October 11, 2019

Oregon Department of Forestry
Private Forests Division – Stewardship Agreements
2600 State Street
Salem, OR 97310

Reference:  Stewardship Agreement, Port Blakely’s John Franklin Eddy Forestlands

Port Blakely seeks to enter into a Stewardship Agreement (SA) with the Oregon Department of Forestry (ODF) for its forestlands in Clackamas County, Oregon. This cover letter fulfills one of several requirements for submission of a SA application. The information provided below summarizes specific provisions and actions of Port Blakely’s forest management activities believed to meet the criteria necessary for ODF to enter into the SA. For additional details, please refer to the enclosed Forest Stewardship Plan prepared for ODF as required for a SA application.

Property Description

Port Blakely’s John Franklin Eddy Forestlands encompass 29,395 forested acres including roads in Clackamas County (30,813 acres total including other non-forested areas), in the vicinity of Molalla, Oregon. The ownership is comprised of discontinuous parcels of commercial forestland distributed across 110 Sections within six Townships in the central part of the county at the western edge of the Cascade Mountain Range. The ownership is surrounded by and/or intermixed with small towns, residential areas, private lands managed for forestry or agriculture, other commercial forestlands, and state and federal lands composed primarily of forestlands. The legal descriptions of the SA land parcels are provided in Attachment 1 to the SA Application.

Port Blakely’s forest stands are typical of a western montane forest dominated by conifers. The SA lands are comprised primarily of Douglas-fir (*Pseudotsuga menziesii*) (96%) with a small amount of white wood (other firs, western hemlock, Sitka spruce, and several pine species), hardwoods (alder, cottonwood, maple, oak and ash) and a limited number of western red cedar. The forested stands are field surveyed (cruised) to identify proportions of species, amount of associated basal area, and potential forest health concerns. The age structure is diverse and fairly evenly distributed as shown in Table 1 below.
Approximately 8% of the SA land was previously converted from native forest to agricultural land uses, e.g., pasture or Christmas tree farms, but has now been returned to young native forest. The remainder of the ownership is comprised of forest stands that have sustained one or two harvest rotations, i.e., it is either second or third growth, and roads, rock pits, and natural features. As such, there are limited, and in some areas, no legacy structures that contribute to diversity and complexity across the landscape, i.e.,

Table 1. Acreage of forest age-classes in the Stewardship Agreement area in Year 2018.

<table>
<thead>
<tr>
<th>Age-class</th>
<th>Gross Acres</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-10</td>
<td>4,826</td>
<td>16%</td>
</tr>
<tr>
<td>11-20</td>
<td>4,368</td>
<td>15%</td>
</tr>
<tr>
<td>21-30</td>
<td>3,122</td>
<td>11%</td>
</tr>
<tr>
<td>31-40</td>
<td>5,508</td>
<td>19%</td>
</tr>
<tr>
<td>41-50</td>
<td>5,528</td>
<td>19%</td>
</tr>
<tr>
<td>51+</td>
<td>6,043</td>
<td>21%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>29,395</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

standing snags, older trees, forest-floor coarse woody debris, and large wood in streams are nominal. This is true for both terrestrial forest habitat in the uplands and riparian habitat along streams and wetlands. This landscape condition provides a unique opportunity for Port Blakely to proactively manage our commercial forestlands to increase these features and habitat for listed fish and wildlife, thus, doing our part in contributing to the recovery of numerous aquatic and terrestrial species of concern. Nonetheless, there are some areas of higher quality habitat on the ownership, i.e., areas with older trees and some structural features that are more beneficial to fish and wildlife than typical second and third growth forest stands. These areas are primarily located in stream buffers that have been applied under OFP Rules over the past several decades and are comprised of stands that are 51 to 90+ years of age. The existing leave areas within buffers combined with the older age class of the managed landscape compose 21% of the forested stands, nearly all of which are < 70 years of age. These riparian and older stands contain some snags and older conifer and hardwood trees that have attained the size and/or defect that provides habitat characteristics, such as broken tops, cavities, etc., that can be utilized by spotted owls, it’s prey species, bats, and a variety of forest-dwelling species.

**Oregon’s Conservation Strategy**

Lands covered under the SA near Molalla and Estacada are in or near ODFW Conservation Opportunity Areas and the voluntary conservation measures included in the SA, i.e., forest management measures that exceed existing ODF Forest Practices Rules, focus on providing habitat for numerous species identified as State Conservation Strategy species within the Western Cascades Ecoregion. It is anticipated that these conservation measures will provide a
net benefit to the species and habitats that occur on the SA land, and also serve as the foundation for a Federal Habitat Conservation Plan to be completed in 2020.

The conservation measures specifically address improving habitat conditions related to limiting factors of two Oregon Conservation Strategy Habitats, i.e., flowing water and riparian habitats, and late successional mixed conifer forests. Limiting factors addressed for flowing water and riparian habitats by the SA conservation measures include fish passage barriers and channel complexity, water temperatures, sedimentation, and the quantity and quality of riparian habitat. The limiting factor addressed for late successional mixed conifer forests by the SA conservation measures is the loss of structural habitat elements. See Attachment 2 of the SA application showing the Forest Stewardship Plan conservation measures, the corresponding ODF Forest Practices requirements, and the specific Rules that are exceeded by SA conservation measures.

**Oregon Plan for Salmon and Watersheds**

The riparian habitat improvement measures included in the SA address the mission of the Oregon Plan for Salmon and Watersheds to restore native fish populations and the aquatic systems that support them to productive and sustainable levels that will provide substantial environmental, cultural, and economic benefits. On forest lands, habitat and watershed improvement projects are categorized as follows: 1) improving road drainage and stream crossings; 2) placing large wood in streams; 3) restoring wetlands; and 4) improving riparian vegetation. The focus of the SA is on improvement of water quality and riparian habitat functions by providing wider riparian buffers, large woody debris into streams, improved road drainage to prevent sediment input to streams, and replacing or repairing fish passage blockages. Thus, the Port Blakely SA addresses all four categories of the Oregon Plan. See the Forest Stewardship Plan for descriptions of road, stream and riparian conservation measures for private forest lands consistent with listed salmonid recovery plans.

**Conservation Objectives for Fish, Wildlife and Water Quality**

The Forest Stewardship Plan biological goals are largely habitat and ecosystem function based. Port Blakely's efforts will be focused on maintaining or creating, enhancing, and restoring aquatic and terrestrial habitat that will contribute to the long-term conservation of aquatic and terrestrial species that rely on these habitats and/or ecosystems. Specifically, stream and riparian habitat conservation measures will address potential impacts to listed salmonids consistent with the Lower Columbia River and Upper Willamette River salmonid recovery plans as well as other fish and stream-associated amphibians. The Forest Stewardship Plan will provide functional riparian area protection which will affect in-stream function in the following ways: reduce the potential for temperature increases, increase delivery of LWD, and reduce the potential for sediment delivery. Terrestrial habitat measures focus on providing spotted owl foraging habitat and increasing woody features common to natural forest conditions, e.g., snags, coarse woody debris, and green leave trees patches, throughout the SA area that are expected to result in improved habitat conditions and ameliorate potential impacts to spotted owls, forest birds, and a variety of mammals known to occur in the central Oregon Cascade Mountain Ecoregion. The goals and objectives are consistent with recovery plans, the mission of the Oregon Plan for Salmon and Watersheds, and the Oregon Conservation Strategy.
**Regulatory Efficiency**

Port Blakely seeks to achieve regulatory efficiency via the SA related to streamlining the notification and administrative requirements of the Forest Practices Act, specifically granting a waiver from the requirement to submit written plans related to all rules cited in the Attachment 2 table. However, the waiver for submission of written plans will only be valid if other rule sets are adhered to. Port Blakely’s Forest Stewardship Plan describes how and when our forest management activities will be conducted, and the benefits expected to be achieved for aquatic and terrestrial species and their habitats. The Forest Stewardship Plan also describes Port Blakely’s intent to meet annually with ODF District staff for the first five years of the Stewardship Agreement to review our planned forest management activities consistent with our resource protection measures described in the Forest Stewardship Plan. After five years, Port Blakely will reassess to determine the need to meet annually but will continue to meet no less than every three years. Thus, the SA Forest Stewardship Plan is designed to be implemented over the long-term (50 years) and, if approved by the State Forester will meet requirements for written plans, notifications and 15-day waiting periods and other administrative rules relating to notification, cited in Oregon Forest Practices Rule 629-605-0150.

**Regulatory Certainty**

A summary of Port Blakely’s resource protection measures that exceed the requirements of the current administrative rules for which we seek regulatory certainty is provided in Attachment 2, Forest Stewardship Plan Summary Comparison Table.

Sincerely,

[Signature]

Court Stanley  
President, U.S. Forestry