

MEETING SUMMARY

WESTERN OREGON STATE FORESTS

HCP SCOPING TEAM

Friday, October 19, 2018, 10:00 am – 12:00 pm
Oregon Department of Forestry, Sun Pass Room, 2600 State St, Salem, Oregon

ATTENDEES

Participants: Julie Firman (ODFW), Jim Muck (NOAA/NMFS), Ken Phippen (NOAA/NMFS), Nick Palazzotto (ODF), Rich Szlemp (USFWS)

Guests: Mark Buckley (EcoNorthwest), Troy Rahmig (ICF)

Facilitation Team: Cindy Kolomechuk (ODF), Debra Nudelman and Sylvia Ciborowski (Kearns & West)

WELCOME AND INTRODUCTIONS

Cindy Kolomechuk (ODF) welcomed members and welcomed the facilitation team. She explained that the facilitation team will use their neutral process expertise to facilitate the Western Oregon State Forests HCP Steering Committee and Scoping Team, as well as support the stakeholder and public engagement process if the process moves in to Phase 2. The facilitation team will also serve as a liaison between the Scoping Team, Steering Committee, stakeholders and the public.

Meeting participants introduced themselves.

Deb Nudelman (Kearns & West) reviewed the agenda and noted that the main desired outcome of the meeting is to review and discuss the Business Case Analysis (BCA) results. The agenda also includes time for agency updates, discussion of the Steering Committee and Scoping Team workflow, as well as a brief introduction to operating principles.

Deb reviewed the meeting packet materials, which include the BCA Executive Summary, Draft Facilitation Workplan, HCP Business Case Analysis Riparian Buffer Widths, and HCP Business Case table.

Cindy provided a recap of past Scoping Team meetings. She noted that at past meetings, members developed and discussed species conservation assumptions for the BCA, and most likely high-cost and low-cost scenarios.

BUSINESS CASE ANALYSIS

Cindy introduced the Business Case Analysis. She explained that the BCA is meant to show general trends under two approaches to ESA Compliance. The analysis is meant to provide the Board of Forestry with enough information to decide whether to move into Phase 2.

Troy Rahmig (ICF) and Mark Buckley (ECONorthwest) provided an overview of the Business Case Analysis results. The presentation included the following points:

- The focus of the Business Case Analysis was to understand the bottom line implications of harvests and associated cost and revenue. The Business Case Analysis helps provide the range of tradeoffs that the Board of Forestry will face. Much more data, analysis, and modeling will be developed as part of the HCP process, if the Board decides to move to Phase 2. The BCA was a non-spatial analysis, whereas the HCP process would include a spatial analysis.
- The BCA analyzes two scenarios: HCP and no-HCP. Each scenario also includes high and low boundaries. The core analysis is based on a 3% discount rate. There is some sensitivity analysis as well.
- The BCA made the following assumptions:
 - Some acres are assumed to be unavailable for harvest under both the HCP and no-HCP scenarios. These acres include inoperable areas, non-forested areas, policy constrained areas, and places where it is infeasible to harvest.
 - Without an HCP, the assumption is that landscape design and terrestrial anchor sites will mature into more mature forest and would be released for harvest at some point in the future. With an HCP, the assumption is that those acreages would have new constraints. Effectively, many acres would continue to be constrained. Without an HCP, there would be a larger area on the landscape where we would have to avoid take of species. The net change is that without an HCP, over time, 59,000 acres would not be available for harvest due to constraints.
 - The HCP scenario provides the benefit of some take authorizations in certain locations. Some new protections would be put into place immediately, including immediate acres designated for habitat protection and wider stream buffers. Added together, this means 46,000 acres of additional habitat would be protected for wildlife and fish immediately. Over time, some of these acres would be released for harvest, and in fact more acres would be available for harvest in the long run due to take authorization.
- Key conclusions of the BCA include:
 - The net effect of an HCP over a 50-year management lifespan (2021-2070) is that the HCP results in more acres available for harvest (*see Figure 1, Acreage Designations, 2070*). The BCA, because of its focus on the financial bottom line,

does not show that an additional benefit of the HCP is that it would result in increased quality of habitat over time.

- Although available acres for harvest increases under the HCP, this does not necessarily correlate with a significant increase in harvest levels. Instead, there are more harvest options across the landscape, which means there are greater species benefits and ability to grow older trees. In contrast, the take avoidance no-HCP strategy can tend to lock up acres that are not the best habitat; there are limited options in the remaining acres available for harvest, and it can be more difficult to harvest those acres.
- The range in uncertainty declines overtime under the HCP scenario. An HCP would result in increased certainty, because it provides a good idea of how much can be harvested and when.
- The volume of harvest under the HCP scenario is greater than the range of harvest under the no-HCP scenario. Initially there is a bit of decline due to initial constraints and new set asides; but gradually as FMP areas are released for harvest, the number of acres available for harvest increases.
- The HCP scenario results in stable net revenue. Costs are higher under the no-HCP scenario, including ESA compliance costs.
- The HCP scenario results in greater net and gross revenue as compared to the no-HCP scenario.
- An HCP would likely lead to greater habitat and investments for protected species, greater ability to meet harvest goals, increase in revenue year over year, and increased predictability in revenue for the agency.
- The HCP scenario shows reduced litigation risks. There is greater ambiguity around the no-HCP scenario, which leads to increased litigation risk.

Scoping Team members asked questions and discussed the analysis conclusions:

- Members asked which riparian strategies were used, and the consultant team responded that the no-HCP scenario assumes FMP buffers. Members noted that FMP buffers are not a no-take approach to managing the forest. It is more accurate to describe this strategy as 2010 FMP rather than “no-take”. Buffers will be smaller under an HCP than under the no-HCP strategy. It may be more accurate to describe the no-HCP strategy as “current practice” rather than “no-take” strategy. The public and environmental groups will notice this nuance.
- Members noted that the public and the Board are likely to delve into the details on the assumptions used for the BCA and will likely challenge those assumptions. They recommend that the presentation only briefly review the assumptions, and instead focus on the results.

- Members suggested that the presentation focus on the broad results: that an HCP scenario leads to more harvestable acres and more conservation potential as compared to no-HCP scenario.
- Members asked for clarity on what level of direction the Board of Forestry will be providing direction on during their November 8 meeting. Cindy noted that the Board will be advising as to whether to move in to Phase 2 to continue to consider an HCP. The Board will not be “voting” on any specific low, mid, or higher cost HCP alternative.
- Cindy encouraged Scoping Team members to attend the November 8 Board meeting to show their collective commitment to the process.
- A member noted that the take avoidance strategy and HCP strategy might not begin at the same starting point; but the take avoidance strategy might provide less assurance than an HCP strategy from the start. The consultant team noted that even the HCP scenario begins with take avoidance at the start; but in 2023 one is able to start seeing a difference.
- Members support describing the no-HCP scenario as a continuation of current strategies, rather than describing it as a “no-take” strategy.

Members provided their overall observation of the BCA and level of support for moving forward into Phase 2:

- Overall, members agreed that the analysis shows clear benefits to pursuing an HCP and are supportive of moving forward with Phase 2.

AGENCY UPDATES

Members provided updates relevant to the Western Oregon HCP process:

- Rich Szlemp: Potential listing considerations are coming up for martin and red tree vole species, which should be considered as the HCP process moves forward.
- Nick Palazzotto: The USFWS is proposing to list coastal martin in Oregon.
- Jim Muck: NOAA/NMFS won litigation brought against it regarding the BLM RMP. This means that the science NOAA/NMFS used for its management decisions was considered valid by the courts.
- Ken Phippen: The Western Oregon HCP is included in NOAA/NMFS’s annual implementation plan as a top priority for the current fiscal years and is also included as a priority in the agency’s 5-year action items list. The agency is committed to providing support for the process if the Board decides to move forward with Phase 2.
- Julie Firman: ODFW is working towards being more proactive in planning and management assessment, particularly related to climate change. The agency’s thinking

on how to plan for future management is changing, especially when it comes to temperature inflow.

STEERING COMMITTEE AND SCOPING TEAM WORKFLOW

Cindy introduced the topic and intent to discuss the dynamic and flow between the HCP Steering Committee and Scoping Team. It is important to maintain good communication between the two groups. The Scoping Team will be discussing technical details of the HCP, and the Steering Committee will provide policy direction for issues that go beyond science and require policy decisions. The project team will transmit the Scoping Team's input today to the Steering Committee, to help develop a clear and effective process.

Cindy walked through a draft workplan and operating principles that were developed as a result of Steering Committee input into what an effective HCP planning process could include. She noted that the facilitation team will be interviewing Steering Committee and Scoping Team members to get their initial process input. If the Board decides to move forward with Phase 2, the facilitation team will also interview key stakeholders to understand how they want to be engaged.

Deb presented the following questions to members for their discussion:

- What does your agency's decision-making process look like for the HCP?
- Where do you want your decision-makers' support? Where do you anticipate needing decision-makers' support?
- Are there places where we could have combined ST-SC meetings?
- What are the deliverables and draft work products you will be bringing to the SC? And where do you anticipate needing their support?

Members discussed and made the following comments:

- **Combined meetings:** Members recognized the value of collaboration among the two groups, and to encourage honest conversation. They suggested that a combined meeting might be useful towards the beginning of Phase 2 to help participants get to know one another. However, joint meetings should only be scheduled as needed, when certain issues or topics require the joint approach. Members are generally comfortable with Cindy or other members acting as a liaison between the two groups.
- **Information sharing:** Members were interested in knowing what is happening at the Steering Committee, and request meeting summaries as they become available. They would also like Scoping Team meeting summaries to be shared with the Steering Committee. Recognizing that Steering Committee members may not have time to review detailed summaries, they request that a Scoping Team Report Out be a regular agenda topic at Steering Committee meetings. Scoping Team members would be interested in

alternating the opportunity so that all Scoping Team members have a chance to attend Steering Committee meetings and report out. Similarly, members would like to receive a report out of Steering Committee meetings at their Scoping Team meetings, as a regular agenda item.

- **Public Engagement:** NOAA/NMFS participants noted that during the recent BLM litigation, the judge concluded that the public process provided ample opportunity for public input. The Western Oregon HCP may want to consult that process as a model for what would be acceptable.

NEXT STEPS AND SUMMARY

Cindy thanked members for their time and participation. She noted that upcoming meeting dates include:

- October 26: 9:30 a.m. – 12:00 p.m.: Meeting with Forest Trust Land Advisory Committee
1:00 p.m. – 5:00 p.m.: Informational Meeting at which the HCP Phase 1 results will be presented to the public
- November 8, 8:00 a.m. – 12:30 p.m.: Presentation to the Board of Forestry. Scoping Team members are encouraged to attend to show their support for Phase 2.
- November 6, 10:00 a.m. – 12:00 p.m.: Next HCP Scoping Team Meeting. Since this meeting is prior to the Board of Forestry meeting, the team will consider whether or not to keep this meeting or reschedule for another time.
- November 30, 10:00 a.m. – 12:00 p.m.: Next HCP Steering Committee Meeting