

# **Oregon's Forest Resource Strategy Federal Fiscal Years 2011 thru 2015**

## **Coordinated and Strategic Investment of USDA Forest Service State and Private Forestry Programs**

### **STATE AND PRIVATE FORESTRY PROGRAM ELEMENTS**

#### ***Forest Legacy Program***

Scope - Oregon's Forest Legacy Program addresses privately owned forestlands that face threats to conversion to non-forest use by urbanization, rural residential development, parcelization and other development pressures. Forest Legacy provides funds for the purchase of development rights to eligible private forestlands through either conservation easement or fee-title acquisition into public ownership. The goal of the program is to maintain working forests that conserve important commodity as well as non-commodity forest resources and conservation values including water flows and quality; fish and wildlife habitat (especially for threatened and endangered species); stores of carbon; and biodiversity. In addition, the Forest Legacy Program promotes stewardship and sustainable management of private forest lands. All properties entered into Oregon's Forest Legacy Program – either through conservation easement, fee acquisition or donation – have their forest resources and conservation values protected and managed in accordance with a State Forester approved Forest Stewardship Plan. The program operates in areas where forests may be lost to non-forest uses and seeks projects that strengthen local communities through state, local and private partnerships in conservation. Landowner participation in the Forest Legacy Program is voluntary.

Oregon entered the Forest Legacy Program in 2001 with approval of Oregon's Assessment of Need by the U.S. Secretary of Agriculture. However, due to political concerns about the government facilitating the acquisition of interests or fee title of private forestlands, Oregon did not receive State legislative authority to implement the program fully until 2007. Oregon's 2001 Assessment of Need was based on the following key factors:

- Oregon's statewide land use planning laws effectively protect commercial forestlands – especially large tracts of industrial private forestlands – from non-forest conversion.
- Under Oregon's land use planning laws, development pressures consist mostly of expanding urban and existing rural-residential areas, and an increase in the number of structures placed on lands still in forest use.
- Mostly non-commercial forest types are threatened by development: oak woodlands and savannas, bottomland gallery riparian forests, and ponderosa pine woodlands.

Since that time, the key factors have changed due to the following:

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

- Oregon citizens engaged in a public and political debate about the rights of property owners versus the public's right to enforce environmental and other land use laws. The debate led to the passage of Oregon Ballot Measure 37 in 2004 – which modified administrative processes for protection of agricultural and forest land uses from development. While Measure 37 was modified in 2007 by the passage of Oregon Ballot Measure 49 (which provides more land use protection for high valued forest and farmland) – land use planning in Oregon has changed. Time will tell if large tracts of forestland – including private industrial forests – will remain effectively protected from non-forest conversion under Oregon's current system of land use planning. These controversies regarding Oregon's land use planning will likely not abate.
- The legal structure and management objectives of Oregon's private industrial forest landowners changed with the formation of Timber Investment Management Organizations and Real Estate Investment Trusts. These business entities now manage commercial forestland holdings for investment return including the disposition of parcels with higher and better use than forestry. The disposition of large tracts of forestland by individual parcels to owners with non-forest interests (such as resorts, second homes or forested ranches) – which has come to be known as parcelization – is a leading indicator of eventual loss of forestland to development.
- The reduction in federal timber harvest levels has resulted in a loss of manufacturing infrastructure – especially in eastern Oregon. Reduced competition for logs has resulted in lower timber prices for private forest landowners, making continued forest ownership and investment less economically viable.

The National Forest Legacy Program strategy has also been updated since the time Oregon completed its Assessment of Need. In particular:

1. *Strategic* - Forest Legacy Program projects contribute to regional, landscape, or watershed-based efforts to protect important private forests, regardless of tract size
2. *Strategic* - Forest Legacy Program projects address clear conservation priority issues by being strategically linked to other protected lands to create a cumulative conservation effort.
3. *Importance* – Forest Legacy Program projects conserve forests that protect the nation's waters; that provide economic opportunities from forest-based products; and protect, maintain and/or enhance habitats for native fish, wildlife, and plants.
4. *Threatened* – Forest Legacy Program projects slow the rate of conversion and parcelization of private forestlands through federal, state, local, landowner and private (including non-governmental land trust organizations) partnerships that allow local communities to retain working forests.

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

As a result of these changes, Oregon has revised its program objectives for the Forest Legacy Program (changes from the 2001 Assessment of Need are indicated in italics):

1. *Focus efforts where large areas of private industrial forest land face threats from parcelization so communities can maintain their working forests prior to having these forestlands face immediate threats to non-forest development.*
2. Reinforce and expand existing networks of *publicly owned* forest land.
3. Protect important site-specific ecological, social and/or economic forest resources associated with rare, unique or declining forest types such as oak woodlands and savannas, bottomland hardwood gallery forests and ponderosa pine woodlands.
4. Encourage private forest landowners to work with communities, agencies, businesses and nongovernmental organizations so as to strengthen their management of forest resources; *and in turn, encourage communities, agencies, businesses and nongovernmental organizations to work with private forest landowners to protect important working forests the community depends on.*
5. Secure additional investments in private forestland especially those identified as important in state conservation plans such as *the Oregon Conservation Strategy, the Oregon Plan for Salmon and Watersheds, and HIGH Conservation of Fish and Wildlife priority forest landscapes as identified in Oregon's 2010 Statewide Forest Assessment.*

As a result of these changes, Oregon updated its Forest Legacy Areas. The Metro Forest Legacy Area has been dropped because the objectives for this Forest Legacy Area are much more in alignment with the newly authorized federal Community Forest and Open Space Conservation Program. The remaining 35 Forest Legacy Areas were first identified as candidate Forest Legacy Areas in the 2001 Assessment of Need. Given the changes in the key factors affecting private forestlands discussed above, the State Forest Stewardship Coordinating Committee felt that all 35 of the originally identified Forest Legacy Areas should now define the scope of Oregon's program; with the addition that their boundaries be adjusted to include large tracts of private industrial forestland proximate to public forestlands. A 36<sup>th</sup> Forest Legacy Area was also added for Grant County.

Eligibility Requirements – Forestlands – defined as land that is at least 10 percent occupied by tree canopy cover or capable of sustaining at least that level of tree cover -- must be privately owned and located within one of Oregon's Forest Legacy Areas to be eligible for Forest Legacy Area program funding. In addition, in order to receive Forest Legacy Program funds, Oregon's Forest Legacy Program projects must meet the following conditions before funds can be transferred at closing:

1. Dedicated funding source for both management and monitoring of the properties to be included in the Forest Legacy Program. The dedicated funding source can be in terms of dedicated funds within government agency budgets in the case of public acquisition of forestlands or a management and monitoring endowment fund

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

controlled by the grantee of conservation easements acquired as part of, or donated to, the Forest Legacy Program.

2. Protection, management and/or enhancement of the property's important forest resources and conservation values (as identified in the project's application to the Forest Legacy Program) follows a written Forest Stewardship Plan approved by the State Forester that will be periodically reviewed and updated.
3. Assurances that the acquired properties, or acquired interests in properties, using Forest Legacy Program funds (or donated to the Forest Legacy Program), protect the federal interests in those properties. Such assurances must ensure that the landowner and/or conservation easement grantee will not dispose of, modify the use of, or change the terms of the real property title or acquired interest in the real property, without the permission and instructions from the federal Forest Legacy Program.

Matching Fund Requirements – There is a minimum 25 percent non-federal cost share requirement calculated as 25 percent of the total project costs (Forest Legacy Program funds plus non-federal matching funds).

Priority Forest Areas – Oregon's 6 Forest Legacy Areas (map attached at end).

Guidelines – Operation of the Forest Legacy Program in Oregon must follow the *FINAL AMENDED Forest Legacy Program Implementation Guidelines* (June 30, 2003 as amended December 21, 2011) (see: [http://www.fs.fed.us/spf/coop/library/flp\\_guidelines.pdf](http://www.fs.fed.us/spf/coop/library/flp_guidelines.pdf)) and additional requirements specific to Oregon as contained in this Resource Strategy. State Forest Legacy Program Managers are encouraged to use the national *Forest Legacy Program User's Guide* (June 2006) (see: [http://www.fs.fed.us/spf/coop/library/flp\\_usersguide.pdf](http://www.fs.fed.us/spf/coop/library/flp_usersguide.pdf)) as an additional source of information including references, examples, and tips for implementing the Forest Legacy Program. National priorities are contained in the *Forest Legacy Program 5-Year Strategic Direction* (see: [http://www.fs.fed.us/spf/coop/library/flp\\_strategicdir.pdf](http://www.fs.fed.us/spf/coop/library/flp_strategicdir.pdf)). Funding award is based on recommendations of a National Review Panel based on the evaluation of proposed projects with respect to the National Forest Legacy Program scoring criteria.

Appraisals must comply with the *Uniform Appraisals Standards for Federal Land Acquisitions* (also known as the "yellow book" standards) as amended or updated. Appraisals and appraisal reviews must be done by a qualified appraiser meeting the minimum qualifications contained in the *FINAL AMENDED Forest Legacy Program Implementation Guidelines* (June 30, 2003 as amended December 21, 2011).

To be approved by the State Forester, Forest Stewardship Plans, must meet the *Oregon Forest Stewardship Planning Guidelines* (see: <http://egov.oregon.gov/ODF/privateforests/docs/StewardshipPlanGuidelines.pdf>) and *Oregon Forest Stewardship Plan Template* (see: </ODF/privateforests/docs/StewardshipPlanTemplate.docx>).

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

Forest Legacy Program Option - Oregon selects the “State Grant Option” for implementing the Forest Legacy Program. The State Lead Agency is the Oregon Department of Forestry. Any State of Oregon or local government agency within Oregon that can demonstrate to the Oregon Department of Forestry their capacity to either acquire and actively manage forestlands, or hold interests in forestlands through a conservation easement, are eligible entities for holding lands or interests in lands acquired or donated through Oregon’s Forest Legacy Program.

Previous Plans Replaced - *Oregon’s 2010 Statewide Forest Assessment* and *Oregon’s Forest Resource Strategy – FY 2011 thru FY 2015* functions as Oregon’s 2010 Assessment of Need and replaces the *Oregon Forest Legacy Program Assessment of Need* (September 2001).

Collaboration – Private landowner participation in the Forest Legacy Program is strictly voluntary – so without the interest and vision of private forestland owners to conserve their lands for forestry purposes in perpetuity, there would be no Forest Legacy Program. Land trusts, conservation organizations, landowner groups and other state and federal natural resource agencies are key partners in conducting program outreach to private landowners and for developing Forest Legacy Program projects. The Land Trust Alliance is a key partner by holding national and regional conferences on protecting lands for conservation purposes and for maintaining The Learning Center – a document library of online training resources regarding “best management practices”- for developing conservation easements and acquiring lands for conservation purposes. The Forest Legacy Program works in partnership with the Forest Stewardship Program in that the Forest Legacy Program requires that participating forestlands be managed under a written forest management plan approved by the State Forester.

There is opportunity for the Forest Legacy Program to serve as a catalyst for developing a coordinated strategy for State of Oregon natural resource agencies including Oregon Parks and Recreation, Oregon Watershed Enhancement Board, Oregon Department of Fish and Wildlife and the Oregon Department of State Lands to hold conservation easements as a means to protect resources and conservation values on unique properties as well as on working farms and forests. Oregon needs to develop uniform standards for acquiring and monitoring conservation easements with program guidelines and other requirements of the Forest Legacy Program serving as a guide for “best management practices” in this area.

Performance Measures

- *Annual Accomplishments*. Measured by:
  - Number of Forest Legacy Program project applications approved by the State Forest Stewardship Coordinating Committee for national evaluation. Target: 3.
  - Number of Oregon Forest Legacy projects selected for incorporation in the President’s budget request for Forest Legacy. Target: 1.
  - Number of funded Forest Legacy Program projects monitored. Target: 100%.

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

- *Agency*. Measured by:
  - Number and acres of private forestland protected from conversion to non-forest use through Forest Legacy Program funded or donated conservation easements.
  - Number and acres of private forestland protected from conversion to non-forest use through fee title acquisition by state and local governments.
  - Principle and available interest of monitoring and management endowment funds for Forest Legacy Program funded or donated conservation easements.

Application and Evaluation for Funding Consideration of Proposed Forest Legacy Projects

1. Application Period – By the end of March of each year, the Oregon Department of Forestry will determine an application period for soliciting Forest Legacy Program projects for the upcoming federal fiscal year (FY) budgeting round. For example, by March 31, 2011 the Oregon Department of Forestry will set the application period for the federal FY 2013 budgeting round (e.g., the application period will be set two years prior to the actual time of the actual expected award of Forest Legacy Program funds for the fiscal year in question).

The application period will begin no earlier than April 1st and end no later than November 30<sup>th</sup> of each year. The application period will consist of the following:

- Oregon Department of Forestry initial call for proposed projects.
  - Eligibility screening of proposed projects by the Oregon Department of Forestry.
  - Optional screening of proposed projects by the State Forest Stewardship Coordinating Committee (if necessary to reduce the number of proposed projects for formal development and evaluation to no more than 6 proposed projects (i.e., Invited Projects)).
  - Formal application development of invited projects as a provisional “Project Brief” in the *Forest Legacy Information System (FLIS)* or equivalent.
  - Initial evaluation and feedback of invited project applications based on a presentation of the proposed project to the State Forest Stewardship Coordinating Committee (optional).
  - Formal evaluation, individual State Forest Stewardship Coordinating Committee member scoring and Committee (as a group) selection and prioritization of the invited project applications to be submitted for funding consideration by the Forest Legacy National Review Panel or equivalent.
  - Finalization of *FLIS* provisional Project Briefs for the Committee recommended proposed projects and formal submittal by the Oregon Department of Forestry for national funding consideration.
2. Initial Call for Proposed Projects – Letters of Interest and Property Description – By no later than June 30<sup>th</sup> of each year, the Oregon Department of Forestry will put out a call for “Letters of Interest” for Forest Legacy Program projects for the applicable federal fiscal year (FY). Letters of Interest – which should be no more than 3 to 4 pages in length - can be submitted either electronically or hard copy (with Property Description attached) to:

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

Forest Legacy Program Coordinator  
Oregon Department of Forestry  
2600 State Street  
Salem, Oregon 97310

The Letter of Interest must be signed and submitted by a legal representative of the landowner holding fee title interest to the property or properties being nominated; or include a letter signed by a legal representative of the landowner indicating permission for another entity to submit the Letter of Interest on the landowner's behalf. (Nominations that include multiple parcels from multiple landowners need to have signatures or permissions from each landowner or legal representative of the landowner).

The Letter of Interest should cover the following:

- A clear statement of the landowner's willingness and desire to voluntarily have the property become a part of Oregon's Forest Legacy Program.
- Description of the proposed property's merit with respect to the following criteria:

Threatened – Describe the threat and likelihood of the nominated property being converted to non-forest use. In doing so, describe the allowable development under all applicable comprehensive land use plans for the counties that the nominated property lies or properties lie within. In doing so, highlight specific steps or actions (e.g., development plans, permits, lot line adjustments, etc.) taken by the landowner, or expressed purchaser interests in the property, toward development.

Importance – Describe the specific attributes and resources of the property that contribute to the environmental, social and economic benefits arising from continued management of the property as forestland for forestry purposes. Highlight those attributes and resources that are of national significance. Describe how either public acquisition of the property (in the case of a fee title purchase nomination), or how the landowner and partners will manage the property (in the case of a conservation easement nomination) will ensure conservation and sustainable management of the property's important attributes and resources in perpetuity.

Strategic – Describe the nominated property's relevance or contribution to existing or emerging conservation initiatives or proximate forestlands that are already being managed in perpetuity for forestry purposes (e.g., public forestlands and other forestlands being conserved through conservation easements or acquisition by land trust organizations). Identify by name the local, regional and/or statewide conservation initiatives and/or proximate forestlands that would be best served by continued management of the property as forestland for forestry purposes. Describe the nominated property's importance to the *Oregon Conservation Strategy*.

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

- The Letter of Interest should designate by name, and include contact information for, an individual responsible for completing the Forest Legacy Program application (Application Representative) for the nominated properties.
- The Letter of Interest should identify the type and source of the required 25% (of total project value) matching fund requirement as well as the source of the dedicated funding for both management and monitoring of the properties after their inclusion in the Forest Legacy Program. Actual funds do not need to be secured at this time; just a clear strategy and source for obtaining these funds prior to the project's closing.
- Attach a one page Description for each tract or parcel making up the nomination.
  - 1) Name of the tract
  - 2) Landowner(s)
  - 3) County
  - 4) Tax Lot #(s)
  - 5) Acres
  - 6) Legal Description
  - 7) County Zoning
  - 8) Ownership of Mineral Rights (indicate if unknown)
  - 9) Structures on the property
  - 10) Existing Easements
  - 11) Congressional District
  - 12) Forest Legacy Program Funds Requested

Include other information such as any special or unique circumstances affecting title to the property or the ability of the property to enter the Forest Legacy Program such as existing conservation easements, other encumbrances on title and/or the location of know hazardous wastes.

3. Eligibility Screening – The Oregon Department of Forestry will verify that the nominated properties are privately owned and located within an Oregon Forest Legacy Area. Awarded Forest Legacy Program funds must be matched with approved non-federal funds of at least 25% of the total funds used (Forest Legacy Program funds plus non-federal matching funds).
4. Optional Screening by the State Forest Stewardship Coordinating Committee – The State Forest Stewardship Coordinating Committee has the option to convene to screen the eligible projects for the purpose of recommending which projects should be invited by the Oregon Department of Forestry to develop a formal application for funding consideration. Criteria to be used in this initial screening will include, but is not limited to, the Committee's assessment of:
  - a. The landowner's or nominating organization's capacity to develop a formal project application in FLIS or equivalent.
  - b. Whether the project is a continuing phased application of a project previously recommended by the Committee for national funding consideration; or previously funded by the Forest Legacy Program.
  - c. Whether the project is a contingency application for a project residing on the national Forest Legacy Program Proposed Project "list" supporting the President's Recommended Budget for the previous fiscal year.

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

- d. The project's strengths with respect to the national Forest Legacy Program scoring criteria categories – Importance, Threatened, Strategic and Readiness.

Up to six submitted eligible projects can be invited to develop formal applications.

- 5. Formal Application – Formal applications will be developed using the USDA Forest Service *Forest Legacy Information System (FLIS)* or equivalent. The Oregon Department of Forestry and the USDA Forest Service will offer training in FLIS through a webinar. Each year, the Oregon Department of Forestry will provide guidance regarding the type of information to prepare for entering in *FLIS* based on the National Program Scoring Criteria for the federal fiscal year being applied for.
- 6. Optional Presentation to the State Forest Stewardship Coordinating Committee – Each year, the State Forest Stewardship Coordinating Committee will decide to invite applying landowners and their Application Representatives (and other participants) to present their application to the Committee based, in part, on a DRAFT of their provisional *FLIS* Project Brief. The purpose of these presentations is to provide the opportunity for landowners and Application Representatives to interact directly with the Committee and for the Committee to gain a full understanding of the proposed project. Another objective of the presentations is to provide the Committee the opportunity to give applicants feedback on how well their project is being communicated in their DRAFT provisional *FLIS* Project Briefs.

Presentations can be augmented by supporting materials that the landowner or Application Representative would like to make available to the State Forest Stewardship Coordinating Committee as a means for the Committee to gain further understanding of their project. At a minimum, this includes letters of support from all supporting organizations, entities and individuals listed for the proposed project on the *FLIS* Project Brief.

Following all the presentations, the Committee has the option to meet in closed session to begin a preliminary discussion of the proposed projects. The purpose of this preliminary discussion is to ground the Committee in a consistent understanding of the National Scoring Criteria (applicable to the federal FY in question) for use by each individual Committee members scoring of the proposed projects.

Landowners and their Application Representatives will be given some time to finalize their DRAFT *FLIS* Project Briefs based on the Committee's feedback. These

- 7. State Forest Stewardship Coordinating Committee Evaluation and State Priority Ranking – Using the finalized *FLIS* Project Briefs, members of the State Stewardship Coordinating Committee will individually score each proposed with respect to the National Scoring Criteria for the federal FY in question. The State Forest Stewardship Coordinating Committee will then convene to evaluate and rank applications to be submitted to the National Review Panel for Forest Legacy Program funding for the FY in question.

**Oregon's Forest Resource Strategy – FY 2011 thru FY 2015**  
**Oregon Forest Legacy Program Elements**

Application Representatives (and others) are welcomed to attend and observe the Committee's deliberations.

8. Submittal to the National Review Panel – Landowners and their Application Representatives of those projects recommended by the Committee for national funding consideration will be given time to edit and update their FLIS provisional Project Briefs prior to their submittal to the National Review Panel for funding consideration for the FY in question. The Oregon Department of Forestry, with oversight from the USDA Forest Service Forest Legacy Program Manager covering the Pacific Northwest Region, will formally assign the Committee's State Priority Ranking to, and then submit, each recommended project to the National Review Panel no later than November 30<sup>th</sup> of the year; or another date as established by the USDA Forest Service.

