

# **Department of State Lands**

775 Summer Street NE, Suite 100 Salem, OR 97301-1279 (503) 986-5200 FAX (503) 378-4844 www.oregon.gov/dsl

State Land Board

Tina Kotek Governor

**Tobias Read** Secretary of State

Elizabeth Steiner State Treasurer

State Land Board

**April 8, 2025** 10:00 am - 12:00 pm **Meeting Agenda** 

Public Wi-Fi logon: LandsDSL

This is a hybrid meeting that can be attended in-person at 775 Summer St. NE, Suite 100, Salem, OR 97301-1279 or online through the Department of State Lands' livestream video: www.youtube.com/@oregonstatelands

# CONSENT ITEMS

1. Request for approval of the minutes of the February 11, 2025, State Land Board Meeting and February 27, 2025, Special State Land Board Meeting

# **ACTION ITEMS**

2. Elliott State Research Forest: Adopt, by reference, the Forest Management Plan into administrative rules Public testimony will be taken on this item.

# **INFORMATIONAL ITEMS**

- 3. Oregon Department of Forestry Annual Report on Common School Forest Lands No public testimony will be taken on this item.
- 4. Oregon Ocean Science Trust Report No public testimony will be taken on this item.

- 5. Legislative Update

  No public testimony will be taken on this item.
- 6. Other No public testimony will be taken on this item.

# WATCH THE MEETING ONLINE

Meeting video and audio will be livestreamed, and the recording available after the meeting, on the DSL YouTube Channel: <a href="www.youtube.com/@oregonstatelands">www.youtube.com/@oregonstatelands</a>

# **ATTEND IN-PERSON**

This meeting will be held in a facility that is accessible for persons with disabilities. If you need assistance to participate in this meeting due to a disability, please notify Arin Smith at <a href="mailto:arin.n.smith@dsl.oregon.gov">arin.n.smith@dsl.oregon.gov</a> at least two working days prior to the meeting.

Visitors are **NOT** permitted to bring backpacks, bags, or large purses into the State Lands building prior to, during, or following Land Board meetings. Purses, medical bags, and diaper bags are permitted, but may be subject to inspection by the Oregon State Police.

# PROVIDE PUBLIC TESTIMONY

The State Land Board places great value on information received from the public. The public may provide written or spoken (online or in-person) testimony regarding consent and action agenda items, time permitting and at the discretion of the Chair.

- Providing Written Testimony: Testimony received by 10 a.m. on the Monday before the meeting will be provided to the Land Board in advance and posted on the meeting website. Submit your input in writing to:

   <u>landboard.testimony@dsl.oregon.gov</u>. Testimony received after this deadline may not be provided to the Land Board prior to a vote. Please indicate the agenda item your testimony relates to.
- Providing Spoken Testimony by Video/Phone or In Person: Advanced signup is required for the public to provide spoken testimony (in-person or by Zoom). The sign-up deadline is 10 a.m. the day before the meeting.
   Please note: When the number of people interested in speaking exceeds the time allotted for an agenda item, speakers are randomly selected for testimony slots to ensure all have an equal opportunity to testify. Speakers have the same chance of being randomly selected whether they plan to testify in person or by

Zoom. The testimony order will be posted to the State Land Board Meetings webpage the day before the meeting, and everyone who signed up to testify will be notified of the testimony order via email. Be aware there may not be time for everyone who signs up to speak.

# **Additional Testimony Information**

- Testimony on action items is taken during the item's presentation, before the Land Board votes. Please review the meeting agenda and be present and prepared to provide testimony at the appropriate time.
- The Board typically accepts testimony on consent and action items only.
- The standard time limit is three minutes for each individual; the actual time available for testimony during Land Board meetings is at the discretion of the Chair.
- The Board may not be able to accept testimony on items for which a formal comment period has closed, such as a rulemaking comment period. The meeting agenda indicates whether testimony will be accepted on an item.



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#### **State Land Board**

The State Land Board (Land Board or Board) met in regular session on February 11, 2025, in the Land Board Room at the Department of State Lands (DSL), 775 Summer Street NE, Salem, Oregon. The meeting audio and video was livestreamed on the DSL YouTube channel.

Tina Kotek Governor

Tobias Read

Secretary of State

Present were:

Tina Kotek Governor

Tobias Read Secretary of State Elizabeth Steiner
Elizabeth Steiner Treasurer – via Zoom State Treasurer

Land Board Assistants

Geoff Huntington Governor's Office

Dmitri Palmateer Secretary of State's Office Jessica Howell State Treasurer's Office

**Department Staff** 

Vicki Walker Bill Ryan Ellie Forness Katrina Scotto di Carlo Arin Smith Chris Castelli Ali Ryan Hansen Linda Safina-Massey

Ted Bright Cait McCusker

Department of Justice

Matt DeVore

Governor Kotek called the meeting to order at 10:03 a.m. The topics discussed and the results of those discussions are listed below. To view the Land Board (Board) meeting in its entirety, please visit our YouTube page: February 11, 2025, Land Board Meeting

# **Consent Items**

#### 1. Minutes

Secretary Read made a motion to approve the minutes for the December 10, 2024, Land Board meeting.

Treasurer Steiner seconded the motion.

The item was approved at 10:04 a.m. without objection.

#### **ACTION ITEMS**

# 2. Adoption of Division 142 Proposed Rules – Rocky Habitat Designations

Director Walker gave an overview of the item and its history

The Department recommended that the Land Board adopt the proposed changes to OAR 141-142 (Appendix A). If adopted, the proposed rules will go into effect immediately upon filing.

Treasurer Steiner asked who is responsible for putting up signage in the area to make sure the public is aware of the rules. Blake Helm, Proprietary Specialist for the Dept of State Lands, responded that Oregon Parks and Recreation will be posting the signage. Andy Lanier, Marine Affairs Coordinator with the Department of Land Conservation and Development, confirmed that as being correct.

Treasurer Steiner stated that she appreciates the interagency coordination.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:10 a.m. without objection.

# 3. Approval to Initiate Due Diligence for a Potential Land Sale on West Hayden Island

Director Walker introduced Chris Castelli, Deputy Director, to assist in presenting the item.

Mr. Castelli gave a quick overview of the item and introduced Bill Warnake, Oregon Department of Transportation (ODOT), to give more detail on the project. Mr. Warnake stated ODOT would like to purchase the property to satisfy compensatory mitigation needs for the upcoming interstate bridge project. The new bridge will have massive foundations that will create a net fill in the floodway that will be offset by removal on West Hayden Island. It will also improve habitat for aquatic species and create a natural resource park for the public.

Treasurer Steiner asked how much of the 65 acres will be removed to offset the increased fill for the pilings.

He stated that they plan to remove fill along the shoreline to create shallow water habitat for Salmonids.

She then asked how the public will be able to access the area for recreation with no parking available.

He stated that the only current access is by boat but anticipates this issue will be addressed by the Port of Portland and others as the site is developed.

Secretary Read asked how a conservation easement results in removal and how the two interact.

Mr. Warnake responded that the property has inherent natural resource values but those habitats are heavily impacted by invasive species and dredge spoils. Removing some of those spoils will restore the site to a natural condition and provide enhanced habitat for several species.

Secretary Read then asked about the comment period being moved from 30 days to 45 days. Director Walker stated that she decided to lengthen the comment period due to high public interest in West Hayden Island.

Governor Kotek asked what the timeline looks like for due diligence. Deputy Director Castelli responded that the 45 days is needed to collect information and complete public comment. There is no date set to complete due diligence, but the bridge project is scheduled to start in 2027.

The Department recommended that the Land Board authorize the initiation of due diligence for the South Shore property on Hayden Island in Multnomah County for a potential land sale to ODOT.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:28 a.m. without objection.

# 4. Elliott State Research Forest: Board Appointment

Director Walker stated that the oversight structure for the Elliott commits the Land Board to strive to appoint members reflecting a full complement of relevant experience or expertise in subjects related to the mission, management policies, and operations of the research forest as well as a demonstrated interest in the success of the program. The now vacant position on the ESRF Board represents forest conservation, biodiversity and wildlife protection interests. The Department has worked within this community and with the Land Board Assistants to identify potential candidates who can represent these interests and subject matter expertise.

She then recommended the Land Board clarify the board term end dates and fill the vacancy on the ESRF Board of Directors by appointing Kaitlin Lovell, subject to a positive background check.

Director Walker then took a moment to recognize the recent unexpected passing of Board member Bob Sallinger, and his commitment to his work on the Elliott State Research Forest.

Secretary Read voiced his thanks to Bob Sallinger and welcomed Kaitlin Lovell.

Director Walker then introduced Kaitlin Lovell who made a short statement

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 10:38 a.m. without objection.

#### **INFORMATIONAL ITEMS**

# 5. Common School Fund Audit Report

Director Walker introduced Lealan Miller with the Department's auditor Eide Bailley to the table to present the report.

Lealan Miller presented the 2024 governance letter and 2024 financial statements and gave an overview of key items as follows:

- Overall process of the audit
- The auditor's opinion
- Highlights from the letter issued to those in charge of governance (the Board)
- The Government Auditing Standards opinion letter

# 6. Real Property Program Annual Report

10:45 a.m.

Director Walker was joined at the table by Deputy Director Chris Castelli and Real Property Manager Amber McKernan (via Zoom) to present the report.

The primary purpose of this report is to provide the State Land Board a year-end summary of the financial performance of the Common School Fund (CSF) trust lands under the Department of State Lands' oversight. Included in the summary were the overall revenues and expenditures associated with these lands, which were the result of a broad range of real property management activities including leases, easements, licenses, special uses, and land sales and exchanges. This annual report presented outcomes from the 2024 fiscal year (July 1, 2023, to June 30, 2024) and included discussion of future real property management direction and priorities.

Treasurer Steiner asked how the decision is made as to which forestlands DSL manages and ODF manages. She also asked, if ODF manages the lands that have timber sales, do the funds still go to the Common School Fund?

Director Walker introduced DSL Forester, Ryan Singleton, to the table to assist in answering questions. Mr. Singleton stated that the overhead for ODF to manage is much higher than for DSL to manage, so DSL tends to manage forestlands that are lower income producers but with higher management costs. However, the funds produced from all forestlands go to the Common School Fund regardless of who is managing. Finally, Treasurer Steiner asked if ODF is predicting lower revenues from timber sales due to the Western Forest Habitat Conservation Plan (HCP) would the same be true of DSL? Mr. Singleton responded that we have 25,000 acres under the Western Oregon HCP and a lot of those will become habitat and will not be manageable in the short term, but it may be a good thing in the long term.

Secretary Read asked if there has been a consideration that the Tribes may be interested in having a role in management of the lands. Mr. Singleton responded that that has not been considered. Secretary Read then asked about grazing fees and if the lessees are aware of the cost formula. Ms. McKernan responded that grazing fees

correlate with market conditions of calf prices and the lessees are aware and can plan for that.

Governor Kotek asked if damage of rangelands from the fire season has affected how they will be used in the future. Ms. McKernan responded that if the land is affected by fire, they tend to reduce grazing the following year by about 25% and that can affect lessees.

# 7. Department of State Lands Director Recruitment Process 11:14 a.m.

Director Walker asked the Departments Communications Director, Ali Ryan Hansen, to the table to present the item.

Ms. Hansen gave an overview of the recruitment timeline and process.

Secretary Read stated that he appreciates the plan to consult with Tribal governments in this process. He also expressed the importance of a proactive approach to public engagement and finding someone with a balance of patience and urgency in the position.

Governor Kotek stated that a proactive nature on rulemaking is also an important attribute.

Treasurer Steiner emphasized the importance of diversity in leadership and asked if a 30-day recruitment would be enough time to ensure a diverse applicant pool.

Governor Kotek responded that they have found with Director hires that they tend to open for 30 days and then extend the recruitment as needed.

A special meeting will be scheduled later this month to discuss this topic further and allow for public comment.

#### 8. Other

Housing Projects on Stevens Road:

1700 homes are being built on the 382-acre western half. The 261-acre eastern half was accepted into the Bend urban growth boundary; under HB 3318, 20 acres are required to be deed restricted for affordable housing, with 7 of those acres requiring priority sale to be given to education providers.

In-lieu land update:

An 80-acre parcel in LaPine has been cleared for transfer to the state from BLM in 2025 for future housing development.

New Elliott State Research Forest Staff: Darren Goodding, Forest Manager Amy Price, Biologist Emma Sloan, Policy & Partnership Coordinator Recruitments for a support staff, Research Coordinator and additional Forester are in process.

The meeting was adjourned at 11:38 a.m.

Tina Kotek, Governor

Vicki L. Walker, Director



# **Department of State Lands**

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#### **State Land Board**

The State Land Board (Land Board or Board) met in special session on February 27, 2025, virtually. The meeting audio and video was livestreamed on the DSL YouTube channel.

Tina Kotek Governor

**Tobias Read** 

Present by Zoom were:

Tina Kotek Governor

Tobias Read Secretary of State

Elizabeth Steiner Treasurer

Elizabeth Steiner State Treasurer

Secretary of State

Land Board Assistants

Geoff Huntington Governor's Office

Dmitri Palmateer Secretary of State's Office Jessica Howell State Treasurer's Office

Department Staff

Vicki WalkerBill RyanEllie FornessKatrina Scotto di CarloArin SmithChris CastelliAli Ryan HansenLinda Safina-Massey

Ted Bright Cait McCusker

Department of Justice

Matt DeVore

Governor Kotek called the meeting to order at 1:00 p.m. The topics discussed and the results of those discussions are listed below. To view the Land Board (Board) meeting in its entirety, please visit our YouTube page: February 27, 2025, Land Board Meeting

# **ACTION ITEMS**

1. Approval of the proposed recruitment framework for the Department of State Lands Director and delegation of authority for the recruitment process.

Director Walker and Ali Ryan Hansen, Communications Manager for DSL, presented the item which included information regarding the framework, recruitment timeline, and delegation of authority of the recruitment process.

Treasurer Steiner stated that she appreciates the comprehensive process that went into forming the job description and criteria because the new director needs to understand the importance of engaging with all of the different stakeholders.

Director Walker stated that she has reached out to Tribes and that she has extended an invitation to meet with Tribal Chairs to discuss the recruitment process.

The Department recommended the State Land Board approve the proposed Director Recruitment Framework, and delegate authority to implement a recruitment process that identifies a final candidate or candidates to Geoff Huntington, Governor Kotek's Land Board Assistant and Senior Natural Resource Policy Advisor.

Secretary Read made a motion to approve the action item.

Treasurer Steiner seconded the motion.

The item was approved at 1:15 p.m. without objection.

Governor Kotek stated that her expectation is that her staff work collaboratively with the Secretary of State and Treasurer's offices to navigate the recruitment process.

Tina Kotek, Governor	
Vicki I Walker Director	

The meeting was adjourned at 1:17 p.m.



# **Department of State Lands**

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State Land Board

Tina Kotek Governor

Tobias Read Secretary of State

Elizabeth Steiner State Treasurer

State Land Board

Regular Meeting April 8, 2025 Agenda Item 2

# **SUBJECT**

Administrative rule for the Elliott State Research Forest

# **ISSUE**

Whether the State Land Board should permanently adopt, by reference, the Forest Management Plan for the Elliott State Research Forest into new administrative rule 141-079 (Appendix A).

#### **AUTHORITY**

- Oregon Constitution, Article VIII, Sections 2 and 5; pertaining to the Common School Fund and land management responsibilities of the State Land Board.
- ORS 273.041; relating to the Department of State Lands.
- ORS 273.045; relating to administrative policies; rules.
- ORS 273.171; relating to the duties and authority of the Director.
- ORS 273.245; relating to State Land Board adoption of asset management plans.
- ORS 530.450 530.520; relating to management of the Elliott State Forest.

# **BACKGROUND**

The Elliott State Forest was established northeast of Coos Bay in 1930 as Oregon's first state forest. This forested landscape is part of the ancestral lands of the hanis and quuiich (Lower Umpqua) peoples. Today, about 83,000 acres now form the Elliott State Research Forest, a nationally important center for forest science research and management that also contributes to conservation, education, recreation, Indigenous culture, and local economies in Oregon.

The Forest Management Plan for the Elliott State Research Forest guides how the lands will be managed to sustain its diverse values, address fundamental research questions regarding working forests in the context of climate change, and achieve the specific ecosystem goods and service outcomes envisioned for the Elliott.

At its October 2024 meeting, the Land Board approved the 2024 Forest Management Plan (Appendix D) with the intent to incorporate the plan into Oregon's Administrative Rules. The adoption of the plan into rule further codifies it and advances public accountability with respect to the Elliott and related Department management actions on the research forest.

# **PUBLIC INVOLVEMENT**

# Forest Management Plan: Public Review and Comment Period

After a multi-year public process to shape the research forest's design and management, the 2024 Forest Management Plan was adopted by the Land Board on October 15 of 2024. People of many different perspectives – including interests of conservation, timber, school funding, recreation, local government, and Tribes – came together to inform this work. This included a public advisory committee process (2018-2023), legislative support for the research forest design (2022), and community engagement in earlier management plan iterations by Oregon State University (2022-2023). Much of this work was carried forward as part of the Department's 2024 management planning effort.

In 2024 engagement opportunities also included four listening sessions, a 40+ day public comment period that received over 400 comments, and board meetings. A summary of key themes, comments, and responses can be found in the 2024 Government Engagement Report (Appendix D) and the 2024 Community Engagement Report (Appendix D).

# Rulemaking Advisory Committee (RAC)

The Department does not convene an advisory committee for rules that codify documents previously vetted through a public review process and approved by the Land Board.

#### Rulemaking: Public Review and Comment Period

The Department took into consideration public comment, as well as input from other local and state agencies, Tribal governments, and affected parties during this rulemaking process. A Notice of Proposed Rulemaking (Appendix B) was filed with the Secretary of State's office on January 30, 2025. The public review and comment period was held from February 3 – March 5, 2025.

The Department emailed a public notice to inform interested parties of the public review and comment opportunity, and House Speaker Julie Fahey and Senate President Rob

Wagner were notified of the proposed rulemaking. All materials were posted to the Department website: <a href="https://www.oregon.gov/dsl/Laws/Pages/Rulemaking.aspx">https://www.oregon.gov/dsl/Laws/Pages/Rulemaking.aspx</a>.

In total, the Department received four comments (see Appendix C), summarized as:

- One commenter expressed support, particularly for the carbon program.
- Two commenters expressed criticism of the active forest management approaches. One commenter expanded on this criticism and expressed concern that the Forest Management Plan aligns too closely with a prior draft developed by Oregon State University (OSU), and assertion that the Department, OSU, and the Land Board share a pro-timber bias.
- One commenter expressed concern about the concurrent development of the Elliott's Operations Plan, and whether adoption of the Forest Management Plan in administrative rules is premature.

The concerns described above were addressed previously and are outside the scope of this rulemaking process.

## RECOMMENDATION

The Department recommends the Land Board permanently adopt, by reference, the Forest Management Plan for the Elliott State Research Forest into new administrative rule 141-079-0001. If adopted, the proposed rule will go into effect immediately upon filing.

# **APPENDICES**

- A. Final Rule
- B. Notice of Proposed Rulemaking including the Statement of Need and Fiscal Impact and Draft Rule
- C. Public Comments and DSL Responses
- D. Forest Management Plan and related materials

#### 141-079-0001

# **Elliott State Research Forest – Forest Management Plan**

The 2024 Forest Management Plan for the Elliott State Research Forest, as promulgated by the State Land Board and the Department of State Lands, is hereby adopted by reference.

[Publications: Publications referenced are available from the agency.]

Statutory/Other Authority: Oregon Constitution, Article VIII, Section 5; ORS 273.041; ORS

273.045

**Statutes/Other Implemented:** ORS 273.171; ORS 530.450-530.520

#### APPENDIX B

# OFFICE OF THE SECRETARY OF STATE **TOBIAS READ**

SECRETARY OF STATE

MICHAEL KAPLAN **DEPUTY SECRETARY OF STATE** 



# **ARCHIVES DIVISION**

STEPHANIE CLARK **DIRECTOR** 

800 SUMMER STREET NE **SALEM, OR 97310** 503-373-0701

# NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 141 **DEPARTMENT OF STATE LANDS** 

# **FILED**

01/30/2025 9:03 AM **ARCHIVES DIVISION** SECRETARY OF STATE

FILING CAPTION: Codify the 2024 Elliott State Research Forest Management Plan into Oregon Administrative Rules.

#### LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 03/05/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.

CONTACT: Danielle Boudreaux 775 Summer St NE Filed By:

503-798-6846 Suite 100 Danielle Boudreaux Salem.OR 97301 **Rules Coordinator** dsl.rules@dsl.oregon.gov

#### **NEED FOR THE RULE(S)**

This proposed rule intends to advance public accountability with respect to the Elliott State Research Forest (ESRF), its Forest Management Plan (ESRF FMP) and related Department of State Land management actions on the forest. In 2022 (SB 1546) the Oregon Legislature advanced statutory direction for creation, oversight and public accountability with respect to the Elliott State Research Forest. This statute was nullified without Legislative action in 2023 due to noncompliance with specified timelines for statutory enabling actions. The State Land Board subsequently determined to continue creation of the ESRF. It advanced actions in 2024 to do so consistent with the Legislature's 2022 policy direction, to the extent authorized by Land Board and Department of State Lands legal authorities. This included adoption of the ESRF FMP with related public accountability commitments in October 2024.

#### In the ESRF FMP, the Department stated:

"DSL also wants to clarify its intention to ensure accountability with respect to the FMP and related DSL management actions on the forest. Assuming this proposed FMP is first adopted by the State Land Board, the Department intends to incorporate the FMP into a formal Oregon Administrative Rule for subsequent adoption by the Land Board." (see ESRF FMP Introduction p.3, see also Ch. 2-28)

Consistent with the Land Board's adoption of the FMP, the proposed rule follows through on this commitment. By incorporating the ESRF FMP into an Oregon Administrative Rule, public accountability in the ESRF's management will be advanced in a manner envisioned by the Legislature in 2022, by the Land Board in 2024, and by the underlying collaborative planning process that resulted in the ESRF.

Rule adoption would require the Department to review the ESRF FMP at a 5-year period pursuant to ORS 183.405 (relating to administrative rule review) and report to the Land Board, with the report addressing the effects of the FMP including but not limited to:

• Whether the FMP had the intended effect;

- Whether the anticipated fiscal impact of the FMP was underestimated or overestimated;
- Whether subsequent changes in the law require that the FMP be repealed or amended;
- Whether there is continued need for the FMP; and
- What impacts the FMP has had on small businesses.

#### DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

Elliott State Research Forest Management Plan https://oregonstatelands.box.com/s/ek7a89ennz7ggumm35hhsb954k3t5k3q

#### STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

The Oregon Department of State Lands is committed to the fair, just, and unbiased treatment of people of all races. Actively identifying and addressing inequities to ensure inclusive public service is one of the Department's five core values.

Evaluating who a proposed administrative rule will impact, and how the rule may impact some groups of people differently than others, is essential to providing equitable service. During the ESRF FMP's development and public engagement (including public review and comment period), the Department examined the following to ultimately determine potential impacts on racial equity:

What persons and groups are subject to the rule?

Several groups are affected by the rule, they include: Federally recognized Tribes of western Oregon, local and regional forest contractors and mills, research institutions, state agencies, conservation interests, recreational users, and other local communities, governments and organizations.

What issues is the rule seeking to address? Which racial groups are likely to be affected by those issues?

The rule seeks to formalize components of the ESRF FMP and ensure public accountability. While the proposed rule and ESRF FMP are designed to apply broadly and non-discriminatorily, Indigenous and Latino communities may experience unique and disproportionate effects due to historical and structural inequities. These groups are more directly connected to the forest through labor, governance, and cultural practices, and the ESRF FMP seeks to acknowledge and address these dynamics.

Ultimately, what impacts may this rule have on racial equity?

This rule may positively address racial inequity in Oregon.

- o Available data indicate that Latino engagement in the labor-intensive forest workforce is proportionally high, and that Indigenous and Tribal engagement in forest governance and management is proportionally low. The Elliott State Research Forest FMP has an intended positive effect on these two engagement dynamics. This rule may support the labor-intensive forest workforce through increased job availability, forest management contracts and related activities. Since approximately 2013, these opportunities have been very low overall due to reduced management activities on the forest.
- o Indigenous peoples, Tribal Nations, and their members may also see intended positive effects of this rule through the ESRF FMP's specific provisions and intentional opportunities to integrate Indigenous interests in research practices, costewardship of forest resources, cultural uses, and co-generation of other opportunities on the ESRF. The ESRF FMP

contains relevant provisions and intentional language across several chapters, including principles for working with Indigenous Knowledges and Partnering with Tribal Nations and Indigenous peoples developed by the OSU College of Forestry's underlying work (FMP, Ch. 3.1.2, p. 3-3).

#### FISCAL AND ECONOMIC IMPACT:

The Department of State Lands will be fiscally affected by the adoption of the ESRF FMP, both positively through the generation of revenue from timber production and carbon contracting, and negatively through costs associated with protection measures, monitoring, maintenance and improvement to the forest as described in the ESRF FMP. Impacts to the Department have been contemplated by the Oregon State Legislature, and by the ESRF Board of Directors through community and Government-to-Government engagement, general public review and comment, and finally by the Oregon State Land Board prior to adoption of the ESRF FMP.

The proposed rule is not expected to have an economic impact on any other state agencies, local governments, or the public.

#### COST OF COMPLIANCE:

- (1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).
- (1) No state agencies other than the Department will be fiscally or economically impacted directly by the rule. The ESRF FMP identifies partnership opportunities and areas of Department engagement with other state agencies, but it does not create obligations or unfunded mandates upon those agencies. In addition, while the ESRF FMP's implementation is likely to create enhanced economic activity and related benefits at the local level, the rule does not create any obligations or direct restrictions on local government or the public. The Department does not anticipate a negative economic effect to units of local government or members of the public through the adoption of this rule.
- (2)(a) There are no types of small businesses that are subject to this rule. This is not a regulatory rule that requires reporting or involuntary compliance by a small business.
- (2)(b) This is not applicable as there is no required reporting, recordkeeping or administrative activities being imposed by the rule on small businesses. The rule codifies a management plan for a block of state-owned land. There may economic opportunities for small businesses through the implementation of the ESRF FMP, including but not limited to:
- Timber harvest, haul out and wood products manufacturing;
- Forest and road maintenance;
- · Habitat restoration projects;
- · Research, and monitoring work;
- Recreation, education, and/or eco-tourism opportunities; and
- Enhanced use of the local contracting, hospitality, amenity, or other business sectors associated with the above activities.
- (2)(c) There is no expected increase in administrative costs on small businesses from the implementation of this rule. This is not a regulatory rule imposed on a group or industry. It is the adoption of a management plan for a block of state-owned land.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

#### APPENDIX B

Review and input from small businesses was solicited by the Department through the ESRF FMP process. This included:

- Inclusion of local small business interests as well as community leaders on the Elliott State Research Forest Advisory Committee and the Elliott State Research Forest Board of Directors, whose input and views shaped the ESRF FMP.
- Direct engagement of small businesses in the development of FMP content related to timber production, research, habitat restoration, and financial viability review.
- Public outreach, engagement, and comment opportunities on the ESRF FMP that reached small businesses and included meetings in local communities and with staff and/or boards of local entities that include business interests.
- Exposure of small businesses to the ESRF FMP and engagement opportunities through public meetings of the ESRF Board of Directors and State Land Board, including public comment periods.

#### WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

Robust outreach and engagement occurred in the ERSF's formation and FMP's development through ESRF advisory committees and a Board of Directors. These entities included representation from interests including conservation, forest products, recreation, school association, research / education, as well as Tribes, local governments, and the public at large. Advisory committee and Board meetings were publicly noticed, open to the public, and included public comment periods. The Department also directly engaged state and federal agencies in the FMP development process. Further, the ESRF FMP was developed and revised through a 60-day public review and comment period, which included three public meetings held in Salem and Coos Bay, as well as virtual participation options. More information on the development of the ESRF FMP can be found here: https://www.oregon.gov/dsl/Pages/Elliott.aspx

ADOPT: 141-079-0001

RULE SUMMARY: Incorporation of the 2024 Elliott State Research Forest Management Plan, as adopted by the State Land Board, into Oregon Administrative Rules for purposes of advancing public accountability.

**CHANGES TO RULE:** 

#### 141-079-0001

Elliott State Research Forest - Forest Management Plan

The 2024 Forest Management Plan for the Elliott State Research Forest, as promulgated by the State Land Board and the Department of State Lands, is hereby adopted by reference.¶

[Publications: Publications referenced are available from the agency.]

Statutory/Other Authority: Oregon Constitution, Article VIII, Section 5, ORS 273.041, ORS 273.045

Statutes/Other Implemented: ORS 273.171, ORS 530.450-530.520

# **OAR 141-079 Rulemaking Public Comments** and Agency Response



# **Comments & Agency Response**

The comment period was open from February 2, 2025, to March 5, 2025, at 5:00 p.m. The Department received four comments in total, three of which were submitted via an online form and one via email as a PDF.

Please note that comments are presented in the order they were received by the Department, with the most recent comments listed first. Comments that were received via PDF are attached at the end of the document.

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# Doug Pollock, Friends of OSU Old Growth – March 5, 2025 (PDF letter via email)

Comment: Please see the attached PDF (pages 4-11 of this appendix) for the full letter and comments.

Agency Response: The Department thanks you for your comments and interest in the Elliott State Research Forest. The State Land Board adopted the Forest Management Plan at its October 2024 meeting, at which time the plan was put into effect. While it appears the commenter did not advance these or any comments during the public comment period for the Department's Elliott State Research Forest (ESRF) - Forest Management Plan (FMP), the Department did receive many comments reflecting similar input and addressed them it its response to comments and FMP revisions at that time. The commenter references several of these comments and the Department's responses in his comments.

The current rulemaking process is focused on whether the FMP should be incorporated into the Oregon Administrative Rules, which the Department's 2024 FMP proposed to do contingent upon FMP adoption by the Land Board. This rulemaking process is not for the purpose of supplanting or re-opening the FMP public process conducted by the Department in 2024 or the related Land Board decision that concluded that process (i.e., the October 2024 decision to adopt the ESRF FMP).

The commenter's points focus on underlying disagreement with Oregon State University's earlier FMP (and with OSU College of Forestry management in general), the belief that the Department's adopted FMP did not revise or deviate from OSU's approach enough, criticism of the ESRF active forest management approaches (as adopted in the FMP), and the assertion that OSU, the Department, and the Land Board have a pro-timber bias (as reflected in the ESRF FMP). These points, whether raised by the commenter now or instead by others who did so through comments during the 2024 FMP process, were addressed by the Department during that process and reflect dissatisfaction with the 2024 FMP decision adopted by the Land Board. Even if the Department and Land Board chose not to incorporate the 2024 FMP into rule now, the commenter's criticisms would still remain since the 2024 FMP was adopted through a public process that is now closed. That said, incorporation of the 2024 FMP into administrative rule commits the Department to a 5-year periodic review of the FMP and evaluation of criteria relevant to the commenter's concerns. As part of the October 2024 Land Board FMP decision, the Department committed to appearing before the Land Board in October 2025 with an update on the FMP, the status of issues that are placeholders in the 2024 FMP decision, and potential proposed revisions at that time. The commenter's points are relevant to the FMP and can be brought into that effort.

# Fergus McClean, Sierra Club, Oregon State Grange – March 5, 2025 (via online form)

#### Comment:

It would be premature to adopt the Forest Plan as administrative rules at this point. With brandnew staff and the first, improvisional Operations Plan only begun, it is far from clear how the structure inherited by current research forest participants will play out.

Considering the intended ennabling legislation for the new forest, SB1546, went down in flames when the chief agent in the process, OSU, withdrew, leaving a theoretical and operational vacuum for overwhelmed DSL staff to attempt to fill- with much of OSU's previous work called into question- the fat lady is not yet ready to sing.

Agency Response: The Department thanks you for your comment and interest in the Elliott State Research Forest. The State Land Board adopted the Forest Management Plan at its October 2024 meeting, at which time the plan was put into effect. This rulemaking codifies the plan into administrative rule. Doing so will ensure this new rule is reviewed by the agency no later than five years from adoption. The agency will analyze whether the rule, and in this case the codified Plan, meets its intended effect. This allows the adaptation of the Plan as needed, and address the commenter's concerns, all of which the Department believes will ensure accountability.

# Mary Love – March 4, 2025 (via online form)

#### Comment:

Clear cutting and logging should be a no-go as the area should be preserved for cultural and ecological heritage. Any research should be on the pretext and for purposes of preservation in perpetuity of the environment and development of the public interest and education of the ecology and sustainable uses of the forests and its non lumber related agricultural products.

No to clear cuts. No to bunk research. No to work arounds for corporations. Create jobs and enhance the economic relationship to the forest in researching models of applied forest education and researching potential medicinal uses of specimens unique to old growth forests. Do not rely on logging for economic growth, there are alternatives.

Agency Response: The Department thanks you for your comment and interest in the Elliott State Research Forest. The State Land Board adopted the Forest Management Plan at its October 2024 meeting, at which time the plan was put into effect. This document articulates the State Land Board's vision for the Elliott as providing for multiple forest benefits, including recreation, education, conservation, carbon sequestration, timber production, and a variety of types of forest research. Further, the Plan outlines Tribal partnerships, ecological and cultural values, and recreation and education principles, as well as next steps. This rulemaking codifies the Plan and its contents into administrative rule.

# Barb Shamet - February 3, 2025 (via online form)

#### Comment:

Hi, thank you for your work regarding the Elliott Forest adjacent to where I have lived for the past 50 years, I understand the Elliott is now in a Carbon Credit Program securing its safety and contributing to it's longevity and true worth to our state, our country and our planet. I understand also that 95% has been secured in the old growth stands while providing \$9 million dollars in 10 years to sustain forest management. Good. As long as the public sees this and remains true we, the people of the state of Oregon who fought for its Conservation will remain grateful, likewise, if we see the old trees getting chipped away there will be public outcry once again, We remain committed to the Conservation efforts this forest provides and will remain vigilant as well in its defense. Thank you again for your work, Sincerely Barb Shamet, Allegany Oregon, 97407, phone [redacted]

**Agency Response:** The Department thanks you for your comment and support of the Elliott State Research Forest.

#### APPENDIX C



March 5<sup>th</sup>, 2024

To: Brett Brownscombe, Oregon DSL

Cc: Oregon Land Board

Elliott State Research Forest Board

Vicki Walker, Oregon DSL

Shannon Murray, OSU

Thomas DeLuca, OSU

RE: Adoption of the ESRF Forest Management Plan into OAR 141-079

From: Doug Pollock, founder, Friends of OSU Old Growth (www.friendsofosuoldgrowth.org)

#### Dear Mr. Brownscombe,

In November of 2023, I submitted extensive comments concerning Oregon State University's *draft* Forest Management Plan (FMP) for the Elliott State Research Forest (ESRF) — which I've resubmitted as reference for the current public input opportunity. I do this because many of the concerns I articulated in my previous testimony were clearly NOT incorporated in DSL's review and rewriting of the OSU FMP. It is disappointing to see that many of the underlying faults in the original plan remain unchanged.

My sense is that you and your DSL colleagues took a procedural approach and figured that it was beyond your purview (or legal obligation) to wade through the past public criticism of the OSU FMP. Regardless of intent and the constraints of your process, it is a disservice to everyone involved to limit your review to the relatively limited number of comments received in response to DSL's draft FMP for the ESRF (included in your "Community Engagement Report") - especially when the public has already provided extensive critique of the prior FMP. While DSL has clearly invested substantial efforts in changing the FMP approach, most of the underlying forest management structure (and its egregious shortcomings, courtesy of OSU) remain.

You and the Oregon Land Board must also recognize the shortcomings and challenges of having multiple public review periods (over the course of many years), dealing with a series of complex, jargon-laden, technical documents (in addition to the many public meetings and presentations, including those of OSU, the previous Elliott Advisory Committee (EAC), and the Oregon Land Board). The overwhelming majority of Oregonians grew weary of all of this bureaucratic proceduralism long ago – and understandably so!

In reviewing the current state of the ESRF process and DSL's response to the prior FMP comments, I will focus on elements that were missed, dismissed, or inadequately addressed. It is incumbent on DSL and the Oregon Land Board to ensure these issues are addressed *before* the FMP can be codified in the OAR.

I will begin by reminding you of the original vision for an Elliott State Research Forest: to create a world-class public research forest. The specific details of what a "world-class public research forest" looks like have been articulated in various forms. Without getting into the details, it is important to note that nearly all of the definitions have come from entities or individuals which have a long history of timber industry funding and influence. As Rob Davis exposed in his ground-breaking 3-part series "Polluted by Money", Oregon has the highest per capita funding of politicians by

corporations in the nation! The enormous undercurrent of timber-industry funding and influence has corrupted nearly all of the elected officials and public servants involved in the Elliott process (from the Oregon Land Board, to the "Cheryl Ramberg Ford and Allyn C. Ford Dean of the College of Forestry", to the current DSL director and most of the senior DSL staff).

The Oregon Department of State Lands has a long and deep history of "pro-timber" bias, as anyone who has followed the Elliott issue knows. DSL's past decision to sell off a choice parcel of old-growth forest (East Hakki Ridge) in the Elliott to a timber company (Seneca Jones) not only resulted in the Oregon Supreme Court ruling the sale was illegal, it also greatly diminished public trust in the agency. Going back a bit further, in 2009, DSL made a controversial decision to sell more than 600 acres of old-growth in the McKenzie Watershed, to Giustina Resources. The <u>resulting land exchange</u> was clearly a "sweetheart deal" for the timber company. It also exposed glaring conflicts of interest and unethical decisions by DSL staff. These are only a few examples from DSL's checkered history of stewardship of our public lands.

Given this backdrop of timber-industry collusion, how can Oregonians have any faith in this bureaucratic institution and the processes it has created? It is completely understandable that many Oregonians are deeply cynical when it comes to the involvement of OSU, DSL, and the Oregon Land Board in establishing a "world-class public research forest". If state leaders had really intended to create a world-class entity, they would have bent over backwards to ensure independence, rather blessing Director Walker's <a href="heavily-biased">heavily-biased</a> (pro-timber) Elliott Advisory Committee. As one College of Forestry veteran (and original member of OSU's Elliott team) told me years ago, "the process was baked from the start" (by intentionally prioritizing timber production behind a facade of scientific research).

Here are some specific examples (deficiencies) in the current FMP when it comes to pro-timber bias:

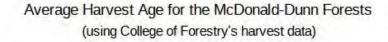
First and foremost is the stubborn insistence on perpetuating clear-cut forestry across vast swaths of the ESRF under the guise of "intensive" management. Let's be clear: **THERE IS NO RESEARCH RELEVANCY TO PERPETUATING CLEARCUTTING IN A WORLD-CLASS PUBLIC RESEARCH FOREST!** Clearcutting has been going on for roughly 400 years in our country (and a millennium before that in Europe). Weyerhaeuser and their competitors have already perfected their extractive forestry practices far beyond the ability of OSU, DSL or some new ESRF board to add to their expertise. Besides, OSU has already clearcut (and supposedly studied said clearcutting of) our public "research forests" for several generations. What more is there to learn through continued clearcutting?

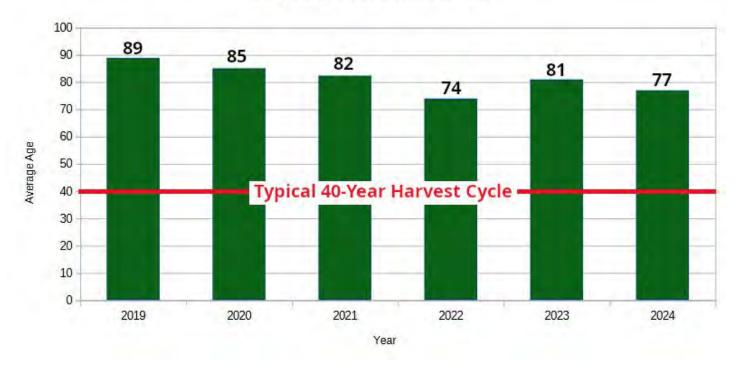
If you're going to claim that clearcuts are needed in perpetuity (as the FMP implies), then you are obligated to provide a substantial justification and detailed description of what you intend to research in these sections of land you intend to rape over and over again. Otherwise, your entire research enterprise is a joke! I ask this question with all sincerity: Please articulate in detail what specific research will be done in the future clearcuts planned for the Elliott. Why does a substantial portion of this "world-class public research forest" need to be relegated to perpetuating the worst practices of industrial forestry (if not to simply appease your timber-industry sponsors)? Remember, the debt to the Common School Fund (\$221M) has been paid by Oregonians! And while you're at it, please explain how these clearcuts will meet the pressing needs of society.

The lack of specifics concerning "ecological forestry practices" to be utilized in the ESRF is also a big, glaring deficiency in the current FMP. It is not nearly enough to simply refer to the textbook, "Ecological Forestry Management" (by Johnson, Johnson, and Franklin) and state that you intend to follow their guidelines! If you've read the book, you'd know that it covers a wide spectrum of forestry practices (it's not a "recipe" to follow).

It is also important to point out that OSU was very reluctant to use the term "ecological forestry" in their research plan and other documents and presentations concerning the ESRF. My sense is they understood that an honest employment of ecological forestry practices would impose significant constraints on their intended logging. You cannot simply follow a uniform prescription (e.g. leave 50% of the trees in a stand) and call it "eco-forestry". Ecological forestry, if done correctly, is far more nuanced and holistic in nature. It is also anathema to nearly every timber company - and OSU leaders, who are supporting the destruction of our older public forests under their stewardship (see, "OSU Leaders Reprimanded for Outdated Forestry Practices – Do Any of them Care?!"). As a recent analysis of OSU's timber harvests

shows, our "nation's leader in forestry education" is cutting trees on average that are 83 years old – more than twice the industry average!





All of this is to say that it is exceptionally naive for DSL to simply maintain (in the FMP) that ecological forestry practices will be demonstrated in the ESRF. When the underlying research plan for the ESRF (developed by OSU and adopted by a previous Land Board) is based on an antiquated "working forests" plan, the public must understand (and DSL must admit) that there is little basis to believe ecological forestry practices will be correctly demonstrated in the ESRF. Indeed, there is a great deal of evidence to the contrary! If you honestly believe otherwise, then please provide extensive documentation outlining exactly how and where ecological forestry will be implemented in each section of the ESRF.

This leads us to the underlying purpose of creating this "world-class public research forest". What specific "research needs" (of society and industry) do you envision the ESRF will address? I have yet to see any effort (serious or superficial) aimed at articulating the fundamental underlying research needs to be met by the ESRF. Page A-91 of the Community Engagement Report (CER) contains an immensely important concern from the Sierra Club Oregon Chapter (SCOC) on this topic:

"It is unclear from our review of the FMP whether DSL is prepared to commit the time and resources necessary to achieve the "problem analysis" goals which Dr.'s Franklin and Johnson so powerfully articulated: "The problem analysis is critical to identify the important issues relevant to managing Oregon's forest that OSU COF can address on the Elliott Forest. Such a document would provide a systematic approach to identification, review, and prioritization of potential research topics for the OSU program. It would be the basis for identifying the research, including experiments, necessary to address those issues. Examples of the scientific issues that need consideration are development and demonstration of approaches to creating managed forests that are more resilient in the face of disturbances, such as wildfire, and climate change, and techniques to better integrate forest management with restoration of salmon populations." Without this important, underlying "problem

analysis," the entire premise of a research forest lacks meaning and relevance for the society which must support it and which stands to benefit from it. "

DSL responded to this SCOC comment as follows:

"DSL feels the underlying 6+ years of ESRF development have involved a significant amount of analysis relevant to the "problem analysis" commenter speaks to here. This includes analysis, materials, and discussions through the Advisory Committee process (involving conversations with and input from Dr. Franklin and others), OSU's work on the original research proposal and its FMP process, and refinements of the research design and ESRF approach over time including this proposed FMP."

**DSL's dismissive response is completely inadequate and misses the entire point which Dr. Franklin so clearly articulated!** The "6+ years of ESRF development" that you refer to have had very little to do with the research needs of industry or society. OSU's default position seems to have been that their "working forests" research plan (which is based on a 30+ year-old antiquated model called "Triad") encompasses all of the relevant "research questions". But time and time again, the public and experts alike have exposed the egregious bias and shortcomings of OSU's approach.

"Activities on the ESRF should begin with development of a problem analysis to identify what research and experiments are needed to address problems of importance to Oregonians. The current document "puts the cart before the horse" by proposing a major experiment before conducting such an analysis and without developing on-the-ground familiarity with the property. In addition, the experiment OSU has proposed is badly flawed, compromises development of the long-term research potential of the forest, and lacks significant relevance to management of Oregon's forests. The proposed experiment violates basic principles essential to production of statistically valid and socially convincing outcomes. Furthermore, the focus on Triad, an academic concept related to land allocations at regional scales, has no relevance to pressing forestry issues facing Oregonians." (Dr. Jerry Franklin's critique of OSU's approach to the ESRF – which DSL seems to be ignoring).

Here are a few examples: OSU's marbled murrelet "research plan" was based on cutting older stands and seeing how much disturbance the imperiled birds would tolerate. It was a plan that even some of OSU's MAMU experts privately admitted had little scientific relevancy — and was a thinly-veiled gift to the timber industry (which wanted to cut the older stands). Thankfully, you've come to your senses and removed this pseudo research aimed at cutting older stands!

The broad reliance on "intensive" (clearcutting) forestry has little or no research relevance for industry. If DSL maintains that these logging operations are a key solution to the "research problem analysis", then please explain what specific research needs (articulated by industry and/or society) the clearcutting will meet.

In past surveys and throughout the thousands of public comments submitted to both OSU and DSL, Oregonians have overwhelmingly expressed their desire for protecting older forests, supporting recreation, and implementing ecologically-sound forestry practices. They have also expressed great disdain for the perpetuation of industrial forestry practices, such as clearcutting, slash-burning, and spraying of herbicides. Yet these concerns are barely mentioned in the FMP! How do reconcile the obvious hypocrisy and conflicts of interest inherent in your "industrial forestry" approach to operating a "world-class public research forest"?

It seems obvious to me that you just don't understand (or are intentionally ignoring) the kind of fundamental problem analysis that Dr. Franklin has laid out — and which is absolutely necessary for the establishment of a "world-class public research forest". I strongly suspect it is because you and your managers (all the way up to the Land Board) realize that embarking on an objective assessment of the relevant research needs would render the underlying "research plan" largely irrelevant. It would also delay implementation of your "research" (logging) plan - and the associated revenue.

OSU and DSL should have undertaken Dr Franklin's problem analysis as a first step in the process (more than six years ago). They didn't do that for a host of reasons (arrogance, lack of understanding of how to set up a truly world-class research entity, and STRONG timber-industry bias, among others). The evidence of procedural bias is everywhere you look, not just in the RFP and FMP (which were widely rejected by Oregonians), but throughout the Elliott process. It was evident in Director Walker's overt bias (in her selection of EAC members with a strong timber industry bias). It was clear from the many efforts directed at minimizing public participation (ranging from their stubborn refusal to provide video recordings of meetings, to their reluctance to share critical documents, to the refusal to provide contact information for their so-called "Scientific Advisory Panel"). It was abundantly evident in the early versions of OSU's Elliott plans (which presented a very simplistic set of three draconian harvest scenarios, developed by John Sessions, an OSU professor with a long history of pro-timber bias). It is also evident in the current Biennial Operations Plan (BOP), which was reportedly developed in collaboration with a staunch timber-industry ally.

On Page A-14 of the CER, Sierra Club Oregon Chapter correctly drew attention to the need for elected officials (NOT appointed bureaucrats) to establish the governance structure of the ESRF:

"With DSL now assuming oversight of the ESRF, we see an opportunity to revisit and reset some of the underlying assumptions that were embedded in the previous RFP and FMP documents. We urge DSL and the Elliott Board to apply the following guiding principles: The governance structure of the ESRF must be thoroughly revised to align with democratic principles. Members of the Elliott Authority Board, the Scientific Advisory Committee, and leadership positions must be chosen and appointed by our elected officials, not DSL. The Land Board must have the authority to choose their own, independent candidates for these important positions."

#### DSL responded to the SCOC comment as follows:

"Pursuant to the Oversight Structure adopted by the Land Board in April 2024, the Land Board does have the authority and responsibility to choose and appoint ESRF Board of Director members. Members of other governance bodies and staff would be advanced by the Land Board's administrative agency arm (Dept. of State Lands) subject to ESRF Board of Director engagement and oversight, public engagement through the ESRF Board and other processes, as well as overall Land Board oversight of DSL.

While the Land Board may have the authority and responsibility to choose and appoint future ESRF board members, it is important to remember this was NOT the case in the past (when the DSL director advanced *her* candidates for the initial board – including two regressive members of the same Douglas County timber family). The DSL director has shown exceptional pro-timber bias time and time again (as anyone who has studied the details of her communications and decisions knows). She and her staff should absolutely not be allowed to further taint the process by, for example, choosing members of the so-called "Science Advisory Panel" for the ESRF! These kinds of decisions just don't pass the "smell test". It is up to our elected officials (the Land Board) to ensure that these processes are conducted with the utmost transparency and fairness. This precludes ALL DSL staff from choosing or appointing members of planning and oversight bodies. DSL is anything but an objective, neutral party (as demonstrated by their long history of pro-timber bias).

From the answers provided by DSL in various sections of the CER concerning which institution will play the lead research role in the ESRF, it appears that DSL is still considering having OSU (and, in particular, its College of Forestry) play a leading role in the ESRF. This would be an absolute disaster for the future of this public research forest! In its current, multi-year planning process for the McDonald-Dunn, the dean and his associate deans have squandered public trust. The dean violated the collaborative commitment for forest planning given by his predecessor by selecting members of his so-called "Stakeholder Advisory Committee" (SAC) behind closed doors. Members of the public were not allowed to apply to serve on the SAC, nor were we notified about the selection process. OSU's four public planning meetings were

characterized by inept, biased presentations and poor planning. You can read accounts of the public outrage (and the many lies promoted by the dean and his associates) in the following articles:

#### OSU Feels the Heat of Mac-Dunn Forest Planning Ire

#### OSU Pummeled at Public Forest Input Session Because They Should Be

The dean has also enraged the public by his many efforts at spreading false narratives about OSU's destructive logging, including last year's 'Woodpecker Harvest" (in which trees up to 150 years of age were cut in a popular recreation area near Corvallis). The dean and his marketing folks falsely tried to justify the cutting based on establishing oak savannah habitat and promoting Tribal values. His open disparagement of members of the public who were concerned about the logging reflected very poorly on OSU and the College. For a detailed analysis of the many lies and misleading statements provided by the dean and his marketing minions, refer to:

# Refuting OSU's Blatant Forestry Misinformation

The dean and his staff were also complicit in the <u>secret 2023 sale of 176 acres of older public forest</u> to one of OSU's largest timber-industry donors (Starker Forests) for \$446,000 (a small fraction of it's timber value). Neither the dean, his associate deans, nor OSU leaders, have not been willing to answer many basic questions surrounding this divestment of older public forests. Their utter lack of integrity and transparency shows that OSU and College leaders simply cannot be trusted.

I have included these references to the unscrupulous behavior of College of Forestry leaders and their mismanagement of our public research forests because I want you (and everyone involved with the ESRF) to understand that OSU's involvement in the management of the ESRF would irreparably poison it. While there are many great researchers and staff at OSU, the College of Forestry is rotten at the core. The 2019 old-growth cutting controversy, and the current dean's stubborn unwillingness to change the College's staunch pro-timber bias are permanent stains upon our public university.

Page A-34 of the CER contains SCOC's comments concerning changes to the "reserves" within the ESRF:

"Reserve areas within the ESRF must be off-limits to ALL timber harvesting, immediately and in perpetuity. The move to allow "treatments" within the conservation reserve areas (now targeted for 30 years) fundamentally violates the very premise of a "reserve". We have no confidence that such treatments would be limited to a so-called "light-touch" approach."

#### DSL responded as follows:

"The allowance of restoration thinning treatments in the Conservation Research Watershed (CRW) and MRW Reserves has been part of the ESRF design since its inception, including original Advisory Group agreements, and is not something newly advanced by this FMP. These treatments are limited to only younger, homogenous plantation stands of <65 yrs as of 2020. DSL disagrees that such restoration treatments are contrary to the term "reserve". Instead of managing these plantation stands for continued timber harvest outcomes (i.e., continued repetition of intensive, clearcut management), which DSL could have pursued including under Alternative 4 of the proposed HCP, the CRW and MRW Reserves have been reserved from the timber harvest-oriented allocations on the forest. Treatments in these areas must be advanced for habitat restoration not harvest-driven revenue purposes, and while cut trees can be sold commercially, this is as a byproduct of conservation-based management."

Page A-88 of the CER contains Cascadia Wildlands et. al.'s (CW's) comments concerning this same topic:

"We are deeply concerned that protections for the CRW appear to have been substantially weakened in the FMP. The CRW is a foundational part of the Elliott Plan. It was one of the earliest components of the plan and helped set the stage for negotiating other more difficult issues. Stakeholders and the public repeatedly heard OSU and the DSL compare the CRW to wilderness areas within the Oregon Coast Range. The only harvest activities allowed within the CRW are restoration harvests designed to set plantations under 65 years of age on a more complex and diverse trajectory. OSU repeatedly assured stakeholders that the entrees would primarily be "light touch" and driven solely by the goal of creating healthier, more complex stands. The work was supposed to reflect natural disturbance regimes. The FMP now includes specific numeric targets for restoration harvest that have nothing to do with the goals of a restoration thinning and which, contrary to the light touch presented previously by OSU and DSL, moves the approach towards the clearcutting end of the spectrum. The FMP currently proposes the 40% of restoration harvests range from 20-40% retention, 40% of restoration harvests range from 40-60% retention and 20% of restoration harvests range from 60-80% retention. This is completely contrary to assurances given to stakeholders over the course of this multi year process and contrary to the objective of the CRW."

I share the concerns expressed by both SCOC and CW, and I also find the DSL response utterly inadequate. As someone who sat through most of the EAC meetings and many of OSU's presentations over the past 6 years, I can state unequivocally that the aggressive "restoration thinning" now planned for the Elliott reserves is completely inconsistent with what was routinely promised in the past. Time and time again, we were told that any cutting would be done with a "light touch". We were assured that the only reason for this would be ecological or habitat restoration, and that it would only occur ONCE within the first 20 years (and NEVER after that).

We now see that logging in the reserves will be allowed for the first 30 YEARS. We also see varying amounts of thinning, ranging from 20 to 80% retention. In addition, the "Biennial Operating Plan" (BOP) for the ESRF (AppendixC\_TimberSaleVolume\_Revenue Summary.pdf) shows 741 acres of "Rest. Thin." (which appear to be "restoration thinning", though it is unclear if these are in the CRW areas). These restoration thins list a retention rate of 50%. All of this is the OPPOSITE of "light touch" and the very idea of a "reserve"!

The dictionary defines "reserve" as follows:

"Reserve: an area of land set aside and protected for the conservation of wildlife and natural features, essentially a protected area where animals and plants are given special protection."

Contrary to DSL's assertions, these extensive "restoration thinnings" are COMPLETELY INCONSISTENT with the common understanding of a forested "reserve"! They are also contrary to the "best available science related to conversion of younger plantation stands to beneficial habitat conditions" you refer to! How do you define "beneficial habitat conditions"? Which species benefit and which are adversely impacted? It is well understood that extensive thinning (even 30-40%) has a considerable drying effect. It greatly increases evaporation (and heat) due to increased air flow, sunlight, and the albedo effect. This radically changes the conditions of the forest and soil microbiome. The extensive thinning you are now endorsing in the reserves will also increase predation for endangered species (like northern spotted owls, marbled murrelet, and red tree voles) which depend on a closed canopy or thicker forest for their protection. This is important even though these younger stands in the reserves may not qualify as NSO or MAMU habitat (as the birds don't stay within their officially designated habitat!).

For DSL to insist that these "restoration thinning treatments" were somehow "allowed" as part of the CRW and MRW reserves from the inception of the ESRF design is completely disingenuous! The public and conservation community were never told that such extensive logging would occur within the reserves – in fact, it was quite the opposite! You are completely betraying public trust by now ramming through this radical change. If Bob Sallinger were still with us, he'd be reading you all the riot act! The fundamental agreement and support of the conservation groups that were party to the Elliott proceedings was based on the understanding of a large portion of the Elliott being placed in a reserve. The same holds for the public at large (who were assured that roughly 40% of the Elliott would be "off limits to logging"). It is really unconscionable of DSL to now maintain these extensive thinning projects were part of the plan from the start. This is clearly an attempt to impose an antiquated "active management regime" (courtesy of OSU and their timber-industry allies) upon the Elliott Reserves. Shame on you for supporting it! Your statement that, "Treatments in these areas must be advanced for habitat restoration not harvest-driven revenue purposes, and while cut trees can be sold

#### APPENDIX C

commercially, this is as a byproduct of conservation-based management." is both hypocritical and absurd. You've clearly been drinking the "College of Forestry Kool-aid"!

One aspect of the FMP which I do see addressed in the CER concerns limitations on steep-slope logging. Much of the ESRF is composed of relatively steep slopes which really should not be logged at all (at least if you care about preventing landslides and protecting watersheds). The extreme rain events of 1996 caused unprecedented landslides throughout the Oregon Coast Range. A subsequent <u>study</u> by the Oregon Department of Forestry found up to 24 landslides PER SQUARE MILE! At roughly 144 square miles in area, this would equate to 3,456 landslides in the ESRF. With climate change, there is every reason to expect similar (or worse) events in the future. I struggle to understand how a "world-class public research forest" in an area with heavy rain and steep slopes (and a history of severe landslides) can essentially ignore the impacts of steep-slope logging. This is not consistent with the vision for the ESRF!

I have similar concerns about the lack of focus in the FMP concerning the adverse impacts of slash-burning and herbicides — both of which expose the public to substantial, long-term health impacts. Slash-burning is generally NOT necessary in the relatively moist conditions of the ESRF. It is also at odds with the health of the soil. Herbicide spraying should be avoided at all cost in the ESRF. Peter Hayes (ESRF board member and president of Hyla Woods) has led his company's extraordinary efforts to reduce herbicide use. His expertise in this and other aspects of ecological forestry should be welcomed and embraced. The FMP should make a firm commitment to eliminating slash-burning and herbicide use.

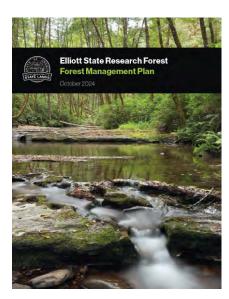
In closing, I would like to state that the public employees involved in this process (whether they be elected officials or employees of DSL and OSU) must remember that the lack of public input does NOT equate to public acceptance of either their processes or the end results! Very few people are willing to subject themselves to the demeaning, dehumanizing, and biased processes that we've seen throughout the Elliott saga. The bureaucratic proceduralism fundamentally serves to disenfranchise citizens – who, nonetheless, care deeply about our public lands. While those in charge may succeed in imposing an extractive model on this "world-class public research forest", the public will not ultimately support it.

#### Respectfully,

Doug Pollock (founder, Friends of OSU Old Growth – www.friendsofosuoldgrowth.org)

# Forest Management Plan for the Elliott State Research Forest

The Oregon Department of State Lands' 2024 Forest Management Plan for the Elliott State Research Forest demonstrates how forestland will be managed to sustain its diverse values, address fundamental research questions regarding working forests in the context of climate change, and achieve the specific ecosystem goods and service outcomes envisioned for it within the foundational guidance provided by the original ESRF Advisory Committee, the Oregon State University Research Proposal, and the Land Board. This direction has evolved and been refined over time based on efforts to address input from the ESRF Board, Tribes, community members, partners, and other government entities.



## **Download the 2024 Forest Management Plan**

In addition to the plan itself, there are a variety of appendices supporting the work. These appendices include summaries of community engagement activities and public comments, government consultation, supporting documents for research methodologies and more.

- 2024 Forest Management Plan (PDF)
- Appendices (PDF)
- Community Engagement Report (PDF)
- Government Engagement Report (PDF)

This 2024 Forest Management Plan was adopted by the State Land Board on October 15, 2024. Watch the meeting recording here.

#### See this folder to download individual chapters of the Forest Management Plan. Chapters include:

- 1. Background, Setting, Overarching Direction
- 2. Governance, Organization, and Revenue to Support the ESRF
- 3. Partnership and Management for Multiple Values: Research, Conservation, Education, and Recreation
- 4. Research Forest Design
- Research Planning and Implementation
- 6. Silviculture, Harvest Systems, and Operations Planning
- 7. Aquatic and Riparian Systems
- 8. Climate Change, Adaptive Silviculture, and Forest Carbon
- 9. Species Conservation
- 10. Monitoring
- 11. Adaptive Research Strategy and Implementation
- 12. Disturbance, Forest Health and Resilience



# **Department of State Lands**

775 Summer Street NE, Suite 100 Salem, OR 97301-1279 (503) 986-5200 FAX (503) 378-4844 www.oregon.gov/dsl

State Land Board

MEMORANDUM

Tina Kotek Governor

Tobias Read Secretary of State

Elizabeth Steiner State Treasurer

Date February 11, 2025

To: Governor Tina Kotek

Secretary of State Tobias Read State Treasurer Elizabeth Steiner

From: Vicki L. Walker

Director

Subject: Oregon Department of Forestry's Report on Common School Forest Lands

During fiscal year 2024 the Oregon Department of Forestry (ODF) managed 33,005 acres of Common School Forest Land.

As trustee, the State Land Board oversees management to provide Oregonians with the greatest benefit, consistent with resource conservation and sound land management strategies. Within this context, these lands are managed to maximize revenue to the state's Common School Fund.

The enclosed report prepared by ODF includes information related to timber management (volume and value of harvested, sold and planned timber sales), fiscal year operating costs, revenue transferred to the Common School Fund, reforestation, intensive management accomplishments and costs, and other information affecting land management and operations.

# **APPENDICES**

A. Common School Forest Land Annual Report (Fiscal Year 2024)



# Common School Forest Land Annual Report

FISCAL YEAR 2024





Prepared by the Oregon Department of Forestry

**April 2025** 

# **Table of Contents**

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Forest Land Management and Planning	Pg 7
Links To More Information	Pg 10

# **Annual Report Located at:**

https://www.oregon.gov/ODF/Pages/Reports.aspx

# **Executive Summary**

DATE: April 8, 2025

TO: Governor Tina Kotek

Secretary of State Tobias Read State Treasurer Elizabeth Steiner

FROM: Kate Skinner, Interim Oregon State Forester

SUBJECT: Fiscal Year 2024 Annual Report for Common School Forest Land

During fiscal year 2024 the Oregon Department of Forestry (ODF) managed 28,093 acres of Common School Forest Land (CSFL). As trustee of the CSFL, the State Land Board (SLB) oversees management to provide Oregonians the greatest benefit, consistent with resource conservation and sound land management strategies. Within this context, these lands are managed to maximize revenue to the state's Common School Fund (CSF) through an agreement among ODF, the SLB and the Department of State Lands (DSL). The DSL 2012 Real Estate Asset Management Plan states that these lands are "managed primarily to produce merchantable timber on a sustainable basis in accordance with plans adopted by the Land Board in cooperation with the Board of Forestry." Net revenues generated from CSFL are dedicated to the CSF.

This agreement and partnership among ODF, DSL and the SLB requires ODF to present an annual report regarding the status of management of CSFL. This status report includes information related to timber management (volume and value of harvested, sold and planned timber sales), fiscal year operating costs, revenue transferred to the CSF, reforestation, intensive management accomplishments and costs, and other information affecting CSFL management and operations.

#### Fiscal Year 2024 Harvest and Revenue

In 2024, net operating income decreased to \$908,696 due to decreased volume harvested from CSF timber sales. ODF continues stewardship of 28,093 acres of CSFL through active management, supervising and administering timber operations, monitoring environmental successes and sustaining critical wildlife habitat areas.

A number of reforestation and replanting projects were completed successfully, and young stand management activities continue to actively grow healthy, sustainable forests for future generations – providing a range of longer-term natural benefits such as wood products, diverse ecosystems and habitat, and clean air and water.

- 1. CSFL Harvest Volume:
  - a. 3.87 MMBF
  - b. 41 percent decrease from FY 2023
- 2. Revenue Transfers to CSF:
  - a. \$2.31 million
  - b. 16 percent decrease from FY 2023

- 3. Net Operating Income (NOI): NOI is the total revenue received by ODF minus management costs. It is influenced by the same factors that affect volume and value, as well as management expenses.
  - a. \$908,696
  - b. 26 percent decrease from FY 2023
- 4. CSFL Management costs:
  - a. \$1.41 million
  - b. 8 percent decrease from FY 2023
- 5. CSFL sales sold in FY 2024 (not yet harvested)
  - a. 4.89 MMBF
  - b. Approximately \$2.53 million in timber sale value (prior to CSFL management costs)

#### **Other Forest Management Activities**

Reforestation and young stand management are integral to ensuring a sustainable flow of wood and future habitat development. On CSFL in FY 2024, 233 acres were reforested and 1,346 acres received young-stand management treatment, improving overall forest health and future growth.

This annual report summarizes CSFL management activities from July 1, 2023 through June 30, 2024.

#### **Financial and Asset Management**

#### **Overview**

This report primarily focuses on FY 2023 (July 1, 2023 through June 30, 2024). However, forest management often requires evaluating trends in revenue and costs for previous biennia (e.g., sales approved in one year's operating plan may be harvested over one to three subsequent years). Revenue transferred to the CSF from management of CSFL has varied over the past 10 years from \$1.9 million to \$6.4 million annually. This time period includes fiscal years prior to July 1, 2017, when ODF managed the Elliott State Forest.

The primary factors influencing revenue fluctuations include: housing starts, lumber prices, harvest timing, individual sale volumes and value, changing ratios between harvests on CSFL and Board of Forestry lands (BOFL), Endangered Species Act protection measures and uncertainty and constraints associated with litigation.

#### **Net Operating Income (NOI)**

NOI for CSFL for FY 2024 was \$908,696. NOI was calculated by subtracting costs from total revenue transferred to DSL. NOI ranged from \$908,696 to \$1.9 million for CSFL in the past 5 years (Table 1).

Table 1: Net Operating Income						
FY2024	\$908,696					
FY2023	\$1,226,043					
FY2022	\$1,890,650					
FY2021	\$1,119,587					
FY2020	\$1,103,223					
5 Year Average	\$1,249,640					

#### **Annual Revenue**

Annual revenue is reported throughout this report, with influencing factors included for context.

#### **Fiscal Year 2024 Revenue and Investment Costs**

During FY 2024, \$2.31 million in revenue was transferred to DSL (Table 2). Total charges for managing the CSFL totaled \$1.41 million during FY 2024 (Table 2). These expenditures include State Forests Division personnel in Salem, three regional areas, and seven districts. The units are responsible for timber sale contract development and compliance, reforestation and intensive management activities, Endangered Species Act compliance, research and monitoring, forest planning and public engagement, and overall program administration.

Other charges to the CSF, referred to as "Net Revenue Transfers," totaled \$250,826 in FY 2024 (Table 3). This is approximately 18 percent of total overall costs. Revenue transfers include a prorated portion of ODF's total costs for capital improvement projects, debt service, and seed orchard management.

Revenue transfers include a portion of overall agency administration prorate which totaled \$243,545. It is ODF's goal to ensure that allocation of agency administrative costs accurately reflects work performed by administrative and managerial staff, and that each program pays their appropriate share of administrative costs.

J.E. Schroeder Seed Orchard costs for FY 2024 were \$4,445. These funds were used to produce genetically improved seed (superior growth, wood quality, and disease tolerant characteristics as identified through traditional breeding and selection methods) appropriate for reforesting state forestlands.

The fire protection cost for 28,093 acres of ODF managed CSFL was approximately \$150,818.

### CSFL Revenues and Expenditures for FY 2024

Table 2: CSFL Revenues and Expenditures

Expenditures and Transfers								
Category	FY20	FY21	FY22	FY23	FY24			
T & E Surveys	\$108,828	\$95,611	\$114,930	\$118,627	\$123,992			
Salem Program	\$297,652	\$423,562	\$400,838	\$450,049	\$360,614			
Total Salem Expenditures	\$406,480	\$519,173	\$515,768	\$568,676	\$484,606			
Total District Expenditures	\$690,803	\$513,752	\$536,027	\$744,845	\$670,494			
Administrative Transfers	\$398,296	\$416,313	\$228,753	\$215,082	\$250,826			
Total Expenditures + Transfers	\$1,495,579	\$1,449,238	\$1,280,549	\$1,528,603	\$1,405,927			
District	Expenditures P	rorated by Acres	;					
District	FY20	FY21	FY22	FY23	FY24			
Tillamook	\$204,029	\$231,463	\$199,248	\$225,270	\$269,430			
Astoria	\$96,496	\$92,877	\$85,222	\$98,892	\$103,090			
Forest Grove	\$29,817	\$32,280	\$28,991	\$30,155	\$30,527			
West Oregon	\$460,863	\$373,341	\$348,211	\$390,496	\$336,845			
North Cascade	\$42,794	\$58,752	\$52,947	\$62,003	\$46,191			
Western Lane	\$437,344	\$424,068	\$346,344	\$467,494	\$523,756			
Klamath-Lake	\$224,237	\$236,456	\$219,588	\$254,293	\$96,087			
Total Expenditures + Transfers	\$1,495,579	\$1,449,238	\$1,280,549	\$1,528,603	\$1,405,927			
	CSFL Reve	nues						
District	FY20	FY21	FY 22	FY23	FY24			
Tillamook	\$97,366	\$54,561	\$59,633	\$220,166	\$406,945			
Astoria	\$694,366	\$2,881	\$108,384	\$841,037	\$217,203			
Forest Grove	\$635,519	\$1,542,376	\$138,506	\$540,195	\$67			
West Oregon	\$664,469	\$737,436	\$1,754,192	\$822,698	\$1,359,684			
North Cascade	\$2	\$2,325	\$472,768	\$0	\$28,517			
Western Lane	\$356,548	\$229,749	\$637,707	\$113,268	\$250,753			
Klamath-Lake	\$143,529	(\$503)	\$9	\$217,283	\$51,453			
Revenues Transferred to DSL	\$2,591,799	\$2,568,825	\$3,171,199	\$2,754,647	\$2,314,622			

#### Details of FY 2024 Administrative Costs

Table 3: Details of FY 2024 Administrative Transfer Costs				
Administrative Revenue Transfers	Amount			
Administrative Prorate Charge	\$243,545			
J.E. Schroeder Seed Orchard	\$4,445			
Residual Equity	\$2,836			
Bond Principal	\$0			
Bond Interest	\$0			
ADMINISTRATIVE TRANSFER COSTS TOTAL	\$250,826			

### CSFL Historical Timber Harvest Value, Volume and Average Stumpage Prices for Fiscal Years 2015 – 2024

Table 4: Common School Forest Land Historical Timber Harvest Value, Volume and Average Stumpage Price Fiscal Years 2015 through 2024							
Fiscal Year	<sup>2</sup> Timber Sales Value of Timber Removed	Timber Harvest Volume (MMBF) Removed	<sup>1</sup> Average Sold Sale Stumpage Price/MBF	Average Stumpage Harvested Price/MBF			
2024	\$2,174,432	3.865	\$518	\$563			
2023	\$2,445,252	6.589	\$485	\$371			
2022	\$4,641,474	10.358	\$454	\$448			
2021	\$2,034,439	4.242	\$404	\$480			
2020	\$2,597,050	5.590	\$439	\$465			
2019	\$2,057,269	4.671	\$170	\$440			
2018	\$1,534,693	3.573	\$476	\$430			
2017 Elliott State Forest (Coos District)	\$2,691,137	7.758	\$347	\$347			
2017 Other CSFL	\$1,152,934	2.765	\$413	\$417			
Total 2017	\$3,844,071	10.523	\$413	\$365			
2016 Elliott State Forest (Coos District)	\$3,416,945	7.990	\$327	\$428			
2016 Other CSFL	\$2,454,497	6.170	\$347	\$398			
Total 2016	\$5,871,441	14.160	\$332	\$415			
2015 Elliott State Forest (Coos District)	\$3,592,162	8.260	\$436	\$435			
2015 Other CSFL	\$2,367,124	6.990	\$356	\$339			
Total 2015	\$5,959,286	15.250	\$375	\$391			
Last 5 Year Average	\$2,778,530	6.129	\$460	\$465			
10 Year Average	\$3,315,941	7.9	\$407	\$437			

<sup>&</sup>lt;sup>1</sup> Average stumpage for new sales sold during the fiscal year and is not related to the harvested volume and value columns, which cover harvests spanning multiple fiscal years.

<sup>&</sup>lt;sup>2</sup> Timber Sale Value is gross timber sales value before project work credits have been subtracted.

#### **Forest Land Management**

During FY 2024 ODF managed 28,093 acres of CSFL (Table 5). Activities conducted on CSFL managed by ODF include: timber harvest, reforestation and young stand management, and road construction and maintenance.

#### **Timber Management Activities**

A total of 10 active sales were harvested in FY 2024, producing 3.87 mmbf of volume with a value of \$2,174,432 (Table 7). In addition, there were 6 sales sold in FY 2024, totaling approximately 4.89 mmbf of timber volume (Table 6).

All planned sales on CSFL in FY 2025 are estimated to produce 188 mbf of timber volume with a net value of \$60,791 (Table 8).

Reforestation and young stand management activities such as site preparation, planting and thinning are used to promote healthy and productive forest land. Table 9 summarizes planned and completed acres and costs for these activities on CSFL.

Table 10 provides information about the road system management on CSFL by District and County.

Table 5: Common School Forest Lands Managed by ODF					
COUNTY	CSFL ACRES				
BENTON	563				
CLACKAMAS	113				
CLATSOP	2,060				
COLUMBIA	80				
COOS	720				
CURRY	1,352				
DOUGLAS	1,903				
JACKSON	1,622				
JOSEPHINE	3,961				
KLAMATH	1,920				
LANE	907				
LINCOLN	4,477				
LINN	90				
MARION	720				
POLK	1,690				
TILLAMOOK	5,584				
WASHINGTON	250				
YAMHILL	80				
GRAND TOTAL:	28,093				

Source: ODF, 07/6/23

Report is based on legal acres not GIS acres

### Timber Sales Sold During FY 2024

	Table 6. Common School Forest Lands Timber Sales Sold in Fiscal Year 2024									
			Total Sale	CSFL	CSFL	CSFL	Total	CSFL		
		CSFL % of	Volume	Volume	Acres	Acres	Project	Project	Net Sale Value	
Sale Name	<b>ODF District</b>	Sale	(Mbf)	(Mbf)	<b>Partial Cut</b>	Regen.	Costs	Costs	(BOF + CSFL)	Net CSFL Value
Little Nicky Thin	Astoria	21%	1,979	409	287	1	\$156,103	\$32,266	\$459,304	\$94,938
Middle Clole	Astoria	68%	2,604	1,762	0	26	\$162,308	\$109,801	\$1,404,854	\$950,384
Doe a Deer	West Oregon	92%	2,311	2,133	0	49	\$54,700	\$50,488	\$1,413,687	\$1,304,833
Wolf of Haul Street	West Oregon	0%	1,773	6	0	0	\$59,479	\$202	\$736,594	\$2,504
Salmon Forks Combo	West Oregon	9%	2,011	180	67	6	\$55,594	\$4,976	\$805,022	\$72,049
Lone Steere Thin	West Oregon	100%	400	400	68	0	\$20,365	\$20,365	\$109,635	\$109,635
		Totals	11,078	4,890	422	82	\$508,549	\$218,099	\$4,929,096	\$2,534,344

All dollar amounts are rounded to the nearest whole dollar.

### Activity Summary for FY 2024

Table 7. Active Timber Sales on Common School Forest Lands Volume and Value, Fiscal Year 2024								
Sale Name	District	Sale No.	%CSFL	MMBF Harvested	Value CSFL			
Cup of Joe	Astoria	AT-341-2023-W00857-01	20%	0.30	\$94,858			
Hamlet 8	Astoria	AT-341-2021-W00828-01	0%	0.00	\$41			
Little Nicky Thin	Astoria	AT-341-2024-W00986-01	21%	0.08	\$25,785			
Middle Cole	Astoria	AT-341-2024-W00986-01	68%	0.02	\$9,928			
Gates Go Back	North Cascade	NC-342-2023-W01130-01	100%	0.07	\$26,267			
Wooden Corners	Tillamook	TL-341-2023-W00851-01	61%	0.39	\$207,106			
Mahrvelous	Western Oregon	WO-341-2023-W00996-01	25%	0.93	\$569,826			
Roger Miller Combo	Western Oregon	WO-341-2023-W00905-01	22%	0.35	\$202,893			
Long John	Western Oregon	WO-341-2023-W00902-01	40%	0.89	\$615,806			
Maple Gulch	Western Lane	WL-341-2023-W01077-01	100%	0.83	\$421,922			
			Total	3.87	\$2,174,432			

#### Planned Timber Sales for FY 2025

Table 8: Annual Operation Plan Timber Sales Planned in CSFL in FY 2025									
Sale Name	ODF District	CSFL Percent of Sale	Timber Sale Volume (MBF)	CSFL Volume (MBF)	CSFL Acres Regen Cut	CSFL Acres Partial Cut	Total Sale Value	CSFL Project Costs	Net CSFL Value
Miller Woods Thin	West Oregon	7%	1,200	84	0.07	11.62	\$356,400	\$3,219	\$21,729
Triple Divide	Astoria	2%	5,200	104	3.46	0	\$2,075,600	\$2,450	\$39,062
		Total	6,400	188	3.53	11.62	\$2,432,000	\$5,669	\$60,791

### Reforestation and Young Stand Management for FY 2024

Table 9: Young Stand Management Activities in CSFL in FY 2024							
Management Activity	Acres Planned	Acres Completed	Total Cost				
Initial Planting*	240	233	\$96,257				
Interplanting	10	5	\$2,486				
Invasive Plant Control	25	63	\$4,447				
Precommercial Thinning	15	0	\$0				
Pruning	0	0	\$0				
Release-Chemical- Aerial	0	24	\$1,663				
Release-Chemical-Hand	88	91	\$11,576				
Release-Mechanical-Hand	20	30	\$9,862				
Site Prep-Mechanical	6	6	\$0				
Site Prep-Slash Burning	87	126	\$332				
Site Prep-Chemical- Aerial	136	129	\$10,731				
Site Prep-Chemical- Hand	36	36	\$4,332				
Surveys-Invasive Plants	0	10	\$0				
Surveys-Reforestation	250	491	\$0				
Tree Protection-Barriers**	0	36	\$11,105				
Tree Protection-Direct Control	66	66	\$0				
Underplanting*	0	0	\$0				
Tota	979	1,346	\$152,793				

<sup>\*</sup>Planting costs include all costs to grow seedlings.
\*\*Some districts used South Fork crew labor. South Fork crew costs are covered in this table.

Road Management Activities for FY 2024

Table 10: FY 2024 Annual Road Work – CSFL								
District & County	·					Bridge	Fish Pipes	
						Vacated	Installed	Installed
Astoria/Clatsop	0.08	0.65	0	0	0	0	0	0
West Oregon/Polk	0.05	0.69	0	0	0	0	0	0
West Oregon/Lincoln	0.00	0.87	0	0	0	0	0	0
Totals	0.13	2.21	0.0	0.00	0.00	0.0	0.0	0.0

#### **Links To More Information**

#### **Stand Level Inventory**

<u>Forest Inventory Report</u> covers the fiscal year-end stand level inventory estimates on Board of Forestry and Common School Land for each district.

#### Stream and Watershed Restoration

<u>Restoration reports</u> summarize all restoration activity reported to OWEB by State Forest Districts since 1995.

#### Forest Health

- Aerial Survey Summary Reports by ODF Area
- <u>Forest Health Highlights Report</u> -Joint Publications of Oregon Department of Forestry and USDA Forest Service, Pacific Northwest Region



#### **Department of State Lands**

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State Land Board

MEMORANDUM

Tina Kotek Governor

Tobias Read Secretary of State

Elizabeth Steiner State Treasurer

Date April 8, 2025

To: Governor Tina Kotek

Secretary of State Tobias Read State Treasurer Elizabeth Steiner

From: Vicki L. Walker

Director

Subject: Oregon Ocean Science Trust Report

Established by the Oregon State Legislature in 2013, the Oregon Ocean Science Trust (OOST) secures and distributes funding to promote ocean and coastal knowledge, research, and monitoring to ensure the sustainable use of Oregon's resources, enhance coastal resilience, and support long-term ocean health for all Oregonians.

The OOST secures resources to support and fund ocean and coastal science and monitoring specific to the needs of Oregon (federal, state, private). It leverages resources through partnerships and is nimble, responsible, and cost-effective and works to build a base of public support.

The OOST is here to report on the accomplishments they have made in the 2023-25 biennium and next steps in achieving their goals.

#### **APPENDICES**

- A. DSL Land Board Presentation
- B. OOST Legislative Brief
- C. OOST Legislative Project Brief

# OREGON OCEAN SCIENCE TRUST

April 8, 2025 | State Land Board

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### **Introductions**

Laura Anderson, Chair, Oregon Ocean Science Trust, Founder of Local Ocean Seafoods

Karina Nielsen, Ph.D., Board Member, Oregon Ocean Science Trust, Oregon Sea Grant Director

Lisa DeBruyckere, OOST Administrative Support



#### APPENDIX A

### About the Trust

Established by the Oregon State Legislature in 2013, the Oregon Ocean Science Trust (OOST) secures and distributes funding to promote ocean and coastal knowledge, research, and monitoring to ensure the sustainable use of Oregon's resources, enhance coastal resilience, and support long-term ocean health for all Oregonians.

#### **Board Members**

Laura Anderson, Local Ocean Seafood Founder, Chair

Dr. Keith Wolf, KWA Ecological Sciences and Documentary Films

Dr. Karina Nielsen, Oregon Sea Grant Dr. Ted DeWitt,

Marine Ecologist

Cristen Don, Planner – NOAA Fisheries

Rep. David Gomberg, Non-voting member

Sen. Dick Anderson, Non-voting member

## Trust is Tackling Emerging Oregon-Relevant Issues



Climate solutions to protect, restore, and manage our coast



Energy infrastructure and its effects on ecosystems and people



Sustainable fisheries in the face of changing oceans and high fishery demand



Identify and fill knowledge and data gaps to support decision making



**Resilient species and habitats** 



### The Trust:

- Secures resources to support and fund ocean and coastal science and monitoring specific to the needs of Oregon (federal, state, private)
- Leverages resources through partnerships
- Is nimble, responsible, and cost-effective
- Works to build a base of public support

# What We've Been Doing



### Trust Accomplishments

2 scientific summits convened to set Oregon's ocean research priorities

**Disbursed more than \$2 million** to support ocean and coastal research and monitoring (HB 3114, HB 5202)

**14** Teams of grant recipients

3 Key areas of research



### Nearshore Ocean and Coastal Research

**Spotlight On:** Understanding rocky reefs, kelp forests, and management decisions related to potential urchin removal and introduction of sea otters.

Mapping In-water surveys Modeling

Data management Monitoring



### Ocean Acidification and Hypoxia

Spotlight On: Ocean acidification is impacting the West Coast at over twice the global rate and low oxygen zones are widespread and increasing in PNW coastal waters

The Trust supports 7 diverse projects to better:

- Understand how our ocean is changing
- Plan for how to adapt to changing conditions
- Help people understand the issue

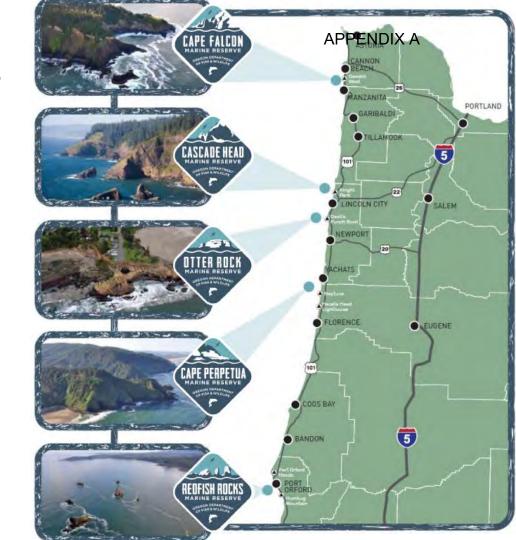


### Assessing Oregon's Marine Reserves

The Trust and partners solicited funds to support Legislatively-mandated assessment to determine:

- If marine reserves were effectively designed and implemented to achieve goals
- 2) If ODFW successfully executed legislative mandates

Spotlight On: The Trust successfully fundraised to keep this legislatively-mandated assessment on track



# **Next Steps**



### Oregon faces ocean challenges

- Oregon is experiencing the impacts of ocean acidification quicker than the rest of the world
- Coastal erosion threatens transportation and infrastructure
- Conditions are shifting we're increasingly looking to the ocean for the future
- The well-being of Oregonians



### What's At Stake

### THE BIG PICTURE - OREGON'S MARINE ECONOMY IN 2021

2,494 BUSINESSES 40,248 EMPLOYEES \$1.7 BILLION WAGES

\$3.4 BILLION
GDP

Source: NOAA



The Trust aims to enhance social well-being and resilience of ocean and coastal communities.



#### **Our Collective Vision**

#### Research and monitoring to address emerging challenges

The issues facing our ocean and coast are challenging, complex, and evolving. Strategic investments in cutting-edge technology to conduct research and monitoring is needed to





#### Responsible energy development and infrastructure

Development is likely to continue to occur in our ocean and along our coasts. We need research to understand potential impacts of this development to guide sound implementation of this development.

#### Policy makers with access to science and information

address these challenges.

Addressing complex challenges today cannot be achieved with outdated science and knowledge. Conducting relevant science and monitoring and placing it in the hands of policymakers will help to ensure the best possible management and policy decisions.





#### Enhanced coastal resilience

Our coast is facing unprecedented climate challenges, from storm surge and sea level rise, to landslides and erosion. Research and monitoring will help us develop sand management and other policies to inform strategies that address coastal erosion and other resilience issues.

#### Sustainable commercial.

recreational, and Tribal fisheries Commercial, recreational, and Tribal fisheries are core to the economy, culture, and livelihoods of West Coast people. Ensuring the long-term sustainability of these fisheries will provide certainty to global food supply as well as the cultures and values of people living along and visiting the West Coast.



#### Innovative climate solutions

Marine carbon dioxide removal requires socializing the latest scientific understanding with policy makers while navigating regulatory and management landscapes. Understanding how to evaluate the efficacy, safety, and viability of capturing and storing carbon dioxide is critical to achieving achieve national and regional climate goals.



#### Institutional and capacity investments that close knowledge

Closing knowledge gaps - in ocean-related education, training, and career pathways requires an understanding of the institutional and capacity investments needed. Mapping and securing these needed investments is critical to achieving long-term success.

### Integrating the ocean in Oregon's fiscal priorities



Climate solutions to protect, restore, and manage our coast



Energy infrastructure and its effects on ecosystems and people



Sustainable fisheries in the face of changing oceans and high fishery demand



Identify and fill knowledge and data gaps



**Resilient species and habitats** 

### 2025-2027 Legislature: 2 funding bills

Topic	Details	Request
Ocean acidification and hypoxia research and sandy shores and coastal erosion	Build on investments to date to continue ocean acidification and hypoxia research; Targeted research to fill data gaps and inform management decisions to address erosion issues affecting coastal transportation and other issues	\$2M
Investigate changing ocean conditions and effects on nearshore species and ecosystems	Research for high priority management needs (commercial and recreational fisheries, ecosystem disruptions, reintroduction of key species)	\$1M

# Thank you



Oregon's ocean, public beaches and estuaries are a beloved part of the state's identity and a key economic driver for coastal communities. The ocean plays a critical role in our climate, which is having devastating impacts on land in the form of fire, drought and heat waves. Meanwhile, at sea, changing ocean conditions are having profound effects on species abundance, distribution and biodiversity. All this affects the well-being of all Oregonians across the state.

Oregon boasts some of the best ocean and coastal scientists in the world. In December 2023, an Oregon Ocean Science Summit convened over 50 ocean and coastal scientists from around the state

to determine the top research priorities to support decision makers with good policy outcomes for today's emerging issues. OOST considered the top priorities that will build on investments already made to date for critical monitoring and to address issues of statewide importance and identified the top three priorities for 2025-2027 budget requests below.

For over a decade, the OOST has demonstrated success in directing state funds to the highest and best use for science and research, including for Ocean Acidification and Hypoxia (HB3114) and Nearshore Science and Monitoring (HB5202). We hope to continue this important work into the next biennium.

### Oregon Ocean Science Trust's 2025-2027 budget requests

Торіс	Description	Request
Ocean acidification and hypoxia research	Build on investments to date to continue ocean acidification and hypoxia research	\$1 million
Sandy shores and coastal erosion	Targeted research to fill data gaps and inform management decisions to address erosion issues	\$1 million
Investigate changing ocean conditions and effects on species and ecosystems	Research for high priority management needs (commercial and recreational fisheries, ecosystem disruptions, reintroduction of key species)	\$1 million



# OREGON OCEAN SCIENCE TRUST

### Why Oregon needs us

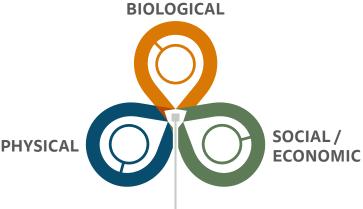
Established by the Oregon State Legislature in 2013, the Oregon Ocean Science Trust (OOST) secures and distributes funding to promote ocean and coastal knowledge, research, and monitoring to ensure the sustainable use of Oregon's resources, enhance coastal resilience, and support long-term ocean health for all Oregonians. The OOST operates at the nexus of physical, biological, and social and economic research, bringing the three together to holistically synthesize data and knowledge of our ocean and coastal resources.

### Where we add value

The Oregon Ocean Science Trust:

- Secures resources to support Oregon ocean and coastal science and monitoring
- Leverages resources through partnerships
- Is nimble, responsible, and cost-effective, and not limited to biennial budget cycles
- Fosters an understanding of the importance of a healthy ocean to people's livelihoods and well-being

#### TYPES OF RESEARCH WE SUPPORT



SYNTHESIS OF DATA, KNOWLEDGE, AND MONITORING

### What we need to do

To date, the OOST has furthered important work to assess marine reserves, study ocean acidification and hypoxia, and collect information about Oregon's important nearshore resources. In 2023, the OOST hosted a summit that convened leading thinkers in ocean and coastal policy, management, and research to assess priorities and opportunities for the coming years. Based on this summit, the OOST has identified three key priorities:



Improve our understanding of changing ecosystem and species conditions.
Characterize shifts in ecosystem structure and function, species life history, and biodiversity hotspots.



Enhance social well-being and resilience of ocean and coastal communities. Better understand the relationship between community well-being and coastal economy, including historic, current, and future ocean and coastal uses.



Operate the OOST with the highest standards of accountability, seeking long-term sustainable funding and capacity to achieve our mission.

Conduct the work of the OOST in a fiscally-responsible manner, emphasizing actionable and transdisciplinary science and knowledge that informs ocean and coastal policy and management issues.

### Achieving our priorities

In the near term, the OOST aims to support science and monitoring that informs policy and management for three key issues:

- 1 Carbon and climate impacts to ocean conditions
- 2 Sustainable food production and fisheries
- (3) Coastal and ocean development and infrastructure



Our vision is to support science and monitoring projects



Climate: Identify the most appropriate and actionable climate solutions to protect, restore, and manage nearshore habitats as well as sequester carbon, improve coastal resiliency, and enhance adaptations to coastal hazards and sea level rise.

Priorities this supports: 1 2 3



Energy: Build understanding of emerging ocean infrastructure and its effects on ecosystems and people. Priorities this supports: (1)(3)



Fisheries: Understanding the sustainability of populations of key species in the face of changing ocean conditions and high fishery demand.

Priorities this supports: 1 2



Knowledge and data gaps: Identify and fill knowledge and data gaps, improve accessibility, and synthesize existing data. Explore development of new tools, such as AI. Support knowledge co-production.

Priorities this supports: (1)(2)(3)



Species and habitat: Build and enhance capacity for long-term monitoring to develop indicators for resilience. Understand changes in species distribution and abundance with changing ocean conditions.

Priorities this supports: 1 2

#### FOR MORE INFORMATION

To learn more about the OOST and sign up to receive updates on funding opportunities:

- Visit OregonOceanScience.com
- Email OOST@OregonOceanScience.com
- Follow us @OceanSciOR on LinkedIn and Instagram

# Why ocean and coastal science is important for Oregon

- A healthy ocean supports a healthy economy: Oregon's commercial fisheries generate about \$558 million per year, supporting nearly 10,000 jobs. Tourism to Oregon's coast continues to be one of the leading economic drivers for our coastal communities, bringing \$1.9 billion to the coast and leading to employment of more than 20,000 people. People from throughout the state and country travel to Oregon's coast to recreate and enjoy its scenic beauty.
- Good information informs good decisions: Management and policy decisions set the course for the future and have real implications for all Oregonians that depend on our marine resources for cultural, social, and economic well-being. Actionable science supports good ocean stewardship and management decisions for the benefit of all.
- We become more resilient as we prepare for an uncertain future: Our ocean
  and coast are changing and will continue to change. Proactively working to
  better understand current and historic conditions will help us make betterinformed decisions about what to expect in the future and help provide
  predictability for our coastal communities and all Oregonians.

### Key successes to date

Since 2013, the Oregon Legislature has invested \$2 million in the OOST to further actionable ocean and coastal research in our state. Important milestones include:

- Ocean acidification and hypoxia (OAH) research, monitoring, and communications, are contributing to a regional effort to address risks and vulnerabilities OAH pose to our economy and ecosystems. Recent science has revealed the West Coast is experiencing ocean acidification at twice the global rate, impacting species like Dungeness crab and salmon.
- Nearshore science and monitoring for keystone species, kelp and eelgrass habitat, and blue carbon sequestration. The resulting six projects have furthered understanding about commercially and recreationally important fish species, impacts of climate change, nearshore habitats, and shifts in rocky reef habitats for kelp, sea urchins, abalone, and sea stars.
- Assessing Oregon's five marine reserves and nine adjacent marine protected areas, contributing to effective management of our state's marine reserves to meet social, economic, and environmental goals.



**ENDIX** B

OREGON OCEAN SCIENCE TRUST

### Assessing Oregon's Marine Reserves

**WHAT:** In 2021, the OOST coordinated an award to conduct an assessment of the social, economic, and environmental factors of Oregon's marine reserves and marine protected areas. The assessment set out to determine:

1) if Oregon's marine reserves were effectively designed and implemented to achieve the goals identified in Oregon Ocean Policy Advisory Council's (OPAC) 2008 Oregon Marine Reserve Policy Recommendations. Read the recommendations at <a href="https://tinyurl.com/OMRPolicyRec">https://tinyurl.com/OMRPolicyRec</a>

**2)** if the Oregon Department of Fish and Wildlife successfully executed the legislative mandates for marine reserve implementation. Read the final 2022 assessment at <a href="https://tinyurl.com/2022ODFWAssessment">https://tinyurl.com/2022ODFWAssessment</a>.

WHO: Oregon State University

**WHY THIS MATTERS:** The assessment, required by the Oregon Legislature, revealed:

- Oregon's marine reserves are effectively designed and implemented to achieve the goals and objectives set forth in legislation and OPAC recommendations.
- Ongoing monitoring and research are needed to better evaluate localized socioeconomic impacts and whether some ecological goals will be met.



Learn more about assessing marine reserves.

#### FOR MORE INFORMATION

To learn more about the OOST and sign up to receive updates on funding opportunities:

- Visit OregonOceanScience.com
- Email OOST@OregonOceanScience.com
- Follow us @OceanSciOR on LinkedIn and Instagram



### **Recent Projects**

The Oregon Ocean Science Trust (OOST) secures resources to support and fund ocean and coastal science and monitoring specific to the needs of Oregon. In recent years, we've funded research to address Oregon's changing ocean conditions, conduct science and monitoring in the nearshore, and support an assessment of Oregon's marine reserves and protected areas. The research has been conducted by teams consisting of universities, nonprofits, community organizations, and local residents.

### Ocean Acidification and Hypoxia (OAH)

WHAT: With funding from Oregon Legislature, the OOST received and disbursed \$1,000,000 to grant recipients to conduct research and monitoring to address the effects of changing ocean conditions and improve how we communicate the importance of this issue and its effects to Oregonians.

WHY THIS MATTERS: Oregon's ocean is changing, and many species have already shown signs of distress. Just as humans need calcium to build their bones, sea creatures need calcium carbonate to build strong skeletons and shells. The ocean absorbs a lot of carbon dioxide, which is changing the ocean's chemistry and prevents the development of calcium carbonate. This is called ocean acidification.

As a result of the changing chemistry, we are seeing sea creatures' skeletons and shells becoming thinner or more brittle. Climate change is also the cause of **hypoxia**, as warmer waters hold less oxygen. As the Pacific Ocean warms, its ability to hold a lot of oxygen declines. The term "hypoxia" refers to low or depleted oxygen in a body of water. Because most organisms need oxygen to live, few organisms can survive in hypoxic conditions. Local actions will lead to a brighter future, for the oceans, its species, and the communities that depend on them.



**SPOTLIGHT ON:** Develop best practices for sustainable shellfish cultivation in Oregon

San Diego State University, Cascadia Visualizations LLC, and Oregon State University developed recommendations to:

- Maximize the abundance of wild shellfish, cultured shellfish, and aquatic vegetation in Oregon's estuaries.
- Develop best management practices for conducting shellfish cultivation in a way that protects or promotes health of our estuaries.

This work synthesizes difficult-to-find information on policies and data associated with shellfish and aquatic vegetation in Oregon and will be a key resource for community members, policymakers, and managers. Similarly, the team developed a mapping tool that can be used to visualize where shellfish and aquatic vegetation habitats overlap across the state.



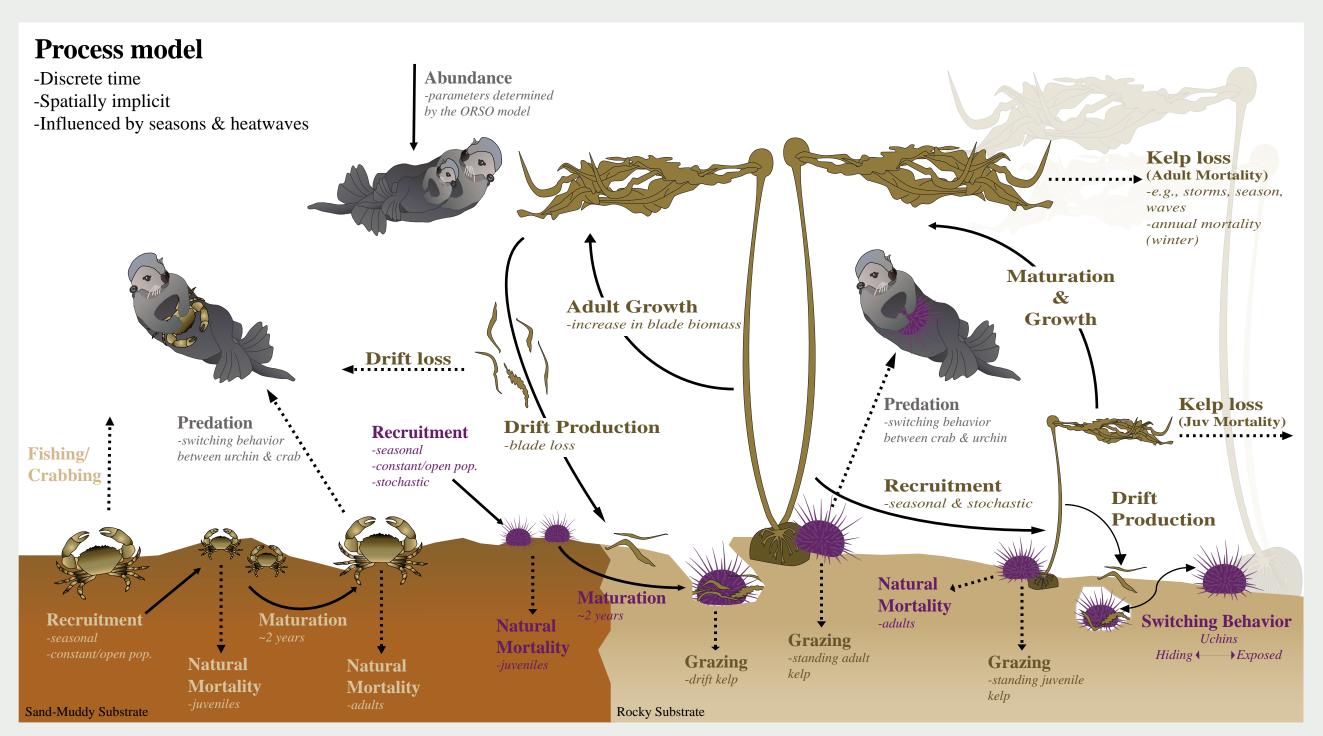
Learn more about ocean acidification and hypoxia projects.



#### **SPOTLIGHT ON:** Kelp habitat

Kelp forests are an important part of Oregon's coastal ecosystem, but they face threats from marine heatwaves and grazing by sea urchins. A variety of management options could address these threats, from kelp restoration to urchin removal to the introduction of sea otters, an urchin predator. However, these ecosystems are complex. Two project teams seek to understand our rocky reef habitats and the kelp connection.

• Trophic modeling of Oregon's nearshore reefs: Oregon State University is developing a mathematical model of predator-prey relationships in Oregon kelp forests using simulations to predict the results of different management actions. This work will provide information to resource managers on the expected outcomes of different management and restoration actions. Preliminary results indicate that a combination of urchin removal and kelp restoration may help reduce kelp forest losses during a marine heatwave.



- Kelp communities in transition: The Oregon Department of Fish and Wildlife is exploring how rocky reef habitats differ in places that have lost kelp versus areas where kelp beds persist. Commercial sea divers and trained science divers are conducting underwater surveys to document presence of sea urchins, sea stars, and abalone across reefs with kelp beds and places where kelp has declined.
- As our ecosystems experience this critical period of transition along the Oregon coast, understanding habitat conditions is urgent to understand the rate of change and establish baselines for managers.

Original illustration attribution: Urchin by Jess K. Hopf; Crab by Kim Kraeer & Lucy Van Essen-Fishman; Sea Otter by Tracey Saxby; Kelp by Jane Thomas; Sourced from ian.umces.edu/media-library.

Species: Sea otter (Enhydra lutris), Bull Kelp (Nereocystis luetkeana), Dungeness crab (Metacarcinus magister), Urchins (Strongylocentrotus purpuratus & Mesocentrotus franciscanus). Illustrations modified by Andrés Pinos-Sánchez.

2



#### **SPOTLIGHT ON:**

Climate monitoring at Yaquina Bay

The Hatfield Marine Science Center and Oregon State University maintain a suite of scientific instruments called the Climate Monitoring Station (CMS) that monitors OAH in real time in the Yaquina Bay Estuary. The station builds on data sets established more than 40 years ago to monitor trends in coastal Oregon waters.



In those 40 years, sea level has risen more than 4 inches, the ocean has become more acidic, and hypoxia (low oxygen) zones have grown to the size of the Willamette Valley during some summer months, all hastened by human carbon emissions. The CMS long-term monitoring will continue to track these changes and will inform our understanding of their impacts.

The CMS team recently tested an innovative sensor to capture high quality images of phytoplankton – these samples will be used to train an artificial intelligence (AI) system to detect potential harmful algal blooms in Yaquina Bay!

### Nearshore Ocean and Coastal Research

**WHAT:** During the last two years, OOST received \$1,000,000 from the Oregon Legislature to advance science and monitoring for nearshore ecosystems and keystone species, including sea otters and eelgrass. To date, we have disbursed these funds to six grant recipients to inform status and changes in Oregon's nearshore ecosystems.

WHY THIS MATTERS: Oregon's nearshore includes coastal and marine areas that extend from the shore to three nautical miles offshore and include habitats such as rocky and sandy shores and estuaries. Nearshore ecosystems are among the most diverse and productive systems on Earth. The nearshore provides many benefits, from producing nurseries for commercial and recreational fish and shellfish, to providing opportunities for recreation and sightseeing.

There are growing pressures on Oregon's nearshore resources as human populations grow and climate change stressors affect species and habitats. Understanding how the nearshore functions, the abundance and distribution of species and habitats, and how these resources are responding to climate change, can inform strategies that lessen the effects of human activities on nearshore habitats and species.



Learn more about nearshore ocean and coastal research projects.



#### **SPOTLIGHT ON:**

Ocean acidification and hypoxia monitoring network for Oregon's marine reserve system.

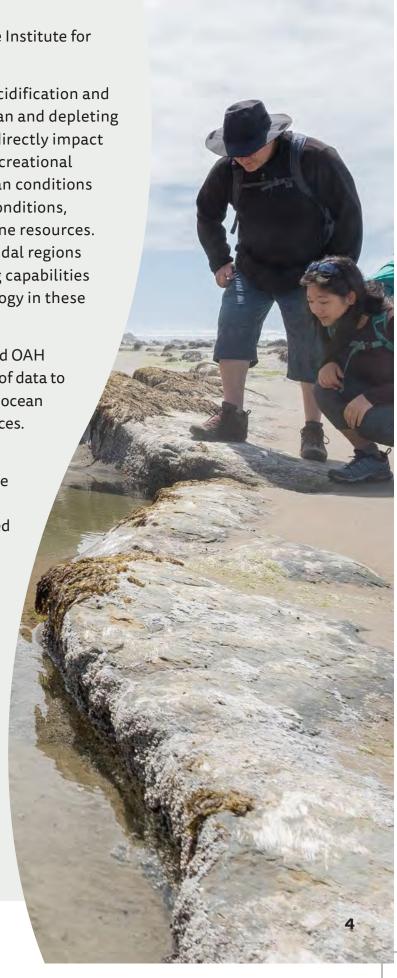
**WHO:** Oregon State University, CIMERS (Cooperative Institute for Marine Ecosystem and Resources Studies)

Oregon is at the epicenter of the impacts of ocean acidification and hypoxia, which is changing the chemistry of the ocean and depleting oxygen levels. Ocean acidification and hypoxia can directly impact our marine habitats and species, commercial and recreational fisheries, and coastal communities. Monitoring ocean conditions allows resource managers to respond to changing conditions, mitigate risks, plan effectively, and protect our marine resources. Two Trust-funded projects in the intertidal and subtidal regions of Oregon's marine reserves build robust monitoring capabilities by using Oregon's world class scientists and technology in these living laboratories.

**LONG-TERM MONITORING:** These projects extended OAH monitoring that began in 2009 and provide a baseline of data to enable coastal managers to document and respond to ocean acidification and hypoxia to protect our natural resources.

OUTREACH AND ENGAGEMENT: Stories discussing this research were featured in the Washington Post, the Seattle Times, magazines, and federal websites. The articles highlighted the cutting-edge science conducted on the coast, expanding awareness of Oregon's coastal threats, and providing a blueprint for OAH monitoring around the world. Early research results from the monitoring network resulted in more than \$5 million in federal funding to continue OAH research across the West Coast.

Collaborative ocean observing partners: Members of the fishing industry and coastal communities volunteered to deploy and monitor ocean sensors to collect ocean data across the marine reserves. The value of this research is recognized by many Oregonians, as they are pitching in to help understand our changing ocean conditions to better protect marine ecosystems and their associated industries and livelihoods.





#### **Department of State Lands**

775 Summer Street NE, Suite 100 Salem, OR 97301-1279 (503) 986-5200 FAX (503) 378-4844 www.oregon.gov/dsl

State Land Board

Tina Kotek Governor

Tobias Read Secretary of State

Elizabeth Steiner State Treasurer

MEMORANDUM

Date: April 8, 2025

To: Governor Tina Kotek

Secretary of State Tobias Read State Treasurer Elizabeth Steiner

From: Ellie Forness, Government Relations Manager

Subject: 2025 Legislative Update

The Department of State Lands is tracking several agency priority bills for the 2025 Legislative Session and will provide an update on current status during today's State Land Board meeting.

#### **Priority Bills for 2025**

- HB 5539: The Department's budget bill. This bill establishes the Department of State Lands 2025-27 biennial budget. If passed to include all packages listed in the Governor's Recommended Budget, the bill will authorize a budget of \$116,452,978 Total Funds (\$442,576 General Fund, \$109,481,400 Other Funds, and \$6,529,002 Federal Funds). The Governor's Budget also provides 138 positions for the 2025-27 biennium, a 12.5 percent increase from the 2023-25 Legislatively Approved Budget, and includes funding and position authority for 17 requested policy option packages. A budget overview is available here.
- Senate Bill 165: Clears title to historically filled lands by removing ownership uncertainty for private landowners while retaining future opportunities for public ownership of high-value lands. This bill seeks to

resolve uncertainty for most private landowners and the state while retaining future opportunities for public ownership of high-value lands by:

- Extending the Department's December 31, 2025 deadline (originally set in SB 912, 2015) for the state's ownership claim to specific types of historically filled lands. SB 165 provides an exception to ORS 274.950 that retains the state's ability to determine and declare ownership for historically filled lands within city limits that are zoned commercial, industrial, or marine industrial for the next three years. These lands have the highest potential monetary value, and the greatest benefit for the people of Oregon when considering opportunities for public access to waterways.
- Removes ownership uncertainty for most private landowners. The Land Board and DSL will no longer perform ownership determinations and declarations for all other types of historically filled lands. SB 165 therefore repeals ORS 274.952, ORS 274.954 and ORS 274.956.
- Adds clarity for landowners at the local level. The bill also adds clarity at the county level by including the option for DSL to record its jurisdiction for asserting ownership with each county clerk, helping Oregonians clear clouds on title to small portions of land across the state that do not hold value for the Department.

Disclaimer: Amendments are currently in process and the contents of this bill may evolve by the date of the Land Board meeting.

- Senate Bill 793 A: Allows fair payment for easements in the territorial sea, ensures fees cover the cost of issuing those easements; gives the Department rulemaking authority. This bill provides the Department with the authority to set appropriate application and renewal fees and compensation rates for easements for water, gas, electric, and telecommunication or communication cables and infrastructure in Oregon's territorial sea, through the state's administrative rulemaking process (see Appendix A).
- Senate Bill 795 A: Promotes efficiency in Oregon's Abandoned & Derelict Vessels Program; implements community-supported fixes for effectively addressing the problem of hazardous vessels in publicly owned waterways. This bill seeks to ensure timely, cost-effective removal of hazardous vessels by:
  - Updating statutory definitions that are incomplete or unclear.
  - Clarifying when a damaged, destroyed, or incomplete vessel no longer meets the definition of vessel and may be addressed as marine debris.
  - Allowing personal property on a vessel to be stored and disposed of in the same manner as the vessel.

- Lessening the required storage time for seized vessels and eliminating duplicative notice requirements.
- Senate Bill 74: Improves the process for declaring rivers to be Oregonowned. This bill provides the Land Board and the Department with flexibility to use a river's current boundary as the legal boundary in the state's navigability declaration process. The bill would allow, but not require, the state to treat all waterway movement since statehood as gradual change to ensure state ownership matches the current shoreline.

#### This would result in:

- Alignment of ownership boundaries with public expectations and current geography.
- A navigability declaration process that is more efficient, but otherwise unchanged. Mapping river movement since statehood, as required by current statute, is time-consuming and expensive. This bill provides a more efficient option for determining the legal boundary of the waterway.
  - Other requirements and elements of the process would not change. Determining historic navigability and current legal boundary would continue to be required, as would public notices, a public comment period, consideration of testimony, and other current process elements.
- Continued flexibility for private landowners. Because this change simply provides an option, if a neighboring landowner desires, the Land Board could follow the current approach of mapping the original waterway and researching historic river movements to determine the legal boundary.

Disclaimer: Amendments are currently in process; this bill may evolve by the date of the Land Board meeting.

- Senate Bill 147: Housekeeping to more efficiently manage the Elliott State Research Forest. The bill accomplishes three goals:
  - Ensures statute reflects the current status of the Elliott as a State Research Forest. This includes:
    - Repealing old references to the Elliott in its previous form, as well as its connection to the Common School Fund.
    - Moving the Elliott out of ORS 530, the chapter of statute that governs state forests, and formally establishing the Elliott as a research forest in Chapter 273 where the Department's other authorities lie.
  - Establishing a new fund specifically for the Elliott at State Treasury, that will be used to receive revenues from carbon credit and timber sales.

 Providing the DSL Director with delegated authority in contracting and procurement, not subject to the Oregon Public Contracting Code. This authority is critical to ensure the Elliott can be managed efficiently where subject matter expertise lies, and not via the Department of Administrative Services process. Examples of such procurements and contracts include conducting timber sales and entering into research agreements.

Disclaimer: Amendments are currently in process; this bill may evolve by the date of the Land Board meeting.

#### **Agency Legislative Reports**

During the 2025 legislative session, the Department submitted the following (see Appendix B).

 HB 2238 (2023) Legislative Report: Amendment of Administrative Rules Governing Removal-Fill Program Fees

#### **Appendices**

- A. Department of State Lands Rulemaking Process
- B. Legislative Report: Amendment of Administrative Rules Governing Removal-Fill Program Fees

### **Overview of Our Rulemaking Process**

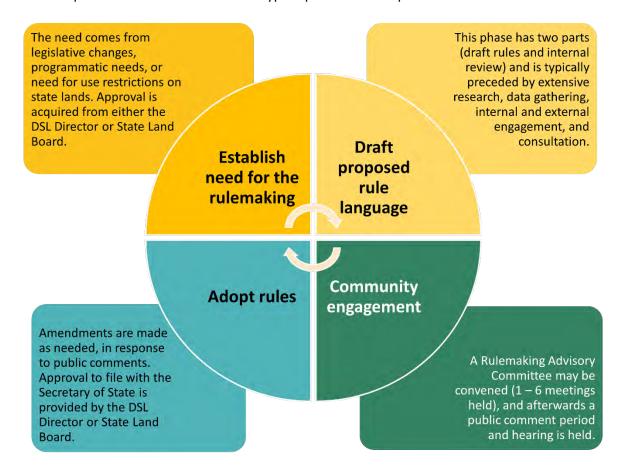
Oregon Department of State Lands

Oregon Administrative Rules determine how the Department of State Lands (DSL) and other state agencies operate, including how they interpret and implement state laws. Administrative rules can also describe agency practices and policies.

Rules may be adopted, amended, repealed, suspended, or renumbered through a process known as "rulemaking". Our rulemaking process offers several opportunities for people and organizations to provide feedback, including:

- A Rulemaking Advisory Committee (RAC), representing those who may be impacted or have an interest, helps shape rule language.
- Tribal governments are invited to be involved with rulemaking that may affect Tribal members or resources of interest.
- Oregonians are invited to weigh in and may sign up to receive email updates, attend RAC meetings, provide written comments, or testify during a public hearing.

All materials from the rulemaking process are posted to DSL's website at <a href="https://www.oregon.gov/dsl/Pages/rulemaking.aspx">https://www.oregon.gov/dsl/Pages/rulemaking.aspx</a>. These materials include RAC meeting summaries and recordings, the Notice of Proposed Rulemaking, and public comments along with agency responses, and more. After proposed rules have been approved and filed with the Secretary of State, those rules become adopted. This is an overview of the typical process for the permanent rules we file:



#### Step 1: Establish the Need for Rulemaking

Estimated time: Varies

There are three primary reasons DSL may initiate rulemaking:

- 1. **Legislative changes:** When the Legislature passes a bill requiring DSL to implement a new program or modify existing ones.
- 2. **Programmatic changes:** Changes identified by DSL staff as they continuously work to enhance our programs, better serve our customers, minimize environmental impacts, and promote restoration and ecological enhancement.
- 3. **Emergency closures or use restrictions:** Public land access may need to be restricted to protect public safety and the health of lands managed by DSL.

Once staff identify a need for rulemaking, the management team sets priorities with Deputy Director and Director approval. The rulemaking coordinator then schedules rulemaking projects based on timelines, scope, and urgency. If State Land Board approval is required, then DSL seeks its approval before proceeding.

#### **Step 2: Draft Proposed Rule Language**

Estimated time: 4 – 6 months

This phase has two parts and is typically preceded by extensive research, data gathering, internal and external engagement, and consultation to inform the need and scope of the rules:

- 1. **Draft rules:** Once approval to begin rulemaking has been granted, program specialists work with program staff to draft proposed language.
- 2. **Internal review:** Draft language is presented to managers for review and approval before being sent to the Department of Justice for further review.

#### **Step 3: Community Engagement**

Estimated time: 3 – 12 months

Once draft rule language is ready for review, the community engagement phase typically occurs in three major steps:

- 1. **Community engagement preparation:** Prepare outreach materials, manage invitations to the committee, and if applicable, contract a facilitator (1 3 months)
- 2. RAC meetings: Host 1 6 RAC meetings, which occur monthly (1 6 months)
- 3. Public comment period: Open and notice a public comment period (2-3 months)

For most rulemakings, DSL convenes a Rulemaking Advisory Committee (RAC). The size of the RAC and the complexity of the draft rule language determines how long each step takes and how many RAC meetings are held. However, DSL may not convene a RAC if the rulemaking purpose is to conform DSL rules to rules adopted by other agencies or for rules that codify documents previously vetted through a public review process and approved by a governing body.

In convening the RAC, staff begin by identifying community and partner interests and where on the spectrum decisions might impact or interest them. This process supports targeted public noticing for the comment period and the outcome of decisions, as well as forming advisory committees. Concurrently, DSL considers the impacts to Tribal governments and offers formal consultation or staff-to-staff coordination to impacted Tribes.

Following the conclusion of the RAC, the public comment period begins when the Secretary of State publishes the Notice of Proposed Rulemaking in the Oregon Bulletin. DSL provides a minimum 30-day comment period and, for rulemakings with significant statewide impact, holds at least one public hearing. If the issue is local, such as with public use restrictions on state-owned land, that hearing is held in-person in the impacted area.

#### **Step 4: Adopt Rules**

**Estimated time:** 1 – 3 months (plus additional time if the effective date is later than the date of filing)

Once the public comment period closes, there are quite a few steps until the rules are adopted:

- 1. **Review & Revisions:** Program specialists review comments and adjust the proposed rules as needed.
- 2. **Internal Review:** The revised rules go to DSL managers, Deputy Directors, and the Director for review.
- 3. Approval Authority:
  - a. The State Land Board approves rules under its authority and provides a decision at a Land Board meeting.
  - b. The DSL Director approves all other rules.
- 4. **Final Filing:** Once approved, the Rulemaking Coordinator files the rules with the Secretary of State.

Most rules take effect upon filing, but DSL may set a later date—typically for major rule changes—to allow for public communication and planning. Upon adoption, program staff take any steps needed to implement the changes such as targeted customer communication and updating related program materials.



#### **Department of State Lands**

775 Summer Street NE, Suite 100 Salem, OR 97301-1279 (503) 986-5200 FAX (503) 378-4844 www.oregon.gov/dsl

**State Land Board** 

Tina Kotek Governor

Tobias Read Secretary of State

February 14, 2025

To: Oregon Legislative Assembly

From: Vicki L. Walker, Director, Oregon Department of State Lands

Elizabeth Steiner State Treasurer

RE: Report to the Legislative Assembly on the Implementation of HB 2238 (2023) – Amendment of Administrative Rules Governing Removal-Fill Program Fees

The Department of State Lands (Department, DSL) is pleased to submit the following progress report on the rulemaking efforts to incorporate removal-fill program fees into administrative rule, as required by HB 2238 (2023).

Oregon's Removal-Fill Law helps protect wetlands and waters by requiring permits to remove or add materials in wetlands, rivers, streams, lakes, and other waters of the state. For example, building bridges or boat ramps, installing culverts, or filling wetlands to develop property are common types of projects that require a removal-fill permit. When wetlands or waters are present, a delineation report is required to identify the boundaries of the protected resource.

The Common School Fund heavily subsidizes Oregon's removal-fill permitting process. The current fees paid by developers, property owners, and other permit applicants covers just 21%. On average, it costs \$2.8 million every year to cover the remaining removal-fill permitting costs. In 2023, the Oregon Legislature approved moving removal-fill fees from statute into rule, allowing the Common School Fund subsidy to be addressed with a new fee structure for the permits the Department processes.

#### PROGRESS: RULEMAKING ADVISORY COMMITTEE; PUBLIC COMMENT PERIOD

- Between July 2024 and November 2024, the Department convened a rulemaking advisory committee to assist the Department in choosing a proposed cost recovery model and fee schedule to implement.
- The advisory committee proposed that the Department use a phased approach to increasing fees, beginning with an estimated 60% cost recovery and increasing fees annually to achieve an estimated 85% cost recovery

- within five years, with the inclusion of an annual 5% increase to account for inflation and increased costs.
- A public comment period began January 2, 2025, and goes through February 17, 2025.
- Two remote public rule hearings were held on the evening of January 16, 2025, and the morning of February 3, 2025, with the intention to maximize public accessibility. No members of the public attended the January hearing, but there were members of the public in attendance at the February hearing.
- To date, the Department has received five written comments and two oral comments.
- One comment is directly related to fees, requesting incentives for "good applications with thorough details." A second comment requests DSL to reassess the applicant type classifications proposed, which will aid in determining the application fees and applicable fee per tier. The remaining comments are focused on streamlining the permitting process and are not directly related to the proposed fees.

### NEXT STEPS: FINALIZING THE PROPOSED RULES AND FEES; FILING; IMPLEMENTATION

Following the public comment period, the Department will evaluate the comments received and may modify the proposed rule language and fees based on those comments. The proposed rules and fees will then be reviewed and approved internally by DSL program managers and members of the executive team.

The Department anticipates filing the rules for adoption by May 1, 2025, for an effective date of July 1, 2025, allowing DSL to provide a minimum of two months' notice to the public about what is changing and how that change affects them.

#### STAFF CONTACTS

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