

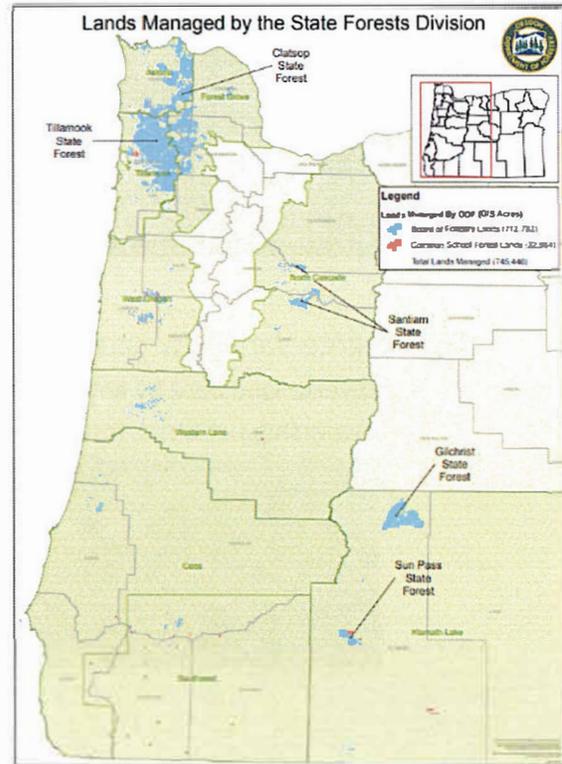
Board of Forestry Retreat October 2018

State Forests: Background and Major Board Policy Initiatives

We manage two ownerships in Nine Districts

Common School Forest Lands | Department of State Lands

- 33,000 acres
- Parcels of the Common School Lands acquired at statehood - determined to be best suited for growing timber
- Amount of CSFL varies by district, from 0.5% to 44%, with some parcels being contiguous with BOF lands and others being scattered.
- Manage to obtain greatest benefit for the people of Oregon, consistent with conservation of the resource



Board of Forestry Lands

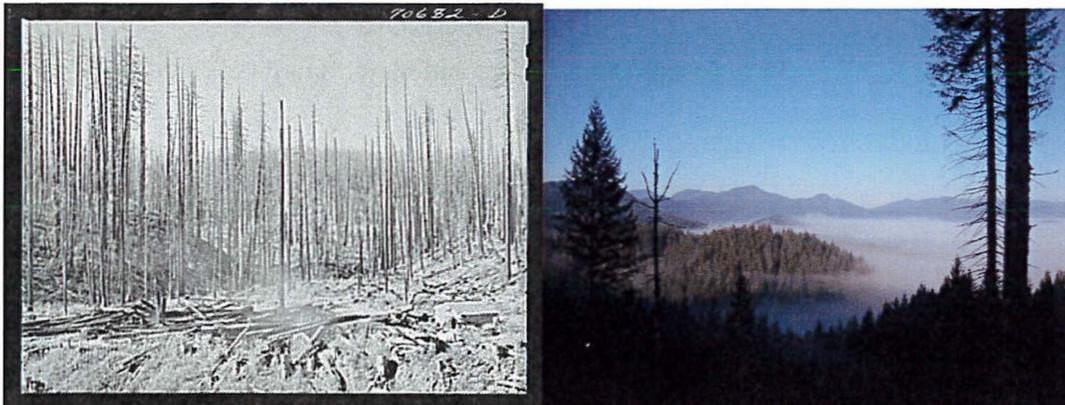
- 730,000 acres
- Burnt and cut over by 1930s and 1940s
- Deeded from the counties to the state | restore | maintain as forest land | 1940s – 1970s massive reforestation



Manage for **Greatest Permanent Value** (statute and rule) for the people of Oregon:

- Generate revenue for counties, rural communities, jobs, clean air and clean water, high quality habitat for native fish and wildlife, diverse recreational and educational opportunities.
- Integrated forest management, adaptive management, and stakeholder involvement
- Science-based
- Unique and protected interests of the county

- Four Forest Management Plans: Elliott | Eastern Oregon Long Range Plan | Southwest Oregon Management Plan | Northwest Forest Management Plan



High Degree Variability across the Ownership

- Diverse land base by any measure: forest health, fish and wildlife, listed species, ownership pat terns, forest inventory, tree species diversity, slope steepness, access



Funding structure

- Self-funded/ no general fund / ATV Funds from Oregon Parks and Recreation Department to support off-road vehicle recreation
- 98% of revenue comes from the sale of timber
- Dependence on timber harvest- Division is vulnerable to shifts in a volatile timber market
- 63.75% of revenue is distributed to the counties within which the sale took place
- Revenue is distributed to counties before covering ODF management costs
- 193 FTE – active part of the complete and coordinated system for fire prevention and suppression

Resource Protection and Management

- High quality habitat that supports fish and wildlife
- Current Northwest, Southwest, and the Elliott management plans are anchored to “structure based management” –on 30% of the landscape we utilize silvicultural techniques to create layered and older forest structure
- Legacy Structure strategies | Snags, Green Tree Retention, Downed Wood
- Establish NSO circles and MM management areas
- Stream buffers that range in width and management alternatives
- Protection of debris flow prone channels and additional leave trees on unstable slopes
- Road BMPs
- Terrestrial and Aquatic Anchors
- Use Take Avoidance –
 - Operational Surveys for NSO and MM prior to harvest in potential habitat versus programmatic ESA compliance tool
- Restoration | monitoring | inventory | research cooperatives | Seed orchard seed improvement



Social Benefits

Recreation, Education, and Interpretation

- **Recreation:** Our recreation programs are providing safe, diverse and family-friendly access to our forest | 2017: over 48,000 camper nights

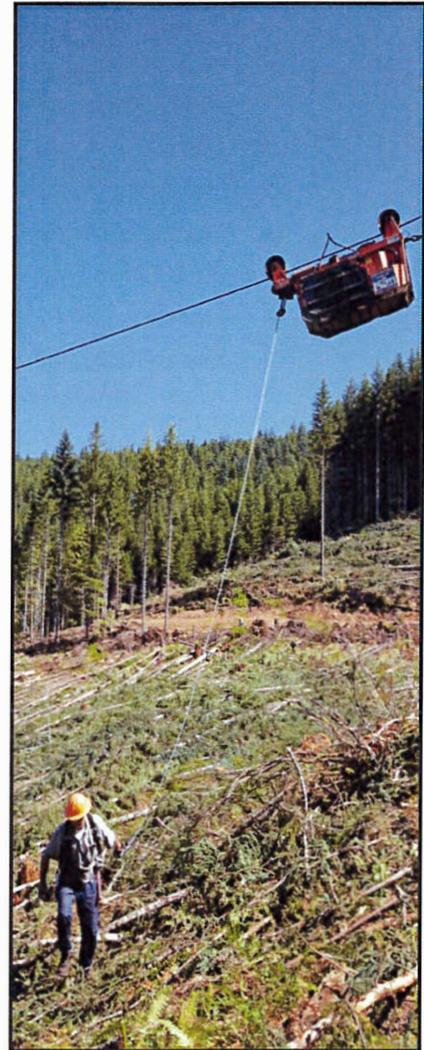




Tillamook Forest Center: Education and Interpretation – teaching school children, educators, and the public about forest resources and forest management | 2017: 53,000 visitors | 5,000 school children in education programs

Harvest and Revenue: Both social and economic benefits

- No exporting allowed; supports local jobs, mills, economies
- 5-year range of
 - Harvest levels: 221 mmbf – 315 mmbf
 - Gross revenue range: \$81.2 million - \$138.4 million
 - Total Revenue Distributed: \$48.6 million – \$80.9 million
 - ODF revenue: \$27.7 million – \$47.2 million:
 - During the great recession and years to follow ODF share of the revenue did not cover operational costs which include those associated with ESA surveys, recreation, education, restoration
 - Recent upturn in the market – reinvesting in young stand management, monitoring



Local Relationships

- District personnel are part of the local communities and maintain those relationships through open and frequent communications, proactive involvement in community programs/initiatives, working closely with county commissioners, and responding to public/customer concerns.



- District offices support local interests/needs such as fire wood cutting, permits for salal, moss, ferns and mushrooms, and tribal interests
- Lands are open to public access, hunting, fishing: district personnel manage that locally-challenges with homelessness

Challenges and Opportunities

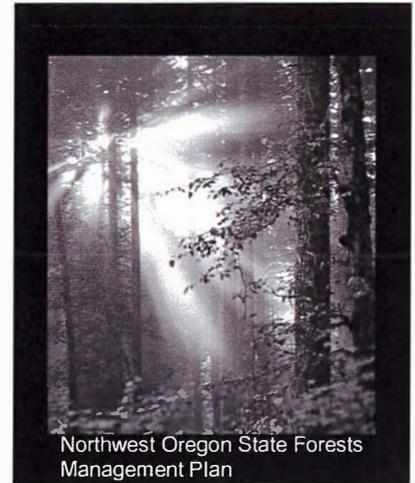
- Litigation:
 - Challenge: Costly | time consuming | divisive | barriers to collaborative involvement with litigants
- Striking the balance described in GPV
 - Challenge: under current funding structure difficult to deliver on all aspects | budget reductions | divergent and often competing stakeholder perspectives
 - Opportunity: Business improvements | Policy changes | Other sources of revenue
- Recreation and public use:
 - Challenge is meeting demand under current funding structure | public use creating safety and sanitation issues | funding comes from timber dollars
 - Opportunity: build public/private partnerships and collaborative endeavors | grow to meet the quantity and diversity of current demands | recreation contributions to community well-being
- Education and interpretation | Tillamook Forest Center

- Challenge: demand exceeds capacity | need for capital and technological upgrade
- Opportunity – building partnerships to increase capacity (Education Pavilion)

Major BOF Initiatives next year

Forest Management Plan Revision:

- Goal is to increase financial viability and conservation outcomes
- Status: Several BOF decisions have been made:
 - Approved workplan | Directed Division to work more quickly | Content Table | Addition of Measurable Outcomes and impacts analysis | Approved Guiding Principles and definitions of conservation and financial viability | Presented with resource assessment
- Upcoming: NOVEMBER 2018: Review Draft Goals, Strategies, Measurable Outcomes | MARCH 2019 Approve Goals, Strategies, Measurable Outcomes in March | 2019: review analyses, approve standards, and quantifiable targets



Habitat Conservation Plan



- Goal is programmatic ESA compliance tool that will increase conservation and through operational assurances improve financial viability
- Status:
 - Board directed Division to implement 3-phased approach: Phase 1 Business case; form Steering Committee and Scoping Teams; refine species list; initial baseline data assessment | Phase 2: develop strategies and conduct detailed analysis | Phase 3: NEPA



- Upcoming
 - NOVEMBER: Business case asking for a decision on whether to continue into Phase 2.
 - If directed to continue to Phase 2: Strategies and detailed analysis next year and present outcomes to the Board
 - If Board directs Division to continue into Phase 3 : NEPA the following year

Agency Initiative: Link to State Forests (few minutes inside a larger Agency Initiative agenda led by Doug)

- If SF positions – better staffed to support complete and coordinated system and to lead and support projects/timber sales to improve fire resiliency on Federal forests
- New employees would allow us to better meet our GPV missions that create healthy fire resilient forests (manage for restoration – e.g. Tillamook), help with prevention (public use and recreation), maintain timber supply, and maintain healthy watersheds and habitat.
- South Fork Positions: SF teams critical part of the complete and coordinated system. SF is managed by State Forests Division. Additional positions would bring additional capacity in the form of hand crews for fire suppression.