

Agenda Item No:	5
Title of Issue:	State Forests Management - Issue 2 Objective #1 – Adapting the Forest Management Plans
Date of Presentation:	November 2, 2007
Contact:	Nancy Hirsch
Title:	State Forests Program Director
Contact Information:	503-945-7351 nhirsch@odf.state.or.us

SUMMARY

The purpose of this agenda item is to provide the Board with the results of the Department's work toward the development of "suggestions to improve the performance of the Forest Management Plan relative to achieving Greatest Permanent Value, using the three principles provided by the Department to the Board as a basis for the work," as directed by the Board at the June 2007 meeting. This agenda item will provide the Board the opportunity to:

1. Receive a report on the alternative approaches developed to improve the performance of the Northwest Forest Management Plans, which includes the results of the management plan examples developed by the Department's Forest Management Plan Options Development work group, and discuss and understand how performance measure targets will act as policy drivers for the refinement of any option(s).
2. Adopt initial performance measure targets to provide policy direction to the Department toward improving the performance of the Northwest Forest Management Plans.

In addition, this agenda item includes an overview of the policy framework associated with forest planning and decision-making, as well as an outline of how new information will be shared with the Board in the future in a timely and systematic manner.

CONTEXT AND BACKGROUND

The origins of the current policy framework and recent decision making associated with State Forest management planning dates back to changes occurring shortly after 1995. At that time there were multiple influences in play, when the Board formed a task group to work with the Counties and other interests to define "Greatest Permanent Value" (GPV). The administrative rule that defined GPV was adopted in 1998 and included a number of other significant elements associated with the policy framework and decision making. Attachment 1 provides an overview of key developments that have shaped the Board's and Department's work related to state forests management plans, and looks out toward future developments and Board decision points.

Following the adoption of GPV and the forest management planning rule in 1998, the Board adopted the Northwest and Southwest Forest Management Plans as administrative rule in 2001. In 2003 the State Forester adopted implementation plans (small scale and time limited) consistent with the FMP. This triggered further Board discussion because harvest outputs in the implementation plans were less than what the Board had been informed they would be when the FMP was adopted.

In June 2004, the Board agreed to begin moving away from the FMP's intended 10 year review cycle to a process of ongoing review. This new 'continuous improvement' approach is intended to address stakeholder and public concerns and incorporate new management/scientific information into the evolution of the FMP in a timelier manner. The platform for this ongoing review is a set of performance measures that better clarify the Board's expectation for the achievement of GPV defined in statute and rule. In essence, if State Forestlands are meeting the performance measures and associated targets over time, GPV is being achieved.

At the March 2007 meeting, the Board adopted nine performance measures that will be used to provide periodic information on the outcomes resulting from State Forest management strategies. It was understood that the status of the performance measures varied in their readiness - some took advantage of existing data collection efforts that could be reported on while others would be new initiatives requiring further development. It was also understood that the Board would establish targets over time.

At the June 2007 meeting, the Department provided the Board with its first report on the performance measures. As a result, the Board directed the Department to develop suggestions to improve the performance of the FMP relative to achieving GPV, using the following principles as a basis for the work. The Board also directed the Department to not feel constrained in exploring ways to meet the three principles:

- Improvement should seek to maintain or improve outcomes across economic, environmental and social measures.
- Improvements to the structure-based management concept should consider the utility of active and passive management, as well as the means to provide greater assurances around the achievement of complex structure in a timely manner.
- Improvements should explore ways to enhance financial performance.

Following the June 2007 Board meeting, the Department convened a FMP Options Development work group to develop options that would improve FMP performance. Given the short timeframe, the work group focused primarily on the north coast districts (Astoria, Forest Grove and Tillamook), with the intention of further development and application across all affected districts, in time. The work group concentrated initial efforts on stand structure percentages, landscape design and T&E strategies. An update on this work was provided to the Board at its September 2007 meeting.

The eventual pursuit of improvements to the management plans are contingent upon direction to be provided by the Board in the form of performance measure targets. Once the Department understands the Board's expected outcomes on State Forests, the staff can determine what specific plan improvements are needed to best meet those outcomes (i.e. best meet the performance measure targets). The options developed by the work group, along with previously modeled management scenarios, will help inform the Board about the implications of different performance measures targets. In this way, the Board will be able to make a more informed decision when setting performance measure targets, and have a general idea of what type of management approach must be applied to achieve the targets.

Based on the results of the analysis of a number of management scenarios, including the options developed for this agenda item, the Department has drafted an initial set of performance measure targets for the Board to consider for adoption. Upon adoption of these targets, the Department

will then initiate work to analyze specific improvements needed to the management plans in order to achieve those targets. As a result, the performance measures and targets will function as the Board of Forestry policy drivers for the refinement of the management plans, and the policy and planning process to ensure GPV is being met over time.

ANALYSIS

Following the direction provided by the Board at its June 2007 meeting, the Department convened a Forest Management Plan (FMP) Options Development work group that was charged to explore new potential management plan approaches to improve the overall performance of the FMP. Attachment 2 provides a brief description of three options that have been developed consistent with this charge. A specific scenario for each option has been developed in an effort to meet the Board's three principles. Also provided is a matrix which compares and contrasts the three options and the current FMP. Attachment 3 provides additional information specific to one of the options [the "emphasis zone approach"] and provides the details associated with the landscape design principles developed for the Astoria District in order to illustrate this approach.

The "emphasis zone approach" shares some similarities with the concept of "options forestry" that was a topic of discussion in recent Board meetings. (Bormann & Kiester, 2005) The options forestry concept is a relatively new approach to actively managing for older forest structure that "includes an honest appraisal of uncertainties and learning as a specific objective. The strategy is unique in that it uses a variety of management pathways, all designed to reach the same goal, and structures them in a rigorous statistical design to reduce the spread of risk associated with failure." (Bormann & Kiester, 2005)

The FMP Options Development work group attempted to explore options in enough detail so that the Board would have a thorough understanding of how these management approaches are likely to play out on the landscape; however none of these options have been developed in enough detail to be considered alternative management plan approaches at this time. The utility of the information provided is to ultimately assist the Board in evaluating and adopting performance measure targets, discussed below.

Proposed performance measures targets are included in Attachment 4, and incorporate the work completed by the FMP Options Development work group. The targets range from relatively specific and quantitative, to more general and qualitative in nature. As part of the adoption of these targets, it is recommended that the following intent statement be included:

"The timeframe for these performance measures and targets is specific to the next two decades; however management approaches utilized by the department to achieve these targets will ensure the long-term sustainability of the social, environmental, economic values being provided. The Board shall review the progress made towards these targets every two years through the biennial review of the State Forest Performance measures. The reviews of the measures will provide the Board the opportunity to adjust the performance measures, targets, and/or the Department the opportunity to adjust management practices, as warranted, based on the most current information available at the time. Further refinement of the entire set of performance measures and associated targets is anticipated to occur periodically into the future. The next review of these performance measures will occur in the fall of 2008."

A two-decade timeframe for the targets is recommended for a few reasons. First, it's a timeframe that provides a high level of confidence that improvements can be made which will "maintain or improve outcomes across economic, environmental, and social measures." The two-decade timeframe is more focused (as compared to 50 or 100 years) from a policy-making perspective in terms of trying to achieve a tangible set of outcomes and track the effectiveness of management measures to realize those outcomes. This is also a practicable time horizon for forest management planning purposes that at a district level the department is able to more effectively plan for and validate anticipated outcomes. Longer-term implications of applying the two decade targets will be analyzed and discussed in the context of future decision making on potential changes specific to the management plans.

For a number of the performance measures the targets are either more general in nature and/or reference future work that is needed before more specific targets would be considered. The measures that fall under this category are the following:

- Net Return on Asset Value (#1)
- Financial Contributions to Communities (#2)
- Forest Health (#4)
- Recreation (#7)
- Public & Stakeholder and Involvement (#8)
- Oregonian's Awareness & Support (#9)

For three of the measures there are more specific and quantitative targets suggested, due to the fact that these measures have a disproportionate effect at this point in time on the management approach to the lands and there is higher confidence in how meaningful and/or achievable the targets are. These targets include the following:

- Wildlife Habitat (#6)
- Financial Contributions to Government Services (#3)
- Forest Road Risks and Fish Habitat (#5)

RECOMMENDATION

The Department recommends that the Board of Forestry adopt the performance measure targets in Attachment 4, consistent with the Board's vision of Greatest Permanent Value. Doing so will provide:

- Benchmarks by which success in achieving improvements to environmental, social and economic performance measures can be measured relative to current conditions.
- Direction to the Department to initiate work on improving the forest management plans specific to the Tillamook and Clatsop State forests that will best achieve the targets.
- A mechanism by which to recognize over time when management adjustments are necessary to achieve the desired goals, and/or when goals need to be adjusted.

NEXT STEPS

The Board will review progress towards these targets on a biennial basis, with the next review scheduled to occur in the fall of 2008. This will include a review of work done by the Department to develop specific improvements to the management plans that are anticipated to

best achieve the performance measure targets. The fall 2008 review will also provide the Board the opportunity to check in on the achievability of the adopted targets, given the planning and analysis completed by the Department between now and then.

Over the next number of months the Department will also be examining the FMP planning and decision-making framework, and exploring how it may need to be improved in order to better align and support the biennial performance measure reviews. The success of adaptive management on State Forests will ultimately depend on the success of a “continuous monitoring-adjustment cycle of decision making,” which the performance measures and associated review cycle is intended to achieve. “For adaptive management to work, the assessment and decision processes must be continuous, simultaneous and connected.”(Ruhl 2005) Attachment 5 provides additional context and information on this effort to better ensure the FMP planning and decision-making framework achieves this end. The specific work related to this re-examination of the FMP framework is identified in the most recent Board of Forestry issue scan, and will be incorporated into the Board’s updated State Forests work plan next year.

ATTACHMENTS

- (1) Key developments associated with State Forests management planning
- (2) Options for enhancing the performance of the Northwest and Southwest forest management plans
- (3) Emphasis zone approach landscape design principles: Astoria district example
- (4) Proposed performance measure targets: The Clatsop and Tillamook State Forests
- (5) Oregon Department of Forestry FMP planning and decision-making framework overview

REFERENCES

Bormann, B. and R. Kiester, 2005, *Acting on uncertainty in landscape management—options forestry*, USDA PNW Research Station, issue #78, November 2005.

Ruhl, J.B., 2005, *The disconnect between environmental assessment and adaptive management*, TRENDS: ABA section of environment, energy, and resources newsletter, vol.36, num.6, July/August 2005.