

Agenda Item No.:	6
Work Plan:	State Forests Work Plan
Topic:	State Forests Management
Presentation Title:	State Forests HCP and FMP Update
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**CONTEXT**

The State Forests Division has been directed by the Board of Forestry to explore forest management options that will improve conservation and financial outcomes. The Board directed the Division to develop a revised Forest Management Plan (FMP) and a Habitat Conservation Plan. Ultimately, the Board will have the option to adopt a revised Forest Management Plan that complies with the Endangered Species Act either through a take-avoidance approach or via a Habitat Conservation Plan.

The State Forests Division developed a 3-phase approach to explore the possibility of a Western Oregon Habitat Conservation Plan (HCP). This approach was approved by the Board of Forestry (BOF) in November 2017. The Division completed Phase 1: HCP Initiation and Scoping and the BOF directed the Division to begin work on Phase 2: Strategy Development at its November 2018 meeting. This work is supported by a \$1 million grant from the United States Fish and Wildlife Service. The Division will continue using this grant funding to support the work of Oregon Consensus to assist with stakeholder engagement and facilitation needs, and our consultants, ICF and EcoNorthwest, to complete Phase 2 deliverables.

Initially, the Division anticipated a project timeline of 3 years (one year to complete each of the 3 phases) would be sufficient. In consultation with the HCP contractors, the Division has determined that Phases 2 and 3 will require more time to provide the Board with adequate information to determine if it is in the best interest of the state to continue pursuing an HCP. As such, the timelines associated with the phased process have been adjusted for Phases 2 and 3.

Western Oregon HCP project phases:

- Phase 1: HCP Initiation/Scoping (*Timeline: Nov.2017-Nov.2018*)
- Phase 2: Strategy Development (*Timeline: Nov. 2018-July 2020*)
- Phase 3: National Environmental Policy Act (NEPA) analysis and Consultation (*Timeline: August 2020-November 2021*)

**BACKGROUND AND ANALYSIS**

In November 2018, the Division completed and presented Phase 1 deliverables to the Board to determine if it is in the best interest of the state to continue pursuing an HCP. The deliverables included a process to engage agency stakeholders that would play a key role in HCP development, a refined species list, and a business case analysis. Based on

this work, the Board unanimously voted to continue working on the HCP, and directed staff to move forward with Phase 2.

Establishing a productive atmosphere is critical when embarking on politically and value-based issues such as an HCP. Oregon Consensus and Kearns and West provide third-party, independent facilitation to help promote a constructive environment, address contentious issues, and advance healthy working relationships between agencies and with stakeholders. It also allows the Division to play a substantive role in HCP development while avoiding perceived issues of bias if the Division were also leading the facilitation portion of the effort.

During the HCP initiation phase, the Division worked with Oregon Consensus and Kearns and West to develop a multi-agency governance structure to support the HCP planning process. This includes a Steering Committee (Table 1) comprised of policy-level representatives from state and federal agencies, and a Scoping Team (Table 2) comprised of technical representatives from state and federal wildlife agencies. These planning teams will lead the development of a potential Western Oregon HCP.

**Table 1. Steering Committee**

<b>Member</b>	<b>Affiliation</b>
Liz Dent	ODF State Forests Division Chief
Doug Cottam	ODFW Wildlife Division Administrator
Leah Feldon	DEQ Deputy Director
Bill Ryan	DSL Deputy Director for Operations
Kim Kratz	NOAA Fisheries Oregon & Washington Coastal Office, Assistant Regional Administrator
Paul Henson	USFWS Oregon State Supervisor
Dan Edge	OSU Associate Dean College of Agricultural Sciences and Professor of Wildlife

**Table 2. Scoping Team**

<b>Member</b>	<b>Affiliation</b>
Brian Pew	ODF Deputy Division Chief
Mark Meleason	ODF Aquatic Specialist
Nick Palazzotto	ODF Biological Specialist
Julie Firman	ODFW Fisheries Biologist
Gene Foster	DEQ TMDL Manager
Ryan Singleton	DSL Forester
Rod Krahmer	ODFW Forest Practices Coordinator
Jim Muck	NOAA Fisheries Oregon & Washington Coastal Office Fisheries Biologist
Ken Phippen	NOAA Fisheries Oregon & Washington Coastal Office, Oregon Coast Branch Chief
Rich Szlemp	USFWS Fish and Wildlife Biologist

<sup>1</sup>**Technical Reviewer:** Carl Schrek, PhD Fish Biologist, OSU Emeritus Scientist

<sup>1</sup> OSU is providing technical review of specific HCP work products.

## **Phase 2: Strategy Development**

The Division is now focusing its efforts on Phase 2 of the HCP project, which includes strategy development and stakeholder engagement. Phase 2 will culminate in the 1<sup>st</sup> Administrative Draft of a Western Oregon HCP. Phase 2 has been expanded to include early NEPA planning to prepare for Phase 3: NEPA Analysis and consultation. The proposed schedule for the HCP process is included in attachment 1.

The governance structure provides a strong foundation for Phase 2 implementation. Oregon Consensus and Kearns and West are leading the Steering Committee in developing a draft mission and vision for a potential Western Oregon HCP. This group is also in the process of drafting goals for the HCP to ensure that the Steering Committee and Scoping Team are in alignment regarding desired outcomes. The Steering Committee provides direction to support the Scoping Team throughout the HCP process. This includes a resolution process by which unresolved issues from the Scoping Team are elevated to the Steering Committee for consideration and direction.

The Scoping Team is responsible for developing a multi-species, ecosystem-based HCP that will provide for the long-term conservation and recovery of listed and unlisted species, while providing operational certainty. The Steering Committee and Scoping Team are working together to ensure that the HCP is scientifically credible, technically feasible, and financially viable.

ICF is leading the Scoping Team in the development of the Draft Western Oregon HCP chapters. Steering Committee members are briefed on the content of these chapters during their monthly meetings, and have an opportunity to provide feedback and direction to the Scoping Team. The workflow between these planning teams is designed to create efficiency and accountability throughout the development of the HCP.

More detail about the chapters can be found in Attachment 2. The proposed schedule for draft HCP development is included as Attachment 3. The draft is comprised of the following nine chapters:

- Chapter 1: Key Elements of an HCP
- Chapter 2: Existing Conditions
- Chapter 3: Covered Activities and Impact Mechanisms
- Chapter 4: Conservation Strategy
- Chapter 5: Effects Analysis
- Chapter 6: Monitoring and Adaptive Management
- Chapter 7: Cost and Funding Strategy (to include financial impacts and revenue projections)
- Chapters 8 and 9: Implementation, Assurances, Alternatives

## **Phase 2: Stakeholder Engagement**

Public engagement is critical for an effective HCP process. Oregon Consensus and Kearns and West are working directly with stakeholders to design a public engagement process that is responsive to their feedback. The consultants began by interviewing groups and individuals that have a vested interest in participating in the HCP process. A cross-section of interviewees were carefully selected to ensure that a variety of interests and values are considered. Members of the following groups were invited to participate in stakeholder interviews: Oregon Forests Conservation Coalition, Oregon Conservation Collaboration, Industry Adhoc, State Forests Advisory Committee, and the Forest Trust

Land Advisory Committee. The invitation included over 80 stakeholders. In addition, 16 individuals were interviewed to provide a more in-depth perspective on the HCP process.

Information gleaned from these stakeholder interviews was used to design a strategy for public engagement to be implemented throughout the development of the HCP. The goals of the stakeholder engagement process are to provide a variety of touch points to keep a diversity of stakeholders informed, and provide a venue for efficient exchange of ideas and information as work products are developed.

### **Forest Management Plan**

In addition to pursuing an HCP, the BOF has also directed the Division to develop a revised FMP that increases financial and conservation outcomes. The Division anticipates having a draft revised FMP later this year and will actively engage with the Forest Trust Lands Advisory Committee, stakeholders, and the public to get feedback and input. The Division will return to the BOF in spring of 2020 with a peer reviewed draft that incorporates public feedback, as appropriate, and a summary of the comments received. At that time, the Division will present the results of an analysis comparing the current FMP to the draft revised FMP to determine if the revised FMP increases conservation and financial outcomes.

An HCP will not, by itself, meet all of the requirements for forest management planning established by the Forest Management Planning Rule (OAR 629-035-0030), and will require a companion FMP. The FMP currently under development will also serve as the framework for the companion FMP to the HCP, should the Board determine an incidental take permit is the preferred method of ESA compliance.

### **RECOMMENDATION**

Information Only.

### **NEXT STEPS**

The Division and its contractors will continue to develop an administrative draft of the Western Oregon State Forests HCP and a revised FMP. Specific steps include:

- Implement an HCP public engagement process
- Begin to develop and evaluate conservation and management strategies
- Provide an update on Phase 2 progress to Board in September, 2019
- Provide an update on Phase 2 progress to Board in April, 2020
- Present Phase 2 outcomes to the Board in July, 2020:
  - 1<sup>st</sup> Administrative Draft of the Western Oregon HCP
  - Updated Business Case Analysis
- Complete a draft revised FMP and seek stakeholder feedback
- Conduct comparative analysis of the current FMP to a revised FMP that has been peer reviewed

### **ATTACHMENTS**

1. Western Oregon HCP – Phase 2 HCP Process Timeline
2. Western Oregon HCP – Phase 2 Draft Western Oregon HCP Outline
3. Western Oregon HCP – Phase 2 Timeline for Draft HCP Development