Committee for Family Forestlands
Meeting Minutes
December 10, 2015

"STEWARDSHIP IN FORESTRY"

Pursuant to public notice made by news release with statewide distribution, a committee meeting of the Committee for Family Forestlands [an advisory body to the Oregon Board of Forestry with authority established in Oregon Revised Statute 527.650] was held on December 10, 2015 in the Santiam Room, Bldg. D, ODF Headquarters, 2600 State St., Salem, OR

CFF Committee members present:

Evan Barnes, Voting
Roje Gootee, Voting
Sara Leiman, Voting
Scott Gray, Voting
John Peel, Voting
Evan Smith, Voting
Mike Cloughesy, OFRI, Ex-Officio
Peter Daugherty, ODF, Ex-Officio
Lena Tucker, ODF, Secretary
Cindy Glick, USFS Ex-Officio
Janean Creighton, OSU Extension Ex-Officio
Jim James, OSWA, Ex-Officio

Members not in attendance:

Ed Weber, PhD Voting
Rex Storm, AOL, Ex-Officio
Joe Holmberg, OR Tree Farm System, Ex-Officio
Scott Hayes, OSWA President, Ex-Officio

Guests:

Emily Jane Davis, PhD OSU
Brad Withrow-Robinson, OSU Extension
Robert Walton, NOAA Fisheries
Tamara Cushing, PhD, OSU Starker Chair

ODF Staff present:

Susan Dominique
Kyle Abraham
Jennifer Weikel
Thomas Whittington
Josh Bernard
Marganne Allen
Nick Hennemann

Call to Order 9:10am

1. **Welcome**

Evan Barnes, Southern Oregon representative and nominated co-chair of the committee, opened the meeting filling in for Ed Weber who was unable to attend.

2. **Roundtable Introductions/Staff news**

Tucker introduced Thomas Whittington, Private Forest's newly hired Incentives Field Coordinator and Josh Bernard, ODF State Forests Project Leader, who offered to step in for Lena Tucker as Deputy Chief while she fills in behind Peter Daugherty as Chief while he is out on leave.

Daugherty reported that Lena Tucker was chosen as recipient of the James E. Brown Leadership Award by the Board of Forestry for the work done restoring the Private Forest Division, the rollout of the Electronic Notification System, and her leadership with the Agency Leadership Program and her timespan with the agency. She was nominated by Peter and Paul Bell.

3. **Approval of the Minutes**

No comments or additions. Motion to Accept November Minutes by John Peel and seconded by Scott Gray. All in favor, none opposed. Motion Approved unanimously.

4. **Public Comment**

No formal public comment offered.

5. **Riparian Rule timeline and CFF liaison to the Technical Advisory Rule Committee –** Peter Daugherty, Private Forests Division Chief

At our last meeting we reviewed the Rule package that the BOF adopted to move into the rule process and we did discuss that the Board directed us to form a Rule Advisory Committee to include the stakeholders and agencies who have participated in the rule analysis process. The Department is to make a good faith effort to insure the committee membership represents the persons likely to be affected by the rule. Daugherty briefly went over the potential composition of the committee:

- Oregon Small Woodlands Assoc. (OSWA)/Oregon Tree Farm – Jim James and Scott Hayes and a family forestland owner (tbd) that has SSBT streams.
- AOL (Associated Oregon Loggers)
- OFIC (Oregon Forest Industries Council) – will have a representative and alternate, as well as one or two industrial landowners.
- OR Stream Protection Coalition – two people will serve, one is Mary Scurlock and the other a representative from the sport fishing industry.
- NW and SW Regional Forest Practices Committee – One and an alternate from each committee to be determined.
- DEQ and ODFW will be on as well.

There may be an opportunity for an At-Large Member if there are other interests. It's getting to be a pretty big committee. 14 people at this point. We had talked about the Committee for Family Forestlands about having a liaison as well. Rule language will be brought to this committee for review and input, but there seemed to be interest last time you met in having a liaison as well. In terms of the timeline, the rulemaking process will take a couple of years. The Advisory Group will meet in February 2016, March, April and November. Then April and May in 2017. The first four meeting are to get the rule language together and review and address some policy topics that need to be resolved. Then April and May 2017 would be responding to public comments after hearings.

I'd briefly like to go over what key policy topics the Board did not address specifically. As you get in the weeds of an issue, technical decisions often have a policy aspect to them. So one of those is how do we identify, define SSBT streams? We have been using the ODFW Habitat layer in all the analysis up to now. If we use it, how do we use it, statically or dynamically? We know the layer is wrong, just like all maps are wrong. The question becomes how do we address the fact that it both under and overestimates the extent of SSBT? Then the question about, What does it mean to extend up within the immediate harvest unit above the end of mapped SSBT? What's the definition of "well-distributed"? That's probably the biggest change in this rule, you can no longer pack trees in a portion of your RMA, they need to be well-distributed throughout. Then, a definition of 'Parcel'. What it means to have more than 10% encumbrance. So those are the big policy questions. Just to be clear, I am not expecting consensus from this committee. As the stakeholders did not move into consensus at all during the Board process. We will strive to reach consensus, but the ODF will retain recommendation authority. The Department will make a recommendation to the Board on these topics, given the input we receive from the Technical Advisory Committee. If there is consensus it will be pretty straightforward.

Barnes: Where do the industrial forests play in?

Daugherty: The Oregon Forest Industry Council (OFIC) will have a representative. And then there will be one or two landowner representatives from one of the larger industrials. Initial thinking is it will be Seth Barnes and Heath Curtiss from OFIC. We hope to file the rule by August 15 and have it be effective by January 2017. Angie Lane is our Civil Penalties and APA officer and has timelined this process for us. A detailed timeline will get out to you once we review it. Does this committee feel it needs a liaison? If so, who shall it be and who would be the alternate?

Smith: Will we still get reports from ex-Officios back to this committee? It seems pretty well covered for us and as we have ties to people that are on it, information will get back to us anyway.

Gray: I agree with that, there are plenty of cooks in the kitchen. Touch points will be reported back to us.

Daugherty: It will come to this committee as part of our process. As before you always have that venue to the Board to write letters and provide testimony if you chose to do so in terms of recommendations. There is clear recognition that this is a committee that Board wants to hear from.

Barnes: There seems to be agreement that it is not necessary to add CFF to the Advisory Committee roster.

Daugherty: The Board makes the policy decision, but recommendations from the Rule Advisory Committee will come from the Department's representatives. This committee is not a policy committee, it is there to implement the Board's rule. So we will be passing any policy implications on to the Board for decisions.

Peel: At what point do you decide when there is enough discussion?

Daugherty: We are looking at having a facilitator to help with that. The facilitator can determine when there is no movement towards consensus. We will present both positions from the technical committee and provide opportunity for public comment. The Board makes the final decisions.

6. **Coho Draft Recovery Plan –** Robert Walton, Senior Policy Advisor, NOAA Fisheries

(Introductions to Robert Walton) Daugherty: This Family Forestlands committee was established by the BOF to provide policy advice around family forestlands ranging from incentives to regulatory programs. CFF reports annually to the BOF and throughout the Riparian Rule process they provided testimony and feedback.

Walton: I'm the primary author of the proposed Recovery Plan for Oregon Coast Coho. The Plan is currently out for comment and we have extended the comment period to December 31st. I also work on recovery of salmon on the Willamette and Lower Columbia. I'm prepared to spend as much time as you need on this topic today. But to begin, understand that there are three Coho Salmon listed on the ESA in western Oregon:

1. Lower Columbia Coho
2. Oregon Coast Coho
3. Southern Oregon/Northern California Coho

So that's three separate species listed on the ESA. Our scientists designated these as separate species. Of all the listed salmon species listed, Oregon Coast Coho are the closest to recovery and delisting, so I am very interested in what will get them off the Federal list.

Leiman: I don't know if Oregon landowners are being asked to participate in the plan. If we participated now I imagine we would have regulatory set-asides and restrictions, how would we *benefit* by participating?

Walton provided some history of the Endangered Species Act (ESA), a Federal Statute signed in 1973 and widely hailed as an attempt to slow or stop the extinction of species. It's been modified by Congress but is still fairly controversial. The USFW and NOAA split up the species for management. NOAA take up the ones that spend most of their lives in the ocean. Section 4 of the Federal Statute describes the delisting/listing process and directs us to write plans to get the species recovered and off the list. Section 7 directs other Federal Agencies to consult with us when their actions might affect a listed species. We spend the majority of time in consultations with other agencies on actions that may have an affect on species survival. It's our regulatory 'hat' but probably our biggest authority is to encourage other Federal agencies to undertake their activities in ways that minimize the effect on species. Section 9 prohibits any 'take' of listed species. There are prosecutions. Section 10 provides a variety of permits to authorize the 'take' of species. Section 4 is where I spend my time, writing and implementing recovery plans that are *non-regulatory*; we call them a "Roadmap to Recovery". This is our effort to describe to our audiences what it would take to get our species to recovery so they can be taken off the list. So in the history of listed salmon in Oregon, the Oregon Plan for Salmon and Watersheds was to some extent initiated to avoid the listing of Oregon Coast Coho in the ESA. The state encouraged us to not list them. And in 1997 we decided to support the State's position. We got sued and have lost. Got sued again since and lost every time. The short version is the State of Oregon, ODFW, and the Governor's NRO have disagreed with us whether or not the Oregon

Coast Coho warrants protection under the Federal Statute. But it's currently listed. Oregon Coast Coho are in good shape. In fact, compared to Lower Columbia and Southern Oregon/N. California Coho they are in a lot better shape. When I was assigned after the dust settled from the lawsuits, and we had our scientists do another status review, based on that review, I was asked to draft the Recovery Plan. The most interesting, challenging and time-consuming part of that was drafting the chapter on delisting criteria. I was trying to articulate, just how good does this species and habitat have to be if we are going to try to delist it? In the process of writing Chapter 4, but I tried to understand what the Federal Courts have said in their opinion regarding lawsuits on a number of other listed species like, wolves, grizzly bear, flying squirrels, etc. It was interesting to me to put myself in the judge's chair and figure, well should they have been listed or not? I came up with a pretty complicated understanding of what the statute, policies and court cases say. And that for us to decide whether the species continues to be threatened or recovered we have to look at the biological status for the following listing factors: Degraded habitat; Over-harvest; Disease/Predation; Inadequacy of regulatory mechanisms or Other (ex. Climate change and hatcheries).

100 years ago there was probably as many as a million of Oregon Coast Coho, with populations fluctuating under natural conditions. That number dropped to a low of about 20,000 a couple of times in the 1990s. In this draft report we talk about that decline resulting from timber and ag and roads and cities. But the salmon harvest was as high as 80% for a long time. ODFW had a lot of salmon hatcheries. But hatcheries continue to be controversial. The other factor was, the late 1990's was the end of about a 20 year cycle of poor ocean conditions. The scientists called it the Pacific Ductile Oscillation. When fishing was good in Alaska, it was bad in the lower 48 and it flip-flopped over time. At the time of listing, there was bad ocean habitat, over-harvest, hatchery fish and degraded habitat.

Daugherty: So, where does ocean condition fit in with the listing factors?

Walton: The listing factors talk about habitat and other. It's a combination of ocean and freshwater habitat and climate change. What's fascinating is neither the statute, policy or the courts tell us how to balance all those. So when you ask me, as you should, how good does the forest have to be? My answer is it depends. How good is the river above and below and the ocean habitat? It is very complex and difficult to understand.

Leiman: Is the ocean good now?

Walton: The Ductile Oscillation started happening faster and in the winter of 2013 an atmospheric high pressure zone parked itself on the N. Pacific. And because of that, the Siberian storms didn't come in and the ocean didn't cool off, it stayed warm. When they mapped the temperature of the ocean there was a red spot, they called the 'warm blob' they had never seen before. Then along came a new stronger El Nino. Surface temperature from the equator was dubbed 'Godzilla El Nino". We don't know what's going on. I've been told that the variables that created the 'blob' and El Nino are incompatible. So they expect the 'blob' to go away.

Cloughesy: The spawners have increased to 500,000.

Walton: Referring to the abundance to adult fish, yes, the ocean has been much better since the 90's. The biggest reason for the increase is because of the ocean survival.

Leiman: Then actions in the forest have had nothing to do with it.

Walton: So, what's the role of timber? Forests are vital to watersheds. The scientists have consistently said, the problem is not when the ocean is good, then the habitat is good enough, the extinction threat occurs when the ocean is bad. The juveniles go out as smelts, they encounter low ocean survival and come back in smaller numbers, the smaller numbers under-seed the habitat. Is the habitat good enough in that situation (bad ocean) to ensure us that the species will persist? I personally think it is a fascinatingly difficult question to answer. We don't know how bad the ocean is going to be. So we are asking, how good does the freshwater have to be? I spend a lot of time trying to articulate in Section 4 what will be good enough. I've used the ODFW habitat metrics which are statistically valid only at the stratum level (5 populations at a time) we want to see the trend be positive. For 20 years it's been pretty much flat. It could be we can't detect a change. Or

that it takes longer, or that the restoration is matching the degradation. (Option A in the plan). What I found intriguing is we wrote Option B, which says forget the habitat metrics, it's too hard. There is another way to measure this, is if the ocean turns bad again, will the fish rebound at least as well as after the 90's? Forget about the habitat, I called this the 'ocean test'. Now, we know the ocean test is actually upon us. We fully expect the survival to go down. It might be that in the next few years the ocean survival will drop, but will they rebound? We expect that they will. Admitting that this species is close to recovery, and ODFW done all it can by reducing hatcheries and harvest, it comes back to me to draft this for our agency. I said that if the biological status is great and habitat is clearly excellent, no over-utilization, disease and predation not bad, regulatory mechanisms have been ramped up and highly protective, climate and harvests aren't a problem, then, it's all green. Everything is good. We would clearly de-list in that scenario. But the statute doesn't require everything to be perfect, so I tried to describe what our reasoning was for keeping them on the list. That there isn't certainty that the habitat is good enough. How hard do we have to come down on forest practices? The BOF new rule, in our opinion moved in the right direction by increasing the buffers. Is that enough? Well, what's happening below the uplands, with Ag, the roads and floodplains?

Daugherty: You're saying if there isn't enough done in the lowlands, forestry would have to do more? That leads to the other question, your measure of habitat wasn't a measure of outcome but a measure of change. What's the trend? We have a challenge in forestry of having a positive trend, if we are already good to excellent. How much better than good or excellent does forestry need to be? With this last Board decision we need to know what other standard we are no longer meeting. From the 1995 Sufficiency Analysis was on water temperature for small and medium streams, we have that covered now.

Walton: I think it's a real challenge to be able to explain ahead of time, what the combination of voluntary and regulatory measures in the uplands and lowlands, estuaries and oceans is going to assure the Federal government and ultimately the courts that it is good enough. It's my understanding that a lot of people watched the ODFW and Sage Grouse effort. As they did with the Sage Grouse listing, what I hope happens is we get a forum convened with a number of stakeholder agencies looking at how they can collaborate with a combination of regulatory and voluntary measures. What my *personal* recommendation is, (and this is less than a week old) I think we should develop scenarios internally and with the help of others, that look at a combination of voluntary and regulatory actions that address the current limiting factors. What the State and Federal scientists agree on, is the challenge for Oregon Coast Coho is rearing habitat for juveniles, from egg to smelt. In lay terms, rearing habitat means is water that is cold enough and that isn't high velocity. If they get swept out to the estuary when they are tiny their chances of survival go way down. So we are looking for low velocity in the winter and temperature refuge in warm summer conditions. My new favorite term is, **fluvial geomorphology.** *(Science devoted to understanding rivers, both in their natural setting as well as how they respond to human-induced changes in a watershed.)* Which means what features of the geology will create good rearing habitat? ODFW in its 2007 Plan spelled that out quite clearly. It's pretty simple, compared to all the other salmon, for Coastal Coho populations to increase requires rearing habitat. We have to have Large wood, pools, connected off channel alcoves, beaver ponds, lakes, connected flood plains, and wetlands. There is no right answer as to how much of which. **We think in order to satisfy the Federal Statute and ultimately the Court, we need to show an increase in those rearing habitat features that we're confident will stay there after we take them off the list.**

Creighton: So, if the habitat structures are there but, the fact that during drought there is so little snowpack, the water level is so low and so warmer, how does that play into this?

Walton: It's my understanding that when the scientists have looked at the potential risk of climate change Coastal Coho compared to different salmon species, are relatively safe. Except for the Umpqua and the Rogue on the Coast, most of these are not snow-based but rain-based systems. So, rather than in the Upper Columbia or the Snake where the whole ecosystem could radically shift from snow to rain, probably the biggest change will be in the timing of water. But the threat to Coast Coho from climate change is more in the ocean than freshwater.

Cloughesy: It seems to me these things you mention like rearing habitat, a lot of those could be achieved quicker and easier through active incentive-based management, rather than regulatory don't-do-any-more-logging management.

Things like connecting oxbows, putting large wood in. If you ask an operator to put large wood in, its done tomorrow, rather than letting it happen naturally. The secret of this is getting the active management going.

Walton: So, my *personal*, not Federal opinion is, I think that is by far, the most likely way to get success. Several of you have mentioned incentives. In my mind, the prospect of a big tent process would be preceded by NOAA Fisheries, ODFW and others doing more of our fish homework. So far they can't tell us with precision within a watershed all we would like to know. But they have set some goals for miles of high quality habitat. They think those goals would take us to what they call, Broad Sense Recovery (broad commercial fishing) so in here we have said, let's use that metric in each of these populations and set that as a target. The best I could do on de-listing criteria is was to say, we'll know it when we see it. I meant to do better than that, but the fact is it is hard to say. In my mind, the features I just mentioned; pools, and connected side channels and wetlands, Large wood, and velocity refuges, are the geomorphological features we want to increase. Scenario 1 in the report has a combination of voluntary and regulatory measures to increase those. So Scenario 1 starts with forests under the new BOF rule. So can NOAA Fisheries and the State get to a point where we say, of these Scenarios, if we get to those, we will recommend de-listing? That is what Fish & Wildlife did with the potential Sage Grouse listing.

Daugherty: Back to the question of incentives, this is great, we have a proposal on to do just this on family forestlands. Large Wood, pools, beavers. In collaboration with OSWA, Tree Farm, OFRI, the Committee for Family Forestlands are sponsoring this proposal. And it's a great idea, we know that for Coastal Coho, 80% of the high intrinsic potential areas are non-industrial. And you would think the majority of that is forest. Again, you are in an area of mixed ag and forest in the lower elevations. I can't find an incentive to give anybody. Historically it's been the case, that services provided by family forestlands go uncompensated. They have done a lot of voluntary work but it has been a challenge to get credit for what voluntary actions take place. Now, we are working on a Monitoring program to begin to monitor voluntary actions to meet that Plan, Do, Check required by the services. But I am really struggling with the pool of funds to provide incentives. Now, we want landowners to voluntarily improve habitat, but there is a cost associated with something like a culvert replacement. For riparian function there is no return on investment made and landowners have a loss in value due to additional restrictions.

Walton: In response, my opinion is, I don't think we need 150' RMA to get to the recovery line, what we need is strategically located features I have mentioned. But first of all we need to do a better geomorphological assessment of where are the features on the coast that would give us the kind of rearing habitat we need. So, if we could align the various buckets of money; Pacific Coast Salmon Restoration Fund, OWEB's Lottery money, NOAA Restoration Center, Farm Services Administration, NRCS, if we could get all of them in an organized way, to look at combining their incentives. One classic win/win still in progress is the southern flow corridor in Tillamook where FEMA targeted to reduce flood risk. There has been a 10 year effort to realign the floodplains there which would have the dual benefit of reducing flood risk to businesses on 101 and increase tidal rearing habitat for salmon. If we can get more collaboration we might find more incentives than we currently have. I've been working with, at a limited level, the Oregon Dept. of Agriculture, looking at their efforts to implement the Ag Water Quality Management Act. They have Strategic Implementation Areas where they are looking at compliance and focus areas where they are looking at voluntary plans with NRCS Districts, it's clear to me that they have authority over active agriculture, but no authority over legacy effects. Meaning if you bought land from me and I left it hardscaped up to the river, you aren't obliged to restore that. There is a lot of that on the coast, a lot of landowners didn't degrade the habitat, they bought it already degraded. It's my understanding of the state statute that it's not ODA's problem. So whose is it? Back to the incentives, well maybe we can find federal money.

Daugherty: There is federal money for Ag. There is CREP and Enhanced CREP. We implement that. So, if you have a family forestland that has both agriculture and forestland, we'll "rent" the riparian area on the Ag land and regulate them on the forestland. I've heard this from any number of family forest landowners. As soon as I cross the line where it becomes agriculture, I get paid for the riparian area, but on forestland there is no comparable compensation. On the East Coast they piloted a CREP pilot for forestlands. But there are no comparable lease payments to keep riparian areas out of production. And if you really wanted to create the kind of habitat you are talking about, managing for riparian function we remove timber production as a viable alternative for the landowner, without compensation.

Walton: I hear you. What I think is the encouraging part of this is there is quite a bit of flexibility built into this process. Given the realities of the challenges you described, can we find money to do what we'd like to do from some of these other 'buckets'? One of the experts with the NRCS West Technology Support Center, in Portland described to me what his perspective was on riparian buffers. You start with the question "What function are you trying to serve with that buffer? Are you trying to filter out nutrients and pesticides, are you trying to add large wood, are you trying to re-meander the stream?" To me that falls back to the fish biologists. In which areas do we need what? To me, riparian shade to reduce temperature is good, but what's great is if you can re-establish some of those side channels. That's the rearing habitat. We are starting to look at aerial photos which ODA is using for their SIA reconnaissance. If we can spot, what looks like a geomorphological feature like an old oxbow, we drop a pin on the map everywhere we see a geomorphological feature to focus energy on. What ODA said, is if we drop 300 pins in the Nehalem Watershed, we could restore rearing habitat 300 different places. We could put out the call to all the landowners to fix 20 per year. We aren't out to grab your property. We are looking for potential and willing landowners. If we can work with groups like yours and SWCD, Watershed Councils to then screen these potentials for who might be willing to talk about it and look at potential funds. What I'm talking about is *not* a mandatory set-back for you, it's, can you convert that ditch into a connected side-channel if we paid you for it?

Daugherty: The message we are getting around the CZARA Non-Point Source Plan when we've asked them about specific outcomes we are trying to achieve, is we are told it's not outcomes, it's the management measures that they are interested in. We are struggling with what we are trying to achieve. I'm real pleased to hear, this focused on outcomes. It would be great to get some support from the Federal side on some incentive programs for forestry analogous to the Ag programs, the riparian lease programs and things like that.

Walton: I would love to have help from this group and your advisors. To help us find the combination of potential, willing landowners and geomorphological Coho potential. If your property doesn't have any features that would lend itself to increased rearing habitat, then you don't fall into my highest priority category. But if you've got potential wetlands, side channels or pools that aren't particularly profitable to you and someone would pay you to let water come in, then the question is, how much should be paid? I think those are perfectly appropriate questions.

There is a mechanism that we have not used until just recently in California. We could provide you legal protection in the form of a Safe Harbor Agreement. We haven't done one in the northwest. But in theory, if it was a big enough benefit opportunity we could remove that risk of regulation.

Daugherty: The risk is actually more State regulations. That whole question of regulatory certainty is a real important one. If there could be an offer of regulatory certainty it would depend on the cost of that. I think that could be one potential benefit for landowners. We do have a Safe Harbor Agreement on Spotted Owl here in Oregon.

Cloughesy: A good example of re-connecting the habitat; The Coos Watershed Association has been working with Weyerhaeuser on the East Fork of the Millicoma since 2009 and going through all the regulatory stuff with the Division of State Lands, removing dams, putting in culverts. They are finally going to OWEB in January asking for FIP money to get this done. This is an example of a major corporation and major watershed association working together with really good leadership. But to think of small woodland owners doing that, it is going to take some major horsepower.

Walton: The opportunities for innovation are there. I don't think we can do a great Coho Strategic Action Plan without looking at all the other strategies happening in the same watershed. Flood reduction, sediment reduction, economics, agriculture, timber all that. There is an opportunity for better plans but most of the people on the Coast are planned-out. I think that what I would like to do is have good communication, through me, as one avenue, with your group to figure out what can we pay for where? Best for you, best for us. It's somewhat unique in the world of the Endangered Species Act because we have such a specific narrow focus, more rearing habitat. More importantly, if we achieve it, can we sustain it? What would it take to achieve the habitat we need and how do we keep it into the future?

Creighton: I'm having a hard time figuring out how to work towards regulatory certainty, when the plan is driven by so much uncertainty.

Walton: I just started studying the Sage Grouse success. Seeing what it took to get Fish & Wildlife not to list. In my hypothetical scenarios start with the recent BOF Riparian Rule change along with what else could we put in the voluntary section with some incentives for forestry. When it comes to Ag, I specifically asked ODA if they thought they could increase protections in the Ag area rules.

Glick: We have an incredible opportunity at the Coast with the Siletz and Grand Ronde Tribes with the Tribal Forest Protection Act, a Federal mandate that you work with the tribes to assess their continual traditional uses for food and other parts of their lives on the landscape. And the tribes over in Central Oregon, with the Confederated Tribes of Warm Springs really took an active role in the restoration of the Deschutes Basin. It's an incredible success story of what they've done. I'm suggesting that maybe this group could bring the tribes onboard and the USFS government to government, fed to fed. If we did that with the State maybe we could get a bigger strategic plan and Tribal Protection Act Authority. Then we could follow with what the Karok Tribe has been doing in Northern California with NRCS. They have gotten funded in the order of $2.3 million to restore the landscape down there, on National Forest and private lands. I think we have an incredible opportunity there. It also helps the Federal mandate and sovereign nations.

Walton: I like that, it's a great idea. We have been working with the tribes, they still are our partners, I am happy to do that. It's my understanding that NRCS doesn't just have national programs but state programs. The Oregon NRCS office has recently decided to put a priority on Oregon Coast Coho. That type of Regional Conservation Partnership Program (RCPP) is an example of different agencies coming together on how to leverage their opportunities and pool their resources.

Barnes suggested that a greater conversation on this should occur. We need to move this to the next level, and start a process.

Walton: I'm open for business, I'd love to work with you more. I encourage you to send comments to me. If you don't have time to write up a comment, just give them to me informally. Let's see what we can tackle on a landscape scale where landowners are willing to work. Can we increase the incidents of beaver ponds on the coast? Let's work together. One more thing, I talked to a noted timber industry ecologist, I asked for advice how to approach industrial timber on the coast. He advised, do our fish homework first, figure out what are the habitats that are working and protect them and restore what habitats can be restored. If the right person approached the landowners and asked if they would help us achieve our fish goals at no increased cost or risk to the landowner, most people will talk to you. It also applies to Ag. If we can show that the new forest practice rules are adequate and that we can get more benefit if done voluntarily in big and small forests, perhaps that will fit into one of our scenarios.

Daugherty: I would like to thank Rob, for coming down and reaching out to us. We can help. Kyle and I are working with the State of Oregon comments. We can help get any comments to the right place. I want to thank you for the conversation.

Action Item: Send Walton's contact information.

BREAK

7. **RLMT Strategic Planning –** Emily Jane Davis, PhD OSU Extension

[Handout: Ritter Land Management Team Report: Project History, Organizational Model and Next Steps]

Davis provided an orientation on the RLMT (Ritter Land Management Team) project for the benefit of new members. Others heavily involved were called on for any additional input. To begin with a variety of project names had evolved, RxRitter, Ritter Collaborative, and Model Eastside Landowner Collaborative. But members settled on the name RLMT. On the first page of the report you have the collaboratively developed description of what RLMT is, and its vision and goals. They wanted to be known as, "*A community of landowners working together to find innovative solutions for enhancing the health and productivity of private lands in the Middle Fork John Day River watershed in the vicinity known as Ritter, Oregon*."

Their goals are diverse:

- Improving conditions for agriculture and livestock production
- Improve the health and productivity of timber stands,
- Improve wildfire resilience
- Improve water quality and quantity.
- Improve conditions for wildlife and fish

Project history and context are provided in the report and an overview of how this idea was generated between landowners and the Committee for Family Forestlands. On an eastside tour, the CFF helped observe some of the issues that Ritter landowners faced and recognized that those issues might be better dealt with through a coordinated effort by aggregating access to resources and overcoming the shared challenges. CFF engaged with personnel from the local agencies and organizations who would be eventual players and partners in this project. You were successful in obtaining a Grant from the USFS State & Private Forestry for a total $300,000 as well as a grant from the American Forest Foundation. The grants are designated towards putting together a collaborative and identifying strategic priorities on the landscape moving forward towards implementation. Later in the process, given the landowner's preference for a non-regulatory partner agency, we went with OSU Extension for supervision of the project coordinator. In October 2014 we hired our coordinator, Curt Qual. Curt had long years of working with the Forest Service as Partnership Coordinator at Malheur NF and was instrumental in getting Blue Mountain Forest Partners off the ground.

The Coordinator started his assignment by meeting mostly one-on-one with numerous landowners to gauge their interest and understanding and building rapport. So during this time, we did expand the potential project area from 10,000 acres to over 100,000 acres. 'Project area' in this context means we are considering that would be the area which we want to include in the plan and attract resources for. That area includes 81 total potential participants. Current participation to date is 31 landowners that cover 68,000 acres. But my main take-home is we've gone from 10 landowners 10,000 acres tentatively interested to 31 landowners over 68,000 acres directly engaged in this project with the potential of 80 landowners and over 100,000 acres to be engaged. The first collaborative meeting was held a year ago Dec. 30th, 2014 in Ritter.

Gootee: This particular group of landowners are all interested in active management of their properties for a diverse range of reasons. Some of them are active conservationists, others are actively producing livestock and commercial harvested timber. The group wanted to emphasize the fact that these were meant to be working properties and hoped this effort would enhance their ability to keep them working productively.

Davis: So in continuing to explain the project I will be looking at the different components of the Ritter effort.

1. Identifying landowners priorities and develop the strategic plan.
2. Moving into 2016 shift towards preparing for on the ground implementation.
3. Developing an appropriate governance structure.
4. Ensure wildfire risk reduction activities are deliberately prioritized.

We want to poise the landowners for the maximum potential opportunities. Cloughesy has been working hard to make sure that this plan will meet OWEB's grant requirements, and will set up landowners for opportunities with a variety of agencies and organizations into the future. We are using the Discovery Tool template that Mike had developed that was used to collect site specific landowner data for landowners that wanted to participate. This was done through a contract with a professional forester team in eastern Oregon who worked with the Grant Soil & Water Conservation District. They did this very efficiently and through cost savings we are going to be add an additional landowners and adding 8000 acres. Bringing me to the total of 31 landowners and over 68,000 acres. It's a long process, the foresters go out and meet each landowner individually and walk the ground to ensure the data is right, Run the data they collect back by landowners to verify results. Then the data gets digitized at Grant SWCD who has been helping put together the Strategic Plan and pull out what the priorities are.

The Strategic Action Plan is a living document that can be adjusted it as we go along. Think of it as the foundation for our work, priorities and what we are doing. Assisting the landowners with funding and developing on the ground projects will become a very large focus in the coming year. As these landowners are diverse and have diverse goals, the funding sources and the opportunities we pursue are going to be diverse. We are looking to aggregate needs and maximize efficiencies. But that includes smaller grants focusing on a specific issues. Those are extremely important for landowners. The larger grants may be nebulous and slow moving, so it's important that we start bringing in some of the smaller grants through the spring to engage some of the landowners that are still waiting to see accomplishments before committing to this project. There are also a number of larger grants (like FIP, RCCP) that combine multiple issues and projects and/or might provide a more overall strategic framework or supportive roles. We are also interested in regional partnerships. Curt has signed the John Day Basin Partnership MOU on behalf of Ritter.

Gootee: It's a really innovative effort to look at an entire river basin and to really take a truly All Lands approach. I think it is likely to be an interesting template to use elsewhere regionally.

Davis: The status as of this month, is we have two grant proposals submitted. One is a Title II RAC Grant for a couple of different projects. The other is an Aspen grant with the North Fork John Day Watershed Council. We also have had an in-kind contribution already from ODF helping to do juniper treatment on several landowner properties. It was a good mutual benefit project, because ODF Fire crews were able to get some chainsaw training and stay on and work a little longer. So that is an example of the mutual benefit that is possible through these partnerships. The Report lists out those grants we are going to pursue.

Gootee: There has already been some preliminary discussion in the group though, about the merits of becoming a 501c3 so we can directly apply for grants directly. One of the great limitations of being in an ultra-rural setting is finding sufficiently strong fiscal agents able to administer the workload these larger projects demand, but there has been some preliminary discussion about taking that step. The advantage of doing that is that the group would be able to be its own fiscal agent and not need to rely on the Grant Soil and Water Conservation District to administer it for us. The group could administer its own grants and also use the administrative fees from those grants to help fund the project coordinator and the necessary staffing for implementation of a work project or program as this one is likely to be.

Tucker: I was thinking, this Committee's letter of support could help.

Davis: This leads really well into the third aspect of the work: developing an appropriate governance structure for the collaborative. So you can imagine, putting together governance that will work well for the landowners warrants some thought and it's not going to be the same as federal forestland collaboratives. There might be some ground rules and principles that apply but you want to respect private property and respect privacy, but also want to find ways to build partnerships and a shared vision. We want to ensure that this is landowner-driven and voluntary but it has enough structure to get things get done. We codified that in an Operations Manual. The Manual contains the Mission, Vision, Goals, Ground Rules, Operating Procedures and Partner roles. I put a note about how decision-making works within the framework and the roles of the different entities. One interesting and important dynamic to figure out is to ensure that this project works for *all* landowners but has the ability to have streamlined smaller groups which are able to work quicker and more frequently. So the Ritter Land Management Team, the full group of participating landowners, have met approximately 4-5 times last year. There are things that happen face-to-face in the large group that can't happen any other way. But not everything can take place in that forum. Curt works to provide emails and newsletters, to stitch the group together that way but not all group members are online. A landowner operations committee was pretty quickly formed to handle some of the business of the group and are trusted to advance ideas and recommendations about directions to go and opportunities to do. The Operations Committee is 4 landowners representing ownership types and sizes with Roje serving as a non-voting advisor. The Operations Committee is facilitated and supported by Curt. This group meets once per month, and is highly trusted by the landowners to make decisions. As we move forward we will be calling on the Advisory Committee as there are a number of grant opportunities we would like to pursue. Grant writing skills will be needed earlier this year. I've actually pulled together some research about landowner cooperative models, and what's known about their efficacy and I contacted folks in those other efforts. We are going to try and have a learning session on that at some time.

Two last components. One is to draw on our friends in Extension to provide information as needed on additional topics of interest. We decided to do this as needed through our newsletter series, Ritter Ramblings and workshops. And we held a very well received workshop this year as well with several of our Extension personnel. That was an opportunity for landowners and extension folk to talk. We are going to have one in the spring on juniper control with outdoor activities once the weather is better. We also have installed informational topics component to every full group meeting. Curt has brought in some presenters a couple of times to provide information on topics of interest of landowners.

The final aspect is to ensure wildfire risk reductions activities are deliberately prioritized. In this remote and rural area there is no cell phone communication tower. So there are a lot of very fundamental concerns. The group has started working with Irene Jerome, Consulting Forester that is going to help us be a Fire-Wise Community. That will provide us a huge amount of access to resources that we wouldn't have.

Gootee: The project has also attracted quite a bit of high level attention. The President of the American Forest Foundation has come out to visit from Washington, D.C. AFF provided a grant to the project. We also hosted a tour for people from the Washington Regional Office of the USFS along with a lot of ODF people came and spent a day. So far it seems to be, quite well received.

Cloughesy: I'm thinking that we are one third of the way into Curt's Coordinator position. Is it too early to start thinking about what's next? Do we try for a Phase II grant from the State and Private or OWEB for funding, or what? Obviously, the thing keeping this going is the guy on the ground making this work.

Davis: We also have to strike a balance for having proved out the initial concept. So, we need to start thinking about it now. Curt is trying to interest the group in pursuing a Focused Investment Partnership (FIP) in the future. I've been working with OWEB and am on their review team for those. Another thing that is going to need to happen in the next year is the requested scholarly outcomes from this project. What I'm going to be doing is documenting lessons learned trying to put this collaborative together and experiences and contributing to the existing literature on landowner collaboration, most likely through an article in the Journal of Forestry. The most important thing about it is having been there and seen the genuine interest, desire and respect among the landowners. If I had gone there and not seen that, I would have been very concerned. With that foundation I am very confident in where we can go. This is the year where we are going to prove ourselves and have a good foundation to do so. Thank you for all the support you've given and what you've made possible. It's very exciting!

Leiman: The grant proposals to actually do the on the ground work, is that related to NRCS?

Gootee: NRCS would be a primary outlet. Although we have some concerns this year, apparently because of the large scale wildfires in that part of the country, some of the agencies have had to pay forward on that and are likely to have a lot less incentive program funding available in 2016 than usual. But, yes, NRCS would ordinarily be the outlet for juniper and noxious weed control funding. OWEB is also another likely partner.

Davis: The Confederated Tribes of Warm Springs are interested in being a fiscal agent or funder for us. They have put out a lot of grants on those activities as well in our area.

Gootee: They have access to quite a bit of funding through BPA and other non-traditional outlets for Amalgymous Fish Habitat Improvement Projects. As most of these properties include tributaries to the main stem Middle Fork they are of interest for juvenile rearing habitat. We haven't yet explored the possibility of private funding and private foundations. But by working at this scale and particularly with water quality as one of the objectives or the holistic approach that this group of landowners is willing to take, there may be some possibility of attracting some of the large scale environmental grants.

Withrow-Robinson: I would suggest the CFF write critical letters of support, so we can keep this moving forward in a really positive way. We put effort in the start of the project, but this committee needs to be active in supporting it from here.

8. **Bald Eagle Rulemaking –** Jennifer Weikel, ODF Wildlife Specialist

[Handout: Bald Eagle Technical Report 5th Draft November 2015]

I am here to let you know what needs to happen under the FPA under the Bald Eagle Rule due to the federal de-listing. It was de-listed federally in 2007 and States de-listed in 2012. Jennifer showed a graph showing the trajectory of eagle sub-species in the State of Oregon, you can see they increased populations quite a bit. In the FPA rules that we have, there are two separate bodies of rules: 625-665-0100 Sensitive Nesting Sites and 629-665-0200 Threatened and Endangered Species. So it's not appropriate to have Bald Eagle rules under the T&E Section of the FPA. That's the reason why we are initiating this project. The BOF needs to take action and make a decision on this topic.

We originally met with the BOF in July 2014 to talk to them as a kick-off to this project. At that meeting we were instructed to go forth with our rulemaking process and the BOF specifically directed us to use our RFPC as our main advisory group for this project. The process that we use is actually set forth in the Administrative Rules (Chap. 629 Division 680). It is really quite specific and directs the Board with what actions and things they need to consider when a species is de-listed. We are just now starting to initiate our external review seeking input from external stakeholders, the tribes and other interested parties and second round of meetings with our advisory committees.

The BOF's decision space is a tiered decision-making process coming from the 680 Administrative Rules. The first question they need to answer is: Are protections for Bald Eagles still warranted under the FPA? If the answer is no, then the next step is that they would rescind the FPA rules. If the answer is yes, then we go into another process where they would need to develop rules under the Sensitive Nesting Sites where the Osprey and Great Blue Heron are. The way the Technical Report is written tries to provide information to help the Board answer both of those questions. This is taking existing information on the Bald Eagle and summarizing it in a format that is easy for the Board to digest. So in evaluating the Sensitive Bird Nesting and Roosting Sites, again there is a series of questions that need to be answered for the purposes of making new rules and whether protections are warranted.

The second part of the report has some of the information for potential new rules and the question of forest practice consequences. Consequences could be: direct loss of site by logging of the site itself; or indirect loss of the site which would be logging in the buffer which causes exposure to a nest tree which might blow down or create disturbance causing nest failure; then disturbance itself, which would be activities which aren't necessarily disturbing the nest tree or habitat but are disrupting the natural behaviors of the birds which make it more susceptible to site abandonment or reduced production. The Division 680 criteria were written and developed for the purpose of making *new* rules under the Sensitive Bird Nesting Sites but I found that answering criteria provided information on de-listing as well. So there are three questions and the answers have to be yes to all three to warrant protections.

1. Do the sites (nesting, winter roosting, foraging perches) require site specific protection in order to ensure continuation of the species throughout its range?
2. Do the sites have a direct probability of being directed affected by forest practices?
3. Are the resource sites protected under the Bald Eagle Protection Act?

Question 3 is an automatic yes, because the sites are protected under the federal Bald Eagle Protection Act. Question 2, yes, sites *do* have potential of being impacted by forest activities. Question 1 is the most important. That answer is no for winter roosting and foraging perches but yes for nesting sites. The nest trees, still need protection because the nest structures are huge. They need a really big tree and really big limbs to support those nest structures. That's something that is not easy to replace itself on the landscape. The other part of this, in Frank Isaac's research in Oregon, most of the nest trees are on private land. So, it seems there could be a role of keeping a level of state protection of nest trees on private land.

Here's the flow for what the BOF needs to decide. We are not phrasing this as a recommendation, but what we think the information suggests to inform their decision. What the information is pointing to is, no, the protection is probably not

warranted for Winter Roost and Foraging Perches but yes for Nesting Sites. If the BOF agrees with that then the rules would be rescinded for the Roosts and Perches but we would go through rule development for the Nesting sites. The range of decisions, could be as simple as taking the existing system of rules as they are right now and moving them into another section of the rulebook or we could modify. What we have to suggest right now is to keep some kind of a structural buffer, some protection for the nest tree itself, probably the existing 330 feet. To keep seasonal restrictions but modify the distances, because currently we are using the ¼ mile with a ½ mile line of sight. The information we have on eagles, is that they are way more adaptable than what we thought they were. Activities don't need to be restricted to a ½ mile if occupied. If not occupied there are no seasonal restrictions right now. So there are basically two options right now, one is to keep the ¼ mile and then modify on a case by case basis. The other is, match what the USFW Service management guidelines say, which is a 660 foot distance for most activities, with 1000' for aerial use. Since then, we have added in a section on Criteria for Abandonment. So under new rules what would it look like to say a nest is abandoned? Currently, once an eagle nests in a tree, that tree is protected indefinitely as long as that tree is structurally capable of supporting a nest. Whether the nest is still there or not, it is protected indefinitely. Given the recovery of eagles and what we know about them now, it seems that isn't warranted. So we have added in some criteria on when a site is considered abandoned. If you track it for 5 years and they don't come back you don't have to protect the tree any longer. Another thing is an exception clause. All of our rules for birds, there are clauses allowing exceptions to the FPA rules. Realize if you have a 'take permit' from ESA, that doesn't work anymore because they are no longer ESA listed. And actually, the Bald/Golden Eagle Protection Act pre-dates the ESA. If the BOF decides to rescind rules it's important to recognize there is still a federal nexus for protection. We met with the USFW to give us information on what that would look like. What's protected under the Eagle Act, is nest trees and winter roost sites. The Feds don't really have the resources available to them for notifying landowners of the presence of eagles on their property. They do have some level of capacity for technical assistance back to landowners. (The USFW Service has a decent website for Bald and Golden Eagles.) And Federal rules cover all lands, private, state and federal.

Allen: What stood out for me at the meeting yesterday, is the State focused on physical habitat structures whereas the USFW Service operates on the "take" response of the bird. Their guidelines are focused on physical habitat recommendations, but the reason they have the caveat is, if you follow those recommendations and an eagle still abandons its nest, you can still be liable for 'take'. So they focus very much on the response of the eagle, whereas our rules focus on whether or not you follow physical habitat protections. Also, keep in mind that right now, you turn in a notification on an area and we respond back to you that you have a bird close by, thereby initiating a conversation. That would end. There would be no communication between the Federal Agency and the landowners. The site specific communication on an operation-by-operation basis would end. Largely, our impression is that any response or federal enforcement would be complaint driven. One thing to keep in mind is, even though we have a map of sites and currently contact landowners if operating near a site, the survey system is old, so our data is getting older by the minute. We *don't* know where they all are anymore. It's basically an ad hoc update at this point rather than a systematic update done by the Eagle Foundation. It's getting more difficult to say with certainty where the eagles are.

Weikel: So there is always a level of uncertainty. If the BOF decides to rescind rules for nest trees, the State would be out of the picture entirely. It would be up to the landowners to proactively seek input on eagles if they knew they had one. If a 'take' happened as a result enforcement would be complaint driven. As far as the input that we have received to date, ODFW and USFW Service comments were mostly grammatical and minor on the report. I can't remember anything substantial. The Eagle Foundation did in particular came back with some substantial comments. One of the comments being that they felt that there was a continued need and importance for the Winter Roost sites. So they weren't happy about the option for rescinding those rules. Also they thought we should be addressing Golden Eagles, but we replied that is outside the scope for right now. We had our first round with the Advisory committees and the RFPCs didn't give us a lot of feedback, aside from individual's comments. Generally speaking, for the first round we had support for the concepts but nobody liked the seasonal restrictions.

The next step is we will continue with our external review, second round of meetings with the committees, then will do some other external input as well. We will meet with the BOF in April, but we will not ask for a decision at that meeting, just present the updated Report at that time. Then we will step back until July. In July we will ask for a decision on whether the rules should be suspended or whether any modifications should be made and what that should look like. The

timeline from there will vary depending upon what their decisions are. If the BOF decides to develop or modify the rules that will be the longest time frame. If that's the decision, we are envisioning public hearings in late 2016 with rules effective early 2017. If they decide to rescind the rules the timeline will be a lot quicker.

Tucker: In terms of process for this committee, we have time, so if you want to continue this discussion amongst yourselves, you could put together your comments for Jennifer or write the BOF directly. It would be good to have a view from the CCF to report to the Board in April. So don't think you have to have a collective comment today.

Agenda Item: Tucker: We can put this on the agenda in January again to discuss your next steps.

Leiman: We have a forty acre piece, 12 acres of which we are required to protect are on our land and the neighbor's land. We have 12 acres that the value is zero on, because it is protected forever. It is an old nest site. We got the parcel in 1996 in trade for a property that had owl problems. This is just an example of how an owl or eagle circle can affect a landowner a lot. The value I carry on the books is zero. Maybe someone should check this for us, if it isn't even used. We've carried that for twenty years.

Weikel: One of the things, I have heard many stories like that. As we are working on this project we are trying to advocate for, a new rule to try to add in flexibility.

LUNCH

9. **Educational Outreach Discussion –** Tamara Cushing, OSU Starker Chair

There has been a lot of interest in what we did, for the CFF Tax Symposium. We knew it was an important topic. You had the foresight to do address it. You had identified the importance of the issue as a committee as far back as 2013, and I was just hearing about the position here. It was obvious that even the most educated owners were missing critical pieces of information and the ability to interpret complex information that everyone needed and wanted to know more and taxes in general, were the weak link. You just did something about it, so kudos!

You prepared the plan and hosted the event to educate everyone, which was an extremely lofty goal, landowners, students, CPAs, tax preparers, foresters, etc. One day with multiple sessions was the game plan. And for the people who couldn't make it? We recorded it and everything was put online for free. It takes a village to put these workshops on. Tree Farm, OSWA, Aldo Leopold Foundation and ODF. Aldo Leopold, facilitated the follow up survey of participants. OSU trained facilitators. You as a committee really coordinated the early effort and served as the host. There was a huge marketing effort. How did we get the people involved and participants we did? The key was the committee's interaction with partners, through OSWA and Tree Farm. Without that, we weren't getting the audience. It had to be a media blast and a built in need for this information.

We knew that Continuing Education Credits would be critical to get professionals to attend. But it has to be cheap credit hours. Then there was a huge range of topics. As you all know, this was a humongous effort went into this. You had 302 participants, which was fantastic. It was a bit slow in the beginning of registration, at the end we had to turn people away. 16 presenters and moderators in total. 20+ facilitators for the roundtable discussions. Mike trained them before in Corvallis. Members of the forest community assisted with that. All target audiences were represented. At the end of the day, the Committee's goal was to educate landowners. My goal was to educate people that serve landowners. Topics covered were:

- Property Taxes
- Income taxes
- Estate and Succession Planning
- Business Planning
- Conservation Easements
- How to be Tax Smart
- Forms of Business
- Hiring the Right Professionals

This were kind of the beginner topics. One of the few negative comments were that these topics were too basic. But when aiming content at the landowner it is not necessarily the same information that the professional wants. At the end we gave participants a chance to provide feedback in roundtable format through prompts and questions from our facilitators. Six questions were posed at each table. All responses were recorded and fed back to Alana at the Aldo Leopold Foundation for analysis. At this point, I'm trying to find out how to use the themes that emerged.

- What was the most meaningful in your mind?
- What will you do in the next 3 months?
- What barriers or challenges to doing taking those next steps?
- What do you want to know more about?
- What do you change to improve the tax situation?

What did we hear immediately that day? What is the date for next year? When is the next one? I'm still hearing that interest. There is still interest. Wish I heard this year's ago! They came away with the understanding they needed to find the correct help, the right accountant. So obviously, we need to reduce complexity! So the near-term impacts was I getting more phone calls and emails. Some of them were fantastic. An accountant said, "My client went to *your* symposium and was asking about this reforestation thing, and I don't know what they are talking about and I don't understand this". That's at least one person to ask about the incentive. Now the accountants have questions. My goal was to connect them to someone who could help them. Some land owners were needing to amend their returns but there is a 3 year window to amend a return. Some individuals were sadly misinformed and as a result lost opportunities for incentives by missing the amendment window.

From a self-serving process for all of us, we have increased visibility for OSU Extension, OFRI, OSWA, Tree Farm and other partners. We described what we hoped the survey would answer for us to see if goals were met. Unfortunately, the landowner base is not necessarily email friendly. The response rate was fairly low, 42%. So we followed it up with a mail survey (funding from Tree Farm) to hard addresses. Results were: 69% of attendees were males, 80% over 55 years, 86% were college-educated, and 82% private landowners. It is a scary topic for a lot of people. This is based on the survey only. As most participants were from the valley, the majority were small woodland owners up to 199 acres. Most of those that came were fairly engaged in land management activities. 58% were absentee landowners (more than 50 miles away), 47% had never spoken with an accountant, or established a basis. Most associate 'basis' with income, and don't look into it prior to harvest plans. Some have never heard the word. 30% had no recordkeeping system and 25% had not spoken to their heirs. That is a home run for Ties to the Land, that programs have been effective with the survey group. I'll be honest, this is the real quick pull out of the symposium information. Now I need to look at these numbers closer to determine future needs. What did they think of the symposium? 90% were satisfied or very satisfied.

Did anything change? 50 -75% say they are working on tax and business planning, out of that 36 had completed a 'basis'. 25% say they are working on it. We are moving them to doing something. What if they have a casualty loss? Of the 22% that came in without a management plan, 68% are working on it. Another gain for us, I think, that they got the message of having a management plan. Why not a bigger response to some of these questions? Why are participants delaying action? The cost of hiring professionals; uncertainty of which decisions would be best, which business structure is right for me. They needed time to consider options. The costs are never going away, I believe they pay for quality. 84% were committed to staying more aware. That means programming for us to do. 79% got new ideas to improve their situation, but 39% were *inspired*. I honestly say that they has never happened to me. Out of those a third had less anxiety and 31% felt empowered. Again, not a word I have ever heard tied to a tax presentation.

These are the topics they were most interested in: more income Taxes, estate planning, estate taxes, harvest taxes and business planning. What do they want to do next? 81% want more conferences like this. 50% are wanting to seek professional assistance. 62% want to engage the family in planning. How do we 'feed' the people we got excited? What do we do for those that don't come? I've done YouTube videos, and without an audience asking questions, it makes a pretty flat presentation. Being there in the room in person and having the ability to interact is important. How do we deal with people who want it face-to-face?

Since January, I've been doing tax presentations and in February I did a road show of income, property and harvest taxes to Eastern Oregon. It was very educational for me. There is a lot of hunger for more information. They are hearing, and showing up in western Oregon. Eastern Oregon participation really drops. I don't know if it is a marketing issue, or what? We need to examine that. We need to target the accountants and tax preparers. At the SAF Convention, I was asked to talk about Tax Policy in general and from a small landowner perspective. This for me, was more important because each tax preparer, or accountant I can educate, I actually reach however many clients they serve. We really have to target those people. I'm trying to figure out how to do that in Oregon. Many don't know about the Small Tract Forestland Option (STF). That is a shocker for me. That is not a new program. In Prineville, half the people in the room didn't know what that was. We need to get that information out there. Then, there is confusion over the interaction of the Oregon Forest Practices Act and the Federal Income Tax. So it never fails, I talk about the Reforestation Incentive, where they can write off $10,000 worth of expenses related to reforestation the year that they do it. And then the rest of those expenses can be written off over the next 8 tax years. It never fails, I'll have a question about, what's Oregon's reforestation requirement? The Federal Government has no idea of the Oregon Forest Practices Act. They are totally not using these great incentives because they think some requirement in this state has some bearing on a federal tax standpoint. People have asked me that. It's a $10,000 deduction right off the top, then start writing it off. I think because the law in this state requires you to put trees on the ground, somehow they think they should be given an incentive.

Cloughesy: Its sounds like a topic for the Family Forest News!

Cushing: So, what is the strategy so far? We are paying attention to Ties to the Land right now. We have gotten some internal funding through Oregon State to put attention on that program (succession planning for working land) and keeping it in force. Some of it needs to be expanded somewhat, its been noted that there is not much in there regarding Conservation Easements. Things to do if you don't have a willing family member to take it over or don't want to. We want to give them the tools for that. I did that Ties to the Land workshop this weekend. We had 25 people show up. It is interesting to watch the family splits regarding land management. Whether it be looking at lands as a financial asset or family heirloom. It's difficult not knowing the family situation of participants prior to addressing them. We need more on the facilitation guidelines to better deal with these personal situations. We are also having some interest at the National level, State and Private Forestry where they want to get this in more states. We just haven't developed a way to provide it better nationally. The video is so easy, really a canned easy to use program. My other project is providing these presentations almost upon request as obviously people need this. I've turned down very few. Workshops, Master Woodland Manager, whatever it takes. I don't have the tool chest yet to do promotion. Currently, I do these by request. Obviously, there is a need to update and produce publications. My goal is to shorten up lengthy presentations into individual topics. Moving forward, on the policy thing. I think what we have works as far as incentives for landowners, but programs are always in danger and can go away. If we don't use it we lose it. It becomes an easy target politically. Then there's the Natural Resource Credit, but I have to educate myself on that particular piece of legislation. We need to continue that education but to get to those points of contact, not just landowners individually, but to foresters and accountants, it will be much more productive.

Cloughesy: In talking to landowners you are talking to voters, and that is really important in policy. Cloughesy included an updated letter I ran by Janean, Ed and Tammy. I got their feedback and corrected them. Unless someone has further feedback, the next step, Ed, Evan, and I had drafted a letter to forward to the BOF to tell them what we have done. Not making a recommendation, but to let the BOF know where we are at.

Tucker: So a Report to the Board?

Cloughesy: Yes, a Report to the Board. Let me know if you have any changes before the end of the year.

Action Item: Cloughesy to send final draft to Lena and Susan to submit to the Board.

Cushing: My goal is to dig into some of this data further. We weren't expecting it to take as long with this survey as it did. My goal is to dig through this and publish my results into the Journal of Extension addressing whether something like this would be effective as a form of tax education.

Gootee: What's the prognosis for juniper in the forest taxation spectrum? Juniper is presently considered a non-commercial species in the State of Oregon. There is a tremendous push in Oregon to develop markets and people are starting to sell juniper. You have to report it as income, but at present it's not included as a commercial species subject to a forest products tax. Is that correct?

Cushing: If you send me that in an email. I have been working with the Property Tax Division's timber group at the DOR I can ask that question. So I'd be happy to see what they are thinking on that.

Gootee: It's generally regarded as a liability in terms of property value. Now there is this new emphasis on developing markets for it. We are in this transformational time where it may come to be viewed as a property asset. Then there is the income, if marketed and sold but it isn't presently regarded as a commercial species.

Tucker: It wouldn't trigger the letter from revenue saying its time to pay your harvest tax, based on how much you harvested. But you do have to notify regarding the harvest in certain cases.

Cushing: So if they notify the harvest, it would go to Revenue, right? But if they didn't notify a harvest under other circumstances it wouldn't trigger.

Tucker: A lot of times it's more of a fuels reduction. I'll have to look at that.

Gootee: Most of the time it is deposed of on the land, but there is an increasing interest in it. It has recently been approved as a building material and used in limited capacity as a that being used as outdoor and furniture wood. I think 10 years ago it was only sold as firewood.

Cushing: I'll find a way to ask Revenue about it…I was doing a workshop in Bend and Prineville and talking about income, property and harvest tax. I had an assessor there and somebody was asking about juniper. If I remember, they were saying it was not a commercial species. But you're saying it is not about the land classification but actually anything coming off of it. Being sold is the trigger.

Tucker: Since Thomas is here, we will delegate this to him to follow up on the requirements to report back to this committee. We can at least clarify what it is under the FPA.

Action Item: Thomas Whittington will find Juniper Harvest rules for notification requirements.

Gootee: The way it's being implemented in eastern Oregon, at least for me, I apply for a general Operating Permit that includes juniper control with the juniper not being sold. And many landowners are doing exactly that. But if there is an increasing interest in marketability, that is raising a whole new set of questions in terms of business management, taxation, part of your tax basis cruise? I think I'm the only person in Oregon to cruise juniper. There is this huge resource on the land that people have owned for decades in many cases. And they have never done a tax basis on it.

Cushing: When they bought the land the juniper wasn't worth anything. I wouldn't waste my time doing basis on it. If you bought it now and there is a market for it, I would do a basis. The Federal government will tax any money you got from it.

Tucker: It wouldn't trigger a letter from Revenue because it wouldn't be over the harvest exemption of 25,000 bd. ft. It's more of a fuels reduction at this point.

10. **AFF Report –** Scott Hayes

[*Scott Hayes was not available to provide this overview. We will put this topic on another agenda. Members were sent a link to the report.]*

11. **Action Items/Adjourn**

Action Items:

- Bald Eagle Rules, your comments or thoughts? We can put this on the January agenda again for discussion.
- CFF Letter of Support for RLMT Collaborative
- Coho Recovery Plan? If you want it wrapped into the overall State of Oregon comments, Kyle Abraham has a draft going, the deadline has been extended. Rob has a standing invite to send him information. But to weave into the general State comments we will need it sooner than later.
- It might be a good idea to look at the current draft of the State response on the Plan. Maybe send ODF's draft response out to the committee for input.

Agenda Item:

- Tucker provided an overview of the January meeting. We have the agenda drafted. We have a general theme of seed and seedling availability and meet on January 17th at the J.E. Schroeder Seed Orchard. So we will have a general orientation to the seed orchard by Mike Kroon, Manager regarding the history of the orchard and the cooperatives and an introduction to the Seed Bank by Don Kazmerck. And what we were looking for is to bring in the folks behind some of these seedling cooperatives. We will be inviting Jamie Knight back. We were going to contact, Bob Shumaker (WCSWA) and Paul Nys from Columbia County as they have robust seedling cooperatives and Clackamas County has a very engaged one. So just some panel discussion of examples of how small woodland owners are banding together to form cooperatives and Mike Taylor from IFA was suggested to speak on seedling availabilities from larger nurseries. We will also invite Bob McNitt from the Forest Seedling Network. We may have a tour of the orchard depending upon the weather.

Of Note:

- The January BOF meeting is on the 6th, so we will have confirmation of Evan Barnes as Vice-Chair and the appointment of Bonnie Shumaker. It's a cut and dried process it is just a Consent agenda topic.

- One big announcement is this is Sara Leiman's last meeting with us, although always welcomed back to visit. The Vice-Chair presented Sara with an ODF recognition certificate for her service of June 2010 to December 2015.

- Gootee announced that she has been elected to the Board of the American Forest Foundation

- You will get to meet your Family Forestland Coordinator as the person will be starting in January. This new team member will be working on all of our emerging opportunities for family forestland owners, FIPs and RCCPs and all those other acronyms, as well as our Strategic Initiative that we are putting forth for the agency to focus on how we enhance our services and program. Where we are headed to the future. Jim James was on our interview panel.

- OSWA's Annual Meeting will be in Baker City again in 2016. Lyle Defrees was the Outstanding Tree Farmer of the Year. We traditionally have our annual meeting in the county where the Tree Farmer awarded is located, we do the woods tour at the same event. It is in all likelihood the last weekend in June. We will select a date soon. It is also the 75th Anniversary of the American Tree Farm System and I've been collaborating with Nils Christofferson of Wallowa Resources and also Jamie Knight to try and work something in about the East Face Project over there. It will be a 3 day event. I'm excited to have some activities on the eastside. We may want you to talk about your program in Ritter. The focus will be on the eastside and fire. I am going to invite Tammy to talk about taxes again. The Ties to the Land might also be a good topic.

- The EO RFPC will continue to re-work and refine ideas on reforestation. Their next meeting is in March. Policy and guidance changes on practices.

- As the Annual Meeting will be the end of June 2016, the NW Fire Science Consortium has some funds they will need to be spent, a lot of it for travel. We are restricted from federal folks travel, but perhaps could offer travel sponsorships.

Meeting Adjourned at 2:10 pm.