

Agenda Item No.:	3
Work Plan:	State Forests Work Plan
Topic:	State Forest Management
Presentation Title:	Elliott State Forest Alternatives Project Update
Date of Presentation:	July 23, 2015
Contact Information:	John Potter Project Manager, Department of State Lands john.r.potter@state.or.us

SUMMARY

John Potter, Elliott State Forest Alternatives Project Manager for the Oregon Department of State Lands (DSL), will provide the Board of Forestry with an update on the Project and share information provided to the State Land Board at their June 9 meeting.

CONTEXT

The Oregon Constitution created the State Land Board (Land Board) for the “disposition and management” of Common School lands. Some of these Common School lands (117,238 acres) are currently held as Common School Forest Lands and as such are managed by the Oregon Department of Forestry (ODF) through an agreement last modified in 2010. This agreement establishes the roles and responsibilities of ODF, DSL, and the Land Board, as well as payment methodology, review procedure for management costs, and the identification of performance measures, among other items. There are approximately 84,000 acres of the Common School Forest Lands that are within the Elliott State Forest which is located in the ODF Coos District.

The Admission Act and the Oregon Constitution each impose a binding trust upon the Land Board to use the Common School lands, including those designated as Common School Forest Lands, for school purposes and to attain the greatest benefit for schools, consistent with the conservation of the resource under sound techniques of land management. Under ODF management since the 1950s, the Elliott have generated revenue from timber harvests to the Common School Fund for the benefit of schools. In recent years, however, protections provided for listed species by the Federal Endangered Species Act (for threatened marbled murrelets, northern spotted owls, and coastal coho) have significantly reduced available timber and associated revenue to the Fund. Given the likelihood that the fiscal losses will continue, the Land Board directed DSL to evaluate alternatives that would better meet Land Board trust obligations to generate the greatest economic benefit over time from this Common School Fund asset.

DSL developed a range of feasible ownership and management options for the Elliott State Forest. The findings were presented to the Land Board on December 9, 2014. The Land Board directed DSL to further refine three scenarios:

- New manager of the forest with continued ownership by the Common School Fund

- Ownership and management by ODF under a federally-approved habitat conservation plan (HCP)
- Transfer of ownership out of the Common School Fund in a manner that will meet the Land Board's trust responsibility and protect public values

Over the course of the first half of 2015, DSL developed additional information regarding these scenarios. An update was provided to the Land Board on June 9 (see attachment), and DSL is conducting stakeholder work sessions to further refine the details, particularly for the ownership transfer option, in advance of recommendations that are expected to be made at the Land Board's August 13 meeting. The Board of Forestry, among others, has been named by third parties as a potential ownership transfer recipient. DSL will continue exploring opportunities for a transfer of ownership to other public agencies to understand their level of interest, and ability, in owning some or all of these Common School lands.

RECOMMENDATION

Information only.

ATTACHMENTS

- 1) [Elliott State Forest Alternatives Project Status Update](#)