed Work Plan to finalize the Grant process.
- Recruit and select a Project Coordinator.
- Adopt a relevant landscape boundary.
- Create a governance structure.
- Refine the budget.

- **Tax Issue Symposium Sub-Committee**

A Tax Symposium Sub-Committee was formed (Sara Leiman, Susan Watkins, Mike Cloughesy and guest member Clint Bentz, CPA) and tasked with working out details of a public forestland tax symposium with OSWA as Conference Administrator. Funds will be coming from grants from OFRI and AFF and registration fees. Partners (OSWA, OFRI, OSU, AFF, and AOL) were identified and grant applications were finalized and sent to OFRI and OSWA to assist in educational outreach and administrative management.

The Committee proposes to:

- Frame the extent of the issues addressed with input from tax and forest planning professionals.
- Set up logistics for a symposium on forestland tax issues for landowners and their professional advisors.
- Inform participants about forestland taxation and uncover additional needs and gaps in the subject matter for later sessions and to inform the Board of possible need for action.

- Work with agency partners to prepare a booklet or publication that can serve as a reference to family forestland owners, tax and legal professionals, forestry consultants and decision-makers.
- Report after outreach and inquiry on landowner tax issues and consider possible recommendations to the Board of Forestry as a result of this public outreach.
- Use the symposium as a jump-off point for the delivery of information sessions that partner agencies could deliver to local audiences.

## **Looking Ahead: 2014 – 2015 Work Plan**

The Committee’s Work Plan for 2014-2015 will continue work begun in 2013-2014 and add new efforts as appropriate. Work Plan priorities are identified below. Issues will be added by direction of the Board of Forestry or in response to the agency’s need. These issues are prioritized into three tiers of importance in their potential impact to family forestlands and family forest landowners.

### ***Tier 1 Issues***

- 1.1 Tax and Finance issues facing family forestland owners (ongoing; Symposium to be held in January 2015).
- 1.2 Private Lands Collaborative Pilot Project (ongoing; three year effort 2014-2017)
- 1.3 Water quality issues, including rulemaking by the Board of Forestry.
- 1.4 OWEB Focused Investment Strategy regarding technical assistance for family forestland owners.
- 1.5 Private lands Fire Issues including post-fire restoration and communication issues.
- 1.6 Federal Land’s engagement, including comment on the proposed Blue Mountain Management Plan (effects to adjacent private forestlands).
- 1.7 Climate change impacts on family forestlands.
- 1.8 Landowner Viability Group Response on forestland revenue streams.

### ***Tier 2 Issues***

- 2.1 Public Values on Ecosystem Services
- 2.2 Formal communication to Public/Non-landowner
- 2.3 Intergenerational Forestland Ownership
- 2.4 ‘All Lands’ approach for Federal and Private Lands (in Linn County)
- 2.5 E-Notification implementation and outreach
- 2.6 Board of Forestry directed issues/invitations to BOF Members

### ***Tier 3 Issues***

- 1.1 Neighbor Issues
- 3.2 Entry/Barriers to Ownership

### 3.3 Regular Legislative Session

## Detail of Accomplishments for the Past Year

### *Tier 1 Issues*

#### **1.1 Tax and Finance Issues facing family forestland owners (Issue continued from 2012 – 2013)**

The Committee recognized the landowner's need to understand tax programs and their fiscal responsibilities involved in managing forestland.

Last year the Committee invited tax experts (Financial planners, County Assessors, Timber Tax professionals, and other tax experts) to explain their views of forestland financial and tax management and what small landowners need to consider to maximize their income and comply with tax rules. Members learned that not all tax professionals are fluent in *forest* taxation programs. This led to the assumption that many forestland owners may be missing out on crucial programs or responsibilities from lack of exposure to up-to-date information.

After hearing from the panelists, the Committee agreed that there was considerable need for current information on forestland taxes, tax resources and financial implications as well as a need to promote next generation involvement in both forest management and forestry accounting practices. This year the Committee focused on putting together a public symposium to provide information and generate landowner stories on forest tax issues. The desired audience would be a mixture of forest landowners and tax professionals who may not have a working knowledge of forest taxation, as well as consultants, policy-makers and accounting professionals and students.

The Symposium is planned for January 26<sup>th</sup>, 2015, at the LaSells Stewart Center at Oregon State University in Corvallis. The tentative program topics include Income Taxes; Estate Taxes; Estate and Succession Planning; Property and Harvest Taxes.

#### **1.2 Private Lands Collaborative Pilot Project**

Last year the Committee prepared a draft State and Private Forestry Western Competitive Grant Proposal. That project proposal was tackled in earnest this year and will be a high priority project for the next few years. Issues identified previously for the Eastside (See: [CFF's paper: Oregon's Eastside Forests 2012: The Family Forestland Owner's Perspective - October 31, 2012](#)) were the maintenance of healthy forests, waterways, and wildlife habitat. The Eastside forest landscape consists of an intricate mosaic of public (predominantly federal) and private lands. Effective solutions to maximizing forest, water and habitat health require effective cross-boundary management strategies. The concept was to create a model for private landowner collaboration. This would improve the financial and social ability of forest owners to engage in cross-boundary active forest management projects by sharing equipment, contractors and services. The

Collaborative will be located in the Lower Middle Fork John Day River Basin near Ritter (Grant County). The area is unique as it is predominantly private ownerships with highly significant ecology with respect to surrounding public lands. Performance will be measured with respect to meeting landscape objectives for forest resiliency, reduced wildfire risk, improved economic viability, and improvement in forest health.

In September 2013, the CFF drafted a Pre-Proposal with approved language and a Draft Grant proposal for the Eastside Private Forestland Collaborative. The grant proposal was completed in September, submitted, and accepted. The sub-committee continued its outreach to landowners and worked to solidify partner relationships on the Eastside. Members agreed that a landscape-level assessment should be done in advance of the actual funding. The Committee also decided to move forward with other funding sources like AFF and EQIP and NRCS project funding. Eventually, the Western Forestry Leadership Coalition ranked the Collaborative third out of sixty-three proposals. The current expectation is that a three year \$300,000 grant will be awarded by late summer/fall. Current efforts by the Eastside Project (“Rx Ritter”) Steering Committee include engaging landowners, building a locally based steering committee, pre-staging the work to recruit a project coordinator, establish work plans and build partner relationships. All of this work is preliminary to receiving the actual funding and starting the on the ground work, which will continue in 2014-2015 and beyond.

Emily Jane Davis, newly appointed OSU Extension Specialist, is ready to provide guidance to the Collaborative project and will be replacing Brad Withrow-Robinson as part of the ‘RxRitter’ Steering Committee. She has interests in economic development in public lands contexts, policy change, collaborative management, and the role of community-based institutions in sustainable forest stewardship.

In 2014, an American Forests Foundation (AFF) Grant was approved and will be used to fund efforts to create a replicable Landscape-level Planning model that can be plugged into the East Side Private Lands Collaborative efforts.

As social and communication challenges will be a significant part of any success, Steering Committee members were invited to participate in Yale’s Sustaining Family Forests Initiative’s TELE Project (Tools for Engaging Landowners Effectively workshop, which was held in May. The TELE project is addressing the importance of directed communication. Family forest owners collectively enhance or degrade the landscape through their decision-making. TELE program provides a practical set of tools to help conservation and forestry professionals reach more landowners with effective stewardship messages and develop programs that serve the needs and values of the landowners. The Eastside Private Lands Collaborative was chosen as a sample project. An “Rx Ritter” team attended the workshop and found it instructive and useful both to further the Eastside project and more generally about communicating with family forestland owners.

### **1.3 Continuation of Riparian Rules Analysis work by the BOF**

Because the Board of Forestry is in the process of considering rule changes that may affect many small landowners' management of riparian zones as well as the viability of maintaining forested property, the Committee asked Jeremy Groom, ODF Monitoring Coordinator, and Terry Frueh, ODF Monitoring Specialist, and others to explain methodologies used in evaluating data from RipStream and other water

quality studies. In October 2013, Terry Frueh explained the Systematic Evidence Review (SER) approach to the Committee. This was the approach used to analyze Riparian Rules efficacy in the RipStream study. In November 2013 Kyle Abraham, ODF Water Quality Specialist, also addressed the CFF about Water Quality issues.

The Committee believes through members' combined experience that many landowners have been responding positively to Water Quality concerns by improving roads and leaving buffer strips that meet or exceed rule requirements. But reporting has been voluntary, so ways to gather actual landowner practice and intent need to be identified and expanded. One way might be to encourage use of Forest Management Plans and Incentive Programs (requiring plans) to gain a better picture of what kind of management practices are going actually going on.

Members commented that when rules are too complex to implement easily, landowners avoid the areas all together, which may not meet the ecological goals. Also mentioned was the concept of ecosystem service payments, reimbursing landowners providing higher public ecosystem value by compensating them for the loss in productive land that can take place with regulation.

In February, Frueh reported that ODF is developing an electronic modeling program and developing prediction tools for developing prescriptions. Those “tools” are shade, treatment reach, stream slope and background variations. He reported some preliminary results on temperature recovery distances. The Committee discussed the state of the evidence relating to the Protecting Cold Water Standard.

As a result of these conversations the Committee sent a letter to the Board in April 2014 regarding the impact a wide riparian buffer would have on family forestland owners. The letter highlighted the geography of family forestland ownerships, which are usually lower in the watershed where the accumulative impacts accrue, and which are typically smaller in size and hence feel a larger impact of any regulation requiring wider buffers. Another concern was ensuring that any decision would be based upon sound science from a biological standpoint and focused on the beneficial use of forest streams. The Committee further urged the Board to consider *all* the science when formulating new regulations. CFF members attended both Oregon Board of Forestry meetings and Oregon Environmental Quality Commission meetings to carry the message and underscore the importance of these issues to family forestland owners.

At its May 2014 meeting, the Committee welcomed Ed Armstrong of the Oregon Environmental Quality Commission who is the EQC liaison to the Board of Forestry to hear his perspective on the roles of the EQC and the Board of Forestry in formulating and implementing water quality and other environmental rules.

#### **1.4 Extension Program Funding**

In May 2013, the Committee sent a Letter to the Joint Ways and Means Subcommittee on Natural Resources stating, “Family forestlands benefit most from Extension services because most small forest landowners lack the resources to hire full-time or on-call foresters and consultants...Access to Extension’s wide range of knowledge and training programs make achievement of the benefits of healthy forests more available to both these landowners and the public at large.” In continued support of Extension’s role in serving small forest landowners, the Committee played an important part in OSU’s choice of Extension leadership in 2014.

- OSU Starker Chair Recruitment

Winter 2013-2014, Sara Leiman, NW Landowner Representative, Brad Withrow-Robinson, Ex-Officio OSU College of Forestry Representative, and Mike Cloughesy, Ex-Officio OFRI Representative, represented CFF and small landowners on the Starker Chair search committee. The Committee also provided input regarding the qualities members believed to be important to the position, including knowledge of forest economics and taxation. The Committee also closely followed other appointments in Extension and the College of Forestry.

In February 2014 OSU appointed Tamara “Tammy” Cushing from Clemson University in South Carolina to the Starker Forest Chair position. Steve Fitzgerald was hired to be the Extension Silvicultural Specialist and Director of the College of Forests. Also newly appointed was Emily Jane Davis, a new Extension Specialist in Collaboration. That position will be especially important to the CFF as she will be working with Federal partners and be invaluable to the Eastside Private Lands Collaborative undertaking. Shinn stated that this additional capacity is relevant to family forestland owners at a scale that we haven’t seen in a long time and represents a significant investment and re-prioritization by OSU’s College of Forestry.

Dean Thomas Maness has been very attentive to needs of small landowners. A Letter of Appreciation was sent to the Dean for including this Committee in the recruitment and selection process and providing programs of support to private landowners. The Committee has invited the new OSU appointees to attend a CFF meeting in the future.

### **1.5 Private Land Restoration after Fire**

Following devastating fires in recent years, the CFF became interested in reforestation and restoration of private forestlands after wildfire. In September 2013 Peter Daugherty reported legislative interest in re-instituting the Reforestation Tax Credit and redefining incentive programs that might assist landowners post-fire. The Committee supported the concept of credit and assistance and offered to encourage re-development of the Reforestation Tax Credit by providing testimony or sending a Letter of Support.

In October 2013, CFF discussed reforestation requirements, waivers and the importance of defining catastrophic events. An important point to small landowners in developing legislation is understanding that small woodland owners don’t have the tax liability to take advantage of tax credits but still shoulder the burden of costs associated with the loss and reforestation costs. For most small woodland owners cost-share

is preferable to a tax credit. The impact of salvage operations on reforestation requirements under current rules was also addressed as was the uncertainty of seedling availability post-fire.

In December 2013 and March 2014, State Forester Decker and Committee Chair, Craig Shinn, reported on the work of the Large Fire Review Committee, which Shinn chaired. That committee was commissioned by the State Forester to handle the legislative interest in and corresponding challenges from the 2012 fire season. One concern was how decisions made on the fire line are communicated to bordering land ownerships. Another was the impediment to communication between ODF and landowners presented by the Tort Claims process. The Large Fire Review Committee's Report posed questions directly to the Committee for Family Forestlands. Questions CFF members focused on included, "What technical and professional services are currently available post-fire for rehabilitation?" and "How do we make sure that our landowners know how to access appropriate agencies and communicate the damages they have experienced?"

Shinn presented four major themes from the Report:

1. Wildfire Policy and Landowner Risk (*Every acre has value.*) Noted was the significant transference of risk to family forestland owners as a result of the way the federal lands were managed in the interface of private properties. Fire Management Teams need to understand those differences.
2. Communication and Coordination of landowner suppression resources. This would involve pre-staging, coordination and communication in advance of events. This was seen as an important relationship that needs tending.
3. Post-Fire Technical and Financial Assistance to family forestland owners. Recommendations to increase incentives and decrease the dis-incentives for salvage, reforestation, and restoration may help reduce land conversions and keep working forests working. Part of this was also looking at ways to institutionalize post-fire financial assistance programs including some kind of small repair funding pool for immediate post-fire needs of small landowners. State Forester Decker asked the Committee to come up with key principles about how such a program would work. (Ongoing)
4. Transparency, clarity and communication in the State's Tort Claim process. Members urged creation of a more effective, streamlined claims process and a parallel 'safe harbor' agreement to allow ODF to engage in conversations with landowners without impacting claim status.

Bob Young, ODF Policy and Prevention Manager, briefed the Committee on ODF's Wildfire Immediate Response/Repair Framework as it currently stands in April 2014. He answered questions about what ODF can or can't do for the landowner who has experienced wildfire resource loss and fire-fighting damage, emphasizing that the repair focus is on damage that ODF actions have caused, not losses resulting from the fire itself.

The Committee recommended the following actions to ODF management:

1. Claims Processing Improvements

- Transparency in the claims process.
  - Alternatives to Tort Claims
  - Small Claims done in a quick execution format more like an Accident Claim.
2. Provide the public with information to clarify what ODF will do, may do or is unlikely to do post-fire.
  3. Establish an emergency repair fund, not to come out of suppression funding, and providing the appropriate governance structure.
  4. Promote incentives programs for reforestation assistance.

## **1.6 Contracting/Operator Capacity**

With the overwhelming effect mill closures have had on the industry, it is clear that infrastructure is one of the most important factors in ensuring a larger and more stable timber market. Although the Committee did not schedule this as a separate agenda topic, concern about shrinking infrastructure underlies much of the Collaborative Project's concept as well as the proposed comment on the USFS Blue Mountain Management Plan.

## **1.7 Water Quality – Roads and Operations**

This was a busy year for water quality issues. The CZARA lawsuit, Protecting Cold Water Criterion and ODF's Riparian Rules Analysis are still ongoing issues (see topic 1.3 above).

### **○ Notice of Intent NOAA/EPA on Oregon's Coastal Non-Point Pollution Control Program (CNPCP)**

Peter Daugherty, Chief Private Forests Division, gave the Committee several reports over the year concerning Oregon's response to EPA's Coastal Zone water quality protection requirements. At the January meeting Kyle Abraham, Water Quality Specialist, reported that EPA and NOAA proposed to disapprove Oregon's Coastal area pollution control plan. He summarized the actions leading to EPA and NOAA's disapproval. "Oregon needs to explain how it intends to implement specific BMPs, backed by enforceable authority to:

- Protect medium, small and non-fish bearing streams;
- Protect high risk landslide areas;
- Effectively ensure the impacts of road operation maintenance, particularly legacy roads and
- Ensure the adequacy of stream buffers for the application of certain chemicals."

The Committee wrote to the Board and subsequently filed a comment with EPA and NOAA in response to the federal agencies' notice of intent to reject Oregon's plan. The comment affirmed the family forest landowners' understanding of the need to provide stream protections and underscored the importance of central administration on water quality regulations to keep the regulatory transaction costs to a minimum. The goal of all parties should be to ensure retention of forestlands and slow rates of conversion to other non-

forest uses. Members agreed they would offer strong support for the “Oregon Way” expressed in the Oregon Plan for Salmon and Watersheds.

Daugherty also frequently updated the Committee about the Board's rule-making process to address the Protecting Cold Water criterion. The Committee and small landowners maintain a keen interest in this process, and the Committee has written the Board to express its concerns on more than one occasion. At least five Committee members attended the June 23, 2014, Riparian Workshop held by the Board regarding science and policy issues affecting this topic. The Committee anticipates closely monitoring this rule-making process into the next work year. In the June CFF meeting a working group ( Rick Barnes leading) to attend to water quality/ forestry issues over the coming months.

- **Water Quality & Forest Roads**

Educational assistance regarding avoidance of sediment run-off is available, that doesn't provide documentation as to how much road work is actually being done. Extension is talking about landowner workshops done in conjunction with the Watershed Councils and Oregon Small Woodlands Association. There has been good turn-out at the operator sessions and the response shows that people are looking to be educated.

In the Forestry Program for Oregon there is a Forest Road Indicator with a statewide roads inventory component. In the future the Private Forests Program may be able to conduct a statistically valid sampling of landowner activity that will provide more information on road and water integrity. Members questioned if ODF has a sense of where the problems lie, whether it is an issue with small forestland owners or industrial ownerships. As family forestlands are generally in more sensitive locations on the landscape they may have greater impact. Areas fragmented with agriculture also are a component. There is potential for any roads and water quality rulings to impact Family Forestland Owners disproportionately, both because of location and cost. The members expressed that perhaps now is the time for the forest industry to become proactive with respect to monitoring and reporting before it is further legislated.

## ***Tier 2 Issues***

### **2.1 Public Values on Ecosystem Services**

In November, Sarah Deumling, Voting Member and Environmental Representative on the CFF, hosted a meeting at her family forestland business, Zena Forest Products. Covering this issue, Deumling voiced her belief that private landowners are asked to take more and more acres out of production at their own expense to meet State regulations for water quality and habitat. Landowners are providing ecosystem services to the rest of the State and should be reimbursed for that service or have easy access to incentives that may help them meet their financial objectives. When economics or loss of workable acreage makes owning and working forestland an unviable option, forests will be lost and water quality diminished. At some point

implementation of public values must be paid for. To date the committee has not taken a stand on this issue although it is frequently quoted as an important factor in rule language development.

## **2.2 Inter-generational Capacity**

The issue of inter-generational interest and capacity in private forestland management has been carried over from the previous year's work plan as it remains a concern. Transfer of knowledge and ownership is integral in maintaining the viability of working forestlands. Sarah Deumling used her own family as an example of intergenerational capacity during a forest/operation tour of her property in November 2013. Sarah transferred ownership to her children seeing it as the best way to maintain the forest as working forest. The family has been managing their forestland since 1985 and have been able to maintain the ownership by setting up a Conservation Easement. Trust for Public Lands provided the technical assistance in understanding the real estate and inheritance issues. The easement stipulates that the forest will remain a working forest into perpetuity. No development is allowed, strict harvest levels have been set and habitat preservation is mandated. Sarah's son operates an oak sawmill operation on the property and is keeping pace with the industry and "Green" certified lumber market. Operators and loggers with valuable experience are retiring out of the industry, and fewer and fewer of the next generation are filling the gap. Unless raised in the industry, young adults often find it too expensive to purchase the machinery and forest inventory needed to enter a timber profession, and the log markets have become too volatile to count on as a career choice.

Mark Wigg, member of the Northwest Land Conservation Trust, provided Public Comment at the November meeting to initiate a dialog regarding Conservation Land Trusts. The Trust has found that farm and forest landowners are getting older and less confident that their land holdings will remain intact. The Committee will attempt to integrate conservation holding into the Committee's tax discussion and educational plan for providing ownership continuity.

## **2.3 Federal Lands Engagement**

The USFS Blue Mountain Forest Plan was re-drafted and re-opened for public comment during the spring of 2014. As these National Forests (the Malheur, Umatilla, Wallowa-Whitman National Forests, and a portion of the Ochoco National Forest) cover a vast area of Eastern Oregon, the decisions made on their management will directly affect bordering private lands. Federal land management decisions made will, in turn, dictate how private landowners manage their lands for fire, insects and disease and will heavily impact forest markets and local industry infrastructure. The Committee has a great deal of concern for the effects of the Plan on private landowners and has formed a subcommittee to comment or to collaboratively work with ODF or other partners to comment on the Plan.

## **2.4 'All Lands' Approach for Federal and Private Lands (in Linn County)**

Cindy Glick, Sweet Home Ranger District Forester, Willamette National Forest, and ex-officio member, provided the Committee with a federal perspective to the USFS “All Lands” Approach. This approach was piloted by the USFS to increase the scale of management decisions to a landscape or watershed level by including community partners and neighboring landowners in plan development that crosses property lines. The nature of this approach shares subject ties to the Eastside Private Forestlands Collaborative project. This hasn’t been scheduled as an agenda topic to date but is set as a Tier II priority in the next work plan.

## **2.5 Technical Assistance for Family Forestland Owners**

The Committee did not separate this out as an issue itself, but kept track of any landowner outreach efforts as a culmination of technical assistance requests and a subject of many recommendations involving ODF capacity.

Keith Baldwin, FPA Field Coordinator, was invited to share the latest information from State Historic Preservation Office (SHPO) on protecting and identifying cultural and archaeological resources. The new process from SHPO was included in a Memorandum of Agreement between SHPO and ODF which produced guidance and materials for outreach and defined the process for determining archaeological significance. To provide awareness in operating areas SHPO has shared relevant site information with ODF by Sections (640 acres) across private and state lands in Oregon. The State Historic Preservation Office cautions that the inventory of recorded sites is incomplete and exact locations are confidential. ODF has an educational and intermediary role and will be engaging landowners with a cover letter and brochure. The role of the Stewardship Foresters in particular is to assist landowners and operators to achieve their harvest objectives *and* comply with resource protection obligations.

## **2.6 Fire Management**

Doug Grafe, Deputy Chief of the Protection from Fire Division, was invited to provide a summary of Fire Season 2013 beginning with 2013 pre-season indicators and statistics. He reported that with aggressive prevention strategies the number of human-caused fires declined. But there were repeated extreme lightning events and fire activity was the highest in Southwest Oregon. The Wildfire Protection Act was passed just in time and provided more resource capacity just as Statewide Severity was in critical need. Federal and Association partnerships were vital to battle these blazes in a complete and coordinated way. Multi-agency coordination with five Incident Management Teams helped support and mobilize the resources. Landowners provided critical help in many capacities.

State Forester Doug Decker met with the CFF in December 2013 and again in March 2014 to address the findings by 2012 Large Fire Review Committee, which was chaired by CFF chair Craig Shinn. The report identified a number of recommendations that included key roles for CFF. One of the key questions for CFF is, “How do we ensure, on a multi-agency fire, that all of our fire partners recognize and respect the values associated with private lands we protect and the relationships we have with those landowners?” Other

questions focus on pre- and post-fire technical assistance and on landowner access to appropriate agencies and programs to communicate and rectify damages they have suffered as a result of firefighting. The clear message to ODF is that "Every acre has value." No matter if a property is 1 or 500 acres it represents a family's livelihood. And every landowner is a potential resource, with local knowledge and resources and can add capacity to contribute to fire suppression efforts.

Keeping landowners and federal land managers involved with local Fire Protection Associations was considered key to opening the lines of communication. The Committee also likes the idea of a Repair Fund which could handle small, immediate requests, along with a simplified claims process. The Committee has begun work in response to a request from State Forester Decker to come up with a set of key principles of how a small emergency fire restoration fund would work and to make recommendations about how the fund should be financed.

## **2.7 Impacts of FPA through Electronic Notification System/Outreach**

The Committee has a keen interest in this project and especially in outreach to landowners. Joe Touchstone, Private Forests Business Analyst, and Lena Tucker, CFF Secretary and Private Forests Deputy Chief, provided the Committee with periodic updates on this project throughout the year. The project was a directed assignment from legislative recommendations for program efficiency and effectiveness. This system will allow landowners to submit Notifications of Operation (NOAPs) and Permit to Use Power-driven Machinery (PDM) requests to ODF electronically. Tucker provided some live demonstrations of the software system's look and feel and highlighted each new function as it was developed. The system will provide legal notice of any Written Plan requirements and tell the notifier if resources they have identified prompt a Written Plan requirement. All communication between landowner and stewardship forester regarding an operation can be accessed through the landowner's account dashboard, for real time feedback. Rick Barnes is the Committee's representative on the Landowner panel reviewing each iteration of the product.

## **2.8 Board of Forestry directed issues/invitations to BOF Members**

BOF Emerging Issue: Private Forestland Viability

In December 2013 Jim Cathcart requested that the Committee add "Private Forestland Viability" to its agenda on behalf of the Department. Forestland Viability is on the Board's work plan under Emerging and Overarching Issues. Resources Planning is working on the Board's behalf exploring potential alternate revenue sources for forest landowners to increase the likelihood of keeping forestlands intact. Resources Planning will make recommendations to the Board about policy changes that could help expand or enhance alternate revenue sources. Cathcart asked members to focus on Special Forest Products market opportunities that may have potential for further development. The BOF wants to identify any policy barriers that may be getting in the way of these markets, which could then be corrected by Board action. Cathcart clarified that market development will not come from public funds but, regarding the issue of Ecosystem Services incentives, the BOF would work towards approval of public funding of eco-system service payments. The

ability to remain economically viable is an important factor in maintaining working forests and the protections to the ecosystem that forests provide.

The Committee met jointly with the State Stewardship Coordinating Committee in May 2014 to hear presentations on possible markets and to provide feedback to the Board. Panelists included:

- Neil Schroeder – Non-timber Products
- Marcus Kauffman – Biomass Energy
- Linc Cannon – Bio-fuels
- John Tokarczyk – Green Building Certification and
- Sara O'Brien – Ecosystem Services

The Committee provided feedback on these secondary markets to Jim Cathcart at the June meeting. Some of the discussion included:

- Developing the hardwood market;
- Value-added finished wood products;
- Small scale Co-Gen for individual operations;
- Tax incentives for Ecosystem services;
- Maximizing income by managing for the highest end-use value;
- Reducing transaction costs of business;
- Stabilizing the core timber market.

## **2.9 Formal Communication to Public/Non-Landowner**

This issue was not specifically addressed but remains a concern of the Committee's.

## **2.10 Private Forests Stem-to-Stern Review**

This topic was not covered by the committee in 2013-2014.

## ***Tier 3 Issues***

No time was allocated during the 2013-2014 work year to the following three Work Plan Tier 3 issues:

### **3.1 Neighbor Issues**

### **3.2 Climate Change**

### **3.3 Entry/Barriers to Ownership (but see discussion under 2.2 above)**

### **3.4 Short Legislative Session**

At the December 2013 meeting, State Forester Doug Decker led a discussion on pertinent statute and rule changes and asked for continuing support in providing testimony on important topics and reviewing concepts prior to the Short Legislative Session. The State Forester lauded the Committee's work and role as an Advisory Committee and cited the CFF as an example of how statutory groups need to work. "You present your work in a very thoughtful, deliberative way to the Board. I'm always grateful for the work that you do."

In February, Peter Daugherty, Private Forests Chief, presented a Legislative update to the Committee on the following bills:

**SB 1513, the Reforestation Credit.** Committee members suggested that small landowners not be lumped together with industrial owners because small owners would more likely benefit from incentives than tax credits.

**HB 4101 Severance Tax Bill.** This bill was designed to keep unprocessed logs in Oregon to be milled locally rather than shipped intact overseas.

**SB 1575 Land Use.**

**SB 1516** Relating to the **Salmonberry Trail.** The Committee took a preliminary look at the private landowner issues around the development of the Salmonberry Trail at its June 2014 meeting.

**Request to the Emergency Board** for \$40,000,000 of General Funds to pay for extraordinary 2013 fire costs.

The Committee anticipates interest in the following bills likely to be proposed in the 2015 Session:

- OSWA is preparing a bill to allow parity between forestland and farmland with respect to allowing a second home to be built on forestland when necessary to manage the forest. Ag lands allow for family members to have an additional home to help manage the farm.
- OFIC proposed a bill that would have authorized a forestland owner with a home on the property to parcel off the home and make the land a separate parcel.

## **Program Reports**

### **2013 Key Private Forestry Performance Measures (KPMs)**

Peter Daugherty, Private Forests Division Chief, provided a review in December 2013 of the Key Performance Measure (KPM) changes applicable to this Committee's function, and specifically Measures 7, 7a and 7b, related to Private Forestland Management. Daugherty proposed replacing 7a and 7b with a new #7 Family Forestlands Fully Engaged in Sustainable Forestry – "Acres of non-industrial private forestland managed under a Oregon Forest Management Plan or internationally recognized certification system." There was discussion of what distinguished a management plan from an Oregon

Forest Management Plan. That difference was that the Oregon Forest Management Plan could be signed off by ODF verifying that it met Uniform Plan Standards agreed upon by ODF/SFI/FSC/Tree Farm. The other KPM mentioned was #4. Urban and Community Forestry and the elements urban plans should contain to be considered “actively” managed. Committee members affirmed their support of the changes to and addition of #7 with the wording of “internationally recognized” changed to “or third party certification system.”

### **Other Rulemaking Reports/Requests for Review**

The Committee heard regular updates from Angie Johnson, Policy & Operations Analyst, regarding HB 2165 (Technical Note #10 on Written Waivers of Statutory Plans) and HB 2615 (The Truffle Bill).

HB 2165 (**Written Waivers of Statutory Plan**) Goals for this language change were to reduce non-value-added routine Written Plans, increase productive field time for Stewardship Foresters, increase efficiencies, and create greater certainty for customers regarding the circumstances that dictate a Written Harvest Plan. Landowners are now able to use this Waiver option if *not* working in or affecting a Riparian area. The Committee's concern with outreach was met by a hardcopy mailing on the new language and requirements to 1000+ forestland owners combined with other outreach efforts, including news releases to OSWA, OFRI, OFIC, DOA, the Farm Bureau and OSU Extension offices.

HB 2615 added “fungi” (in this case, Truffles) to the list of **Special Forest Products**. Truffle collecting has resulted in trespass issues, and damages to private forestland soil and vegetation were not easily prosecutable because truffles were not protected products. The Bill both defined Special Forest Products and established a procedure for the BOF to modify that definition without returning to the Legislature by putting it under Rule rather than Statute. OSWA and law enforcement were big supporters of the Bill.

### **Bald Eagle Rule Analysis**

In April 2014 Jennifer Weikel, Wildlife Biologist reported on the Bald Eagle Rule Analysis. Because the Bald Eagle was de-listed federally from the Endangered Species List and from the Oregon Threatened and Endangered Species List in 2012, the BOF must make a determination of how to handle the rule change. She asked the Committee to develop a response to the 3 options provided; the Committee has not yet responded.

2. Rescind the rules entirely
3. Move the existing rules out of the T&E Section and into the Sensitive Species section.
4. Modify the existing rules and then move them.

### **Leave Tree and Downed Wood Monitoring Report**

In April 2014 the Committee received a report from Jennifer Weikel examining compliance with Statutes for Retention of Leave trees and Downed Logs (2up/2down). The study also characterized the trees and logs that

were retained. Landowners on the Committee explained how they handled leave trees on their properties. Weikel reported that the compliance was high for the units studied but determining compliance was often difficult. Challenges included vague mapping with insufficient detail; edge of unit leave trees where boundaries aren't identified; and leave trees re-designated for ease of future operations. Improving mapping requirements pre- and post-harvest along with a more refined tracking system may resolve some of the issues.

## **Committee Business**

### **CFF Nominating Committee**

July marks the end of two CFF representatives' terms with the Committee: Craig Shinn, Chair and Citizen-At-Large, and Sarah Deumling, Environmental Community Representative and Voting Member. Both Craig and Sarah began serving on the Committee in 2008 and served two terms. Their individual enthusiasm and professionalism benefited Oregon's family forestland owners and raised the bar for all CFF members to carry forward.

In January, a Nominating committee was set up of Craig Shinn, Sarah Deumling, and Susan Watkins to identify possible candidates for both positions. Names were fielded to the other members for discussion as to their fit for the Committee's work and their availability. Scott Gray's (Stimson Lumber) first term was also up, but he graciously agreed, if pleasing to the Board, to be re-appointed for another three-year term as Industrial Representative. One of the constraints of the nominations is that the Chair position is usually the Citizen-at-Large and cannot be a forestland owner. The Environmental Community Representative can be a forestland owner. Attributes desired for each position were discussed and used in ranking suggested nominees.

## **Guest Speakers**

- **WOWnet Presentation**

**Nicole Strong**, WOWnet National Editor and OSU Forestry Extension, spoke about women as forest managers. Women Owning Woodlands (WOW) began when an OFRI survey of forest management showed that 40% of forest managers were women. The goal of the organization is to provide peer mentoring woman to woman. WOWnet began in 2006 and now has over 350 members. The USDA is now a sponsor of the program. Many WOW participants also belong to OSWA and Tree Farm and men have joined in their workshops as well. WOWnet's goals involve giving women a safe place to learn, ask questions and gain basic forest knowledge in a welcoming environment. Women generally have more diverse management goals than men and when looking at ownership succession for family forestlands it's the daughters that have the interest. At this point women have a higher insecurity about their abilities because of a lack of industry connections in a traditionally male-dominated field. The group agreed that a discussion of more diverse goals is important but noted there is still prejudice about what constitute 'legitimate' management goals. The bias

felt by many is that if you are not managing for log markets you are not managing at all. There was discussion on the terms *restoration* and *regeneration* forestry. .

- **Forest Seedling Network and Seedling Availability**

After fire season 2013, there was concern about seedling availability for reforestation of private lands. The committee invited **Bob McNitt** from the Forest Seedling Network to provide insight into the current forest seedling market. He talked about seasonal needs and market uncertainty and the differences between contract and speculative sowing. He sympathized with landowners being at the mercy of the market any given year unless they contracted to grow with a nursery. He demonstrated use of the Forest Seedling Network (FSN) website designed to assist small woodland owners that might be unfamiliar with seedling sources and containing a vendor directory connecting nurseries and users.

- **Salmonberry Rails and Trails Project**

In June, **Mike Cafferata**, ODF Forest Grove District Forester, was invited to provide an overview of the current progress on an effort to construct a 86-mile recreation corridor from Banks to Tillamook, the [Salmonberry Corridor Project](#). A coalition of cities and agencies looked at recommendations on re-linking the communities along the rail corridor after extensive storm damage in 2007 made the rail connection unusable. As there are privately-owned forestlands that would be affected all through this corridor, the Committee wanted to remain informed on the project. Goals for the project are:

1. Preserving investments
2. Supporting local economies
3. Providing access for multiple users
4. Maintaining and improving the environment

The planning team is taking a comprehensive look at natural, scenic and cultural resource conditions; corridor management needs; outdoor recreation trends in the region; community partnerships; and any related ideas and concerns identified through public input. Cafferata shared the complexities of the project, the timeline for Plan Adoption and the numerous and diverse partnerships supporting the effort. The CFF requested an update in the fall.