

## Overview: Pathway to the Elliott State Research Forest

The Oregon Department of State Lands presented a pathway framework for advancing the Elliott State Research Forest to the State Land Board for discussion during its December 12, 2023 meeting. [See the pathway summary slide.](#)

Land Board members collectively supported and provided directional feedback to DSL on the framework actions, steps, and considerations outlined below. With the continued engagement of key stakeholders, Tribal governments, other government entities, potential partners, and the public, the Department will refine this framework into a workplan and update the Land Board in February 2024.

### Framework: Six Key Actions for Establishing an Elliott State Research Forest

**One: Implement a Management Structure. *The Department of State Lands will continue to own and manage the forest, with dedicated public oversight – see below.***

- The Department will develop and implement a near-term management framework with the \$4 million legislatively provided as “bridge funding” for the Elliott State Research Forest in 2024, as well as other funds advanced as part of DSL’s budget.
- The Department will request the legislatively approved \$4 million provided for the SB 1546 research forest agency be allocated to DSL in FY 24 for forest management work.
- Considerations for management structure include:
  - In the long term, there may be other options for the management role. But DSL management provides the near-term certainty necessary to advance or complete other actions and may make long-term sense as well.
  - Advance collaborative conversations on this management structure with an advisory body (see below).

**Two: Establish an Oversight Structure. *Develop and implement a diverse Board of Directors empowered to oversee management by the Department on behalf of the Land Board.***

- An advisory body will be appointed by the DSL Director to guide work in the near term, with the Land Board intending to appoint a board of directors in February 2024.
- Considerations for oversight structure include:
  - Stakeholder engagement and collaboration has been essential to this work – first with the Advisory Committee, then with the SB 1546 prospective board – and remains essential to the success of a publicly owned research forest.
  - Having an appointed oversight body with authority will help ensure desire for accountability, transparency, and public involvement in decision-making remain centered in governance of the forest.
  - DSL anticipates drawing from prospective board members assuming they are willing and supportive of the path forward.

**Three: Finalize a Viable Budget. *Create a business plan and associated budget for 2025-27 based on independent financial review of projected revenue and operations costs, with an update to the Land Board in February 2024.***

- The Department's December 8, 2023, financial viability determination, based on financial information provided by OSU and the then-assumed management and research approach, indicates an Elliott State Research Forest can be financially viable, but risk and questions exist.
- The determination includes recommendations that will be addressed through development of a business plan to inform a 25-27 budget for the forest as well as securing funding for start-up.
- Considerations for a viable budget include:
  - Budget work to-date assumed OSU would be both the lead research forest manager and researcher, and that the State would create a new administrative agency. The new pathway features DSL as administrative agency and forest manager, with the research partnerships as a question to be resolved in future collaboration with an advisory body/board of directors.
  - Basic principles of budget development will include (a) addressing base costs for forest operations first, including HCP monitoring and compliance, and (b) scaling research to remaining available revenue. Growing operational costs, such as wildfire protection and HCP monitoring and compliance, uncertainties regarding timber revenue, and the desire to have revenue above and beyond base management costs to support meaningful research, should all be considered.
  - The forest's role related to carbon storage has long been part of Elliott State Research Forest discussions. A draft carbon project feasibility study has been completed.
  - Revenue options considered by the Land Board included:
    - Advance an HCP option that still achieves an HCP but produces more timber revenue; or
    - Maintain the current HCP path but ensure it is paired with a carbon project that is consistent with intended research and state climate policy.
  - Land Board indicated it feels the current HCP path can be viable so long as the above cost management principles and funding related to a carbon project are part of the path, and indicated that desired path forward.

**Four: Finalize Forest Management Plan. *Revise and simplify the Forest Management Plan drafted by Oregon State University to reflect Department of State Lands management and the new oversight structure.***

- OSU has done greatly appreciated good work in preparing the forest management plan submitted on December 1, 2023, as a deliverable of their agreement with DSL.

- The plan will need to be converted for DSL's use in managing the forest – revised and simplified to reflect a new oversight structure, final HCP revisions, and to ensure flexibility for management in support of multiple research possibilities.
- The plan will also need to align with guidance provided during the Land Board's discussion on December 12, 2023, including related to financial viability, harvest revenue, and climate / carbon.
- An updated forest management plan framework will be before the Land Board for a decision in early 2024.

**Five: Complete Habitat Conservation Plan: *Revise the Habitat Conservation Plan (HCP) to reflect DSL management and complete the federal process and obtain incidental take permits in Summer 2024.***

- Significant revisions to address conservation issues, financial viability, and Tribal requests have been made since the draft HCP was submitted in 2022. Those revisions have been submitted and the Department has received written confirmation of process status from the federal services.
- Remaining near term work includes updating the HCP to reflect a shift to DSL management and completing responses to agency comments in the federal process.
- The Department anticipates filing responsive HCP revisions by January 31, 2024, and obtaining incidental take permits in summer 2024.
- Considerations for the HCP include:
  - The Department will keep the HCP effort moving, while also continuing our conversations with an advisory body, Tribes, and the public. Not doing so creates risks on multiple fronts, including costs and reduced certainty for research forest viability.

**Six: Research Partnerships. *Explore research partnerships with OSU, other entities.***

- While the above work on management and oversight structure is being completed, the Department will also explore options for partners able to advance research consistent with the desired pathway.
- DSL anticipates entering into innovative and relevant research partnerships starting in spring 2024.  
Research partnership considerations include:
  - First looking to OSU. While other potential research partners likely exist, the hope remains that OSU continues to see value in the new pathway and will participate in this nationally and internationally relevant research forest endeavor.

**Framework: Overarching Considerations**

Expectations for ongoing efforts to establish a research forest include:

- Continuing to work within the longstanding foundations for this work, including the [State Land Board's 2017 vision for the future of the Elliott State Forest, and the cornerstone principles and expectations for achieving that vision through the creation of an Elliott State Research Forest.](#)
- Continuing to engage key stakeholders, Tribal governments, other government entities, potential partners, and the public as this pathway becomes a workplan for establishing the Elliott State Research Forest in 2024.
- Continuing to balance multiple interests while working within the agreed upon foundations endorsed to date by the State Land Board, Oregon Legislature, and many interests, including Tribes.
- Continuing to center accountability, transparency, and public involvement in decision-making.

Elliott State Research Forest 2024 Workplan

	January-February	March-April	May-June
DSL Management Structure	<ul style="list-style-type: none"><li>Identify key positions / roles; new vs. existing FTE; contracted services</li><li>Finalize org chart and positions</li><li>Begin executing contracts</li></ul>	<ul style="list-style-type: none"><li>Recruiting and hiring process for ESRF staff</li><li>Contracts executed for near-term work</li></ul>	<ul style="list-style-type: none"><li>ESRF base staff hiring ongoing (complete by fall 2024)</li></ul>
Oversight Structure	<ul style="list-style-type: none"><li>Develop oversight board structure</li></ul>	<ul style="list-style-type: none"><li>Adopt oversight board structure and appointment process</li></ul>	<ul style="list-style-type: none"><li>Board appointed (June)</li></ul>
Business Plan and Budget	<ul style="list-style-type: none"><li>Draft business plan, FY 25-27 budget</li><li>Advance \$4M in 2024 Legislative Session</li><li>Evaluate carbon / other fund paths</li></ul>	<ul style="list-style-type: none"><li>Secure \$4M in 2024 Legislative Session</li><li>2025 DSL budget process: stakeholder engagement; POP approval by Land Board (June)</li><li>Determine carbon / other fund paths</li></ul>	<ul style="list-style-type: none"><li>Commit / spend \$4M secured in Legislative Session</li><li>2025 DSL budget process: Finalizing ESRF POP in agency request budget</li><li>Advance carbon / other fund paths</li></ul>
Forest Management	<ul style="list-style-type: none"><li>Update Forest Management Plan (based on OSU plan)</li><li>Identify contractor assistance for near-term Operations Plan</li></ul>	<ul style="list-style-type: none"><li>Operations Plan: contractor work</li><li>Draft Forest Management Plan: public input (begin April)</li></ul>	<ul style="list-style-type: none"><li>Forest Management Plan approved (June)</li><li>Draft Operations Plan: public input</li></ul>
Habitat Conservation Plan	<ul style="list-style-type: none"><li>Final revisions to Federal Services</li></ul>	<ul style="list-style-type: none"><li>Federal Services review</li></ul>	<ul style="list-style-type: none"><li>Federal Services work; final environmental impact statement preparation</li></ul>
Research & Partnership Pathways	<ul style="list-style-type: none"><li>Informal communications with OSU</li><li>Tribal consultation(s)</li><li>Shutter Creek: Identify contractors / process</li><li>Verify / assess other partnerships</li></ul>	<ul style="list-style-type: none"><li>Resolve research path: OSU or other</li><li>Tribal consultation(s)</li><li>Shutter Creek: resolve redevelopment process</li><li>Advance other partnerships</li></ul>	<ul style="list-style-type: none"><li>Research entity and operations connection</li><li>Tribal consultation(s)</li><li>Shutter Creek: advance redevelopment process with DAS</li><li>Advance other partnerships</li></ul>
Land Board and Advisory Group Timeline			
Advisory Group	January-February Focus: Management structure, oversight structure, forest management and operation plans	March-April Focus: Business plan and budget, forest management and operation plans, research partnerships	May-June Focus: Research partnerships, forest management and operation plans
Land Board	February Meeting Update: ESRF 2024 Workplan	April Meeting Action: ESRF POP for 2025-27 Updates: Draft Forest Management Plan; oversight board structure and process; Operations Plan; carbon	June Meeting Actions: <ul style="list-style-type: none"><li>Forest Management Plan</li><li>Oversight board appointments</li><li>Housekeeping: 1000 Road; Shutter Creek</li></ul>