

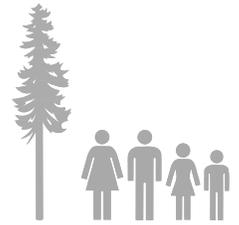


"STEWARDSHIP IN FORESTRY"

Committee for Family Forestlands

Meeting Minutes

January 16, 2018



Pursuant to public notice made by news release with statewide distribution, a committee meeting of the Committee for Family Forestlands [an advisory body to the Oregon Board of Forestry with authority established in Oregon Revised Statute 527.650] was held on January 16, 2018 at the Oregon Dept. of Forestry, Tillamook Room, 2600 State Street, Salem, OR 97310.

CFF Committee members participating:

Kyle Abraham, ODF, Deputy Chief Private Forests Division
Evan Barnes, Acting Chair, SW Rep. (Voting)
Gilbert Shibley, Landowner-At-Large (Voting)
S. Mark Vroman, Industry Rep. (Voting) Hampton Family Forests
Bonnie Shumaker, Landowner, NW Rep. (Voting)
John Peel, EO Rep. (Voting)
Jim James, Ex-Officio OSWA, Executive Director
Rex Storm, AOL/OTFS Ex-Officio
Julie Woodward, OFRI Ex-Officio

Guests:

Seth Barnes, OFIC
Gary Springer, family woodland owner, Starker Forests
Doug Grafe, ODF Protection from Fire Division Chief
Tim Murphy, Dept. of Land Conservation and Development
Commission

Members not in attendance:

Evan Smith, Conservation Fund, Environmental Rep. (Voting)
USFS Ex-Officio (staff change)
Janean Creighton, OSU College of Forestry Extension Ex-Officio

ODF Staff:

Lena Tucker, Private Forests Division Chief
Ryan Gordon, Family Forestlands Coordinator
Marganne Allen, Forest Health and Monitoring Manager
Terry Frueh, Monitoring Specialist
Susan Dominique, Committee Administrative Support
Nick Hennemann, Public Affairs
Jay Walters, FPA Field Coordinator
Adam Coble, Monitoring Specialist
Thomas Whittington, Incentives Coordinator

Call to Order 9:00am

1. Welcome and Review of Agenda – Evan Barnes

Evan Barnes, acting Chair noted there were no changes to the agenda at that time. And asked participants to introduce themselves for the record.

2. Roll Call – Evidenced above.

3. Approval of the Minutes

Barnes asked for any additions or corrections to the draft minutes from December. Dominique noted that John Peel had sent some minor adjustments and she incorporated them into the draft provided. At this point in the meeting there was not a quorum present to approve. Later in the meeting when other members arrived Shibley moved to accept the minutes with Peel's edits. Peel seconded the Motion. All were in favor. The Minutes for December were approved.

4. Public Comment

None offered.

5. Private Forests Division Update – Kyle Abraham

Abraham began by asking the members to consider if there were any changes needed to the CFF Charter in light of the criteria stated in the Charter as a qualification to be nominated as Committee Chair. Ed Weber, resigned his term and Evan Barnes, the Southern Oregon Landowner Representative on the Committee was Vice-Chair and so will be the Acting Chair until there is another candidate to put before the Board. The Charter states that Committee Chair

preferably be a Citizen-At-Large. Abraham emphasized the Charter statement says, “preferably” and invited discussion on whether members would want to consider a change to that to facilitate recruitment of a new Chair.

- Storm noted that the Charter doesn’t state it is mandatory which leaves some flexibility for that individual.
- James agreed that when the CFF was first established the Chair had to be Citizen-At-Large, a public individual and could not be a forestland owner. But the flexibility provided by the statement “preferably” allows additional considerations without changing the Charter.

Abraham continued that the group may want to review the Charter for a future discussion on anything else that may need to be updated since it was given to the Board in 2012. [**Agenda Item**] In terms of looking for a new Chair we will consider basically the range of people, Citizen-At-Large that aren’t forestland owners but will use the flexibility provided if necessary. Abraham welcomed ideas on potential candidates.

Returning to the Division update Abraham reported Private Forest’s hiring of Salem staff. Including a new Office Specialist as of the first of the year. The Monitoring and Forest Health Unit hired 2 new Monitoring Specialists, Adam Coble and Ariel Cowen. Current recruitments are out for an Administrative Specialist that works closely with the Field Coordinators and Civil Penalties Administrator for enforcement issues and also work on the Forest Resource Trust. The only other position still vacant is for an NRS4 Water Quality Specialist. The Division has transitioned from budget uncertainties to a pretty much a full budget and were able to hire back capacity.

Along those lines the Program just had a new Stewardship Forester Orientation for about 10 new Stewardship Foresters across the State. Salem staff had an opportunity to introduce themselves so those new folks understand the program functions and who they can call for help. A tour of the Salem compound and Divisions was included as well as an opportunity to participate a little bit in the Board meeting going on. The Division is currently working on a May Private Forests Conference. On even numbered years Salem sponsors a Statewide Private Forests Conference which includes all of the field folks, administrative units from the field. It’s a great opportunity for team building and to facilitate consistent knowledge and will be held May 14th, 15th and 16th in Eastern Oregon.

At the January Board of Forestry Meeting, Marganne, Terry and Lena presented more details around the Eastern Oregon/Siskiyou Streamside Protection Review. This Committee provided a letter about a year ago to the BOF regarding monitoring and evaluation that should be considered for the Eastern Oregon/Siskiyou region. Staff have been working hard at filling in the background data for the Board’s decision-making process. Staff are expecting a final decision on the monitoring question at the Board’s March meeting that will direct the Eastern Oregon/Siskiyou Streamside Review. Abraham offered up again that it was up to the Committee what role the members wanted to have in the process. James responded that members role is to offer suggestions to the Department when there are questions affecting family forestlands and they would be happy to do that.

Abraham verified that any of the committees, as sub-committees to the Board can provide their own comments to by writing or in testimony. James offered that the Committee, as advisory to the Board would be good to consider in doing a final run through of the staff recommendations. Springer emphasized it is the job of this Committee to do that. Allen offered that as a Board Advisory Committee she suggested “vote early, vote often”. The staff try really hard to accurately collect and share what the whole range of perspectives is out there. Abraham suggested a subcommittee review the CFF’s last correspondence on this issue and consider if any further recommendations need to be made. Barnes, James and Shibley volunteered to review the letter and compose any additional information they wanted the Board to have. Abraham noted that the Staff report won’t go to the Board until about 2 weeks prior to the March BOF meeting which is on March 7th.

Allen reminded members that staff is offering a range of alternatives and tied those alternatives with some spatial analysis. The goal of including that data is to front load the Board members thinking with who and what and how we would be engaging with people that are interested in forestlands, before a monitoring decision is made rather than at the end of a monitoring process. For example, how many streams, what stream Types, what kind of landowner types, harvesting practices, voluntary measures, etc. Abraham offered in terms of additional CFF engagement with the

Eastern Oregon/Siskiyou Streamside Protections Project he could send the Staff Report and the materials that were presented to the Board in January, so members can get a flavor of what's there and then figure out if they wanted to add comment in March. [Action Item] He announced that in March at the Board meeting, Mike Cloughesy, OFRI will be presenting updated Illustrated Guide provisions. There will also be the Operator of the Year presentations for the three different Areas. Then Marganne is on the Board's agenda, she and Terry Frueh will be in front of the Board for most of the day, and for the Monitoring Unit update focusing on the Compliance Audit and then the Eastern Oregon/Siskiyou Project.

Peter Daugherty, State Forester and Chair Tom Imeson (of the BOF) have accepted an invitation to attend the CFF meeting in April to answer member questions and talk about what they see the Committee's role in providing information to the Board as well as how they would like the Committee to provide that information.

There was some discussion on future meeting dates and scheduling a May meeting in Southern Oregon. As part of that discussion Ryan Gordon reported that in May, OSU Extension with Emily Jane Davis and Daniel Lobell are working with group of folks to put together another private landowner collaborative workshop down in Klamath County. Similar to what was done last year up in LaGrande. He suggested if members were interested in attending the workshop to add it to your deliberation around a meeting date. The Workshop is scheduled for May 2nd at OSU Extension office in Klamath Falls. The CFF Meeting could be scheduled for a meeting in Klamath, May 3rd, the day after the Workshop. Peel noted that April 21th is Tree School in Baker which some members might attend. But as the April 20th meeting date is fixed due to the State Forester and Chair Imeson's schedules Abraham agreed to an abbreviated meeting agenda in April to facilitate those members traveling to Baker for Tree School.

6. HB 3549 Aerial Application Guidance – Jay Walters

Jay Walters, Private Forests Forest Practices Field Coordinator who along with Keith Baldwin support the 50 Stewardship Foresters throughout the State. They help to answer difficult questions or provide advice and support to the field staff on rule interpretation. He was at the meeting to provide members some background and guidance on Aerial Spray Buffers rule and statute new to the FPA which was a result of passage of HB 3549.

He emphasized the conglomeration of different laws and enforcing agencies that involved in Oregon's pesticide regulation on forestlands. The foundation of pesticide regulation in our State is FIFRA. Federal Insecticide, Fungicide, and Rodenticide Act. It is regulated, and administered by the Federal EPA enacted back in 1947. FIFRA does lots of different things, one of the biggest of which is the Act outlines the process for the registration of pesticides, including herbicides. The end result of the registration process is the label. The label is the law. It is what governs the use of all pesticides in our country. The registration process involves all sorts of toxicity and efficacy testing which informs how the chemicals are labeled. So the administration of FIFRA, on the local level, is given out to the States. The State of Oregon and primarily the Oregon Department of Agriculture (ODA) is responsible for the statewide administration of that law. That administration is defined through ORS 634, the Pesticide Control Act. ODA administers many of the aspects of FIFRA including the licensing of applicators, both aerial and ground-based throughout the State. ODF is the next step up in responsibility through our Forest Practices Act rule 629-620-000 Chemical and Other Petroleum Products in protecting natural resources from injurious amounts of pesticides in forest soil, air and water, as well as protect to the vegetation that's required to be left by the water protection rules. Our new role is also to administer the public safety element of HB 3549, the Aerial Spray Buffers.

“Aerial Herbicide applications: When a forest operation involves applying herbicides by aircraft near an inhabited dwelling or school, the operator is responsible for leaving an unsprayed strip of at least 60 feet adjacent to the dwelling or school.”

The responsibility of the operator under this section is in addition to any responsibility of the Aerial Pesticide Applicator under ORS 634 Pesticide Control Act. The restrictions on aerial herbicide application, the unsprayed strip next to dwellings and schools took effect January 1st, 2016. The House Bill did not direct ODF to make rules and at this point ODF has no plans to develop a rule set associated with this statute. We will be using the guidance presented

until further notice to manage Statute 527.672. One other interesting thing about HB 3549 was that it wasn't specific to aerial applications in a forest environment but also added funding for ODA increasing the number of investigators that ODA has to investigate spray complaints. And it also added a new license that the ODA administers and that is the Aerial Pesticide Applicator License. So the statute covers *any* aerial application, not just those applications in forested settings. So the way the statute reads it references three terms: *inhabited dwelling*, *campus*, and *unsprayed strip*. But didn't define any of those terms. Defining those is where our guidance comes in.

What is an *inhabited dwelling*? *An inhabited dwelling unit is a structure or the part of a structure that is used as a home, residence or sleeping place for one person. One person maintains a household. Or two or more persons who maintain a common household.* The defined dwelling excludes consideration of any outbuildings, or yard areas or other land associated with the structures. It's just the dwelling structure itself. The objective of choosing this particular definition was to capture what a reasonable person would consider a place where people lived.

Members brought up examples of structures that may not be lived in the majority of the year or have utilities like a vacation cabin. Abraham clarified that in looking at how other agencies have used the term dwelling unit he didn't remember there being any time constraint on occupancy.

The Statute also applies to aerial forest herbicide applications near schools regardless of formal school hours, the timing of scheduled or unscheduled events or the presence or absence of students, staff or others. A conservative approach is to say, it's always protected. No matter if school is in session or not. But the rule refers not just to the school building but to the school campus, the entire grounds around the school as well. So, as we have developed the definition in the guidance; "*Campus means the buildings, other structures, playgrounds, athletic fields and parking lots of this school and any other areas on the school property that are accessed by students on a regular basis.*" So it's pretty broadly defined as well. This statute would not apply to undeveloped school lands that are geographically separated.

In implementing the protection, it's *the operator's responsibility to identify the inhabited dwellings and schools*. The Statute does not direct ODF to develop an inventory of schools or inhabited dwellings. And it does not state that ODF must notify the operator or the presence of such sites. The onus really is on the operator to figure out where the schools and dwellings are and provide the appropriate protection. There is no requirement currently that the operator notifies ODF and no written plan is required to be submitted. As always ODF field offices will help landowners and operators prior to operations if they need a hand figuring out how to implement this Statute.

Measurement of the Unsprayed Strip. The statute coming out of the House Bill doesn't specify how that distance is to be measured. But if you look at the Chemical and Other Petroleum Product rules. It's defined right in rule that those distances are measured horizontally. Almost everything else in the FPA is measured on the slope. But when it comes to spraying herbicides, the use of herbicides, those protections are measured with a horizontal distance. So, the protection that is afforded to schools and inhabited dwellings is a 60 foot unsprayed strip measured horizontally. The starting points for the measurements are as follows: For an inhabited dwelling, that 60 foot horizontal distance starts at the structure edge closest to the property line. For a school it is measured from the property boundary, the tax lot boundary defining that school property. So, a big difference there, a much wider protection is afforded to schools versus dwellings. But clarifying anything over a property line of any ownership is chemical trespass. And if the dwelling is less than 60' from the property line, the additional footage making up the 60 feet crosses the property line to so there is no direct aerial application 60 feet from the dwelling. But landowners could have chemicals hand applied up to the property line.

The Department's purpose in administering this Statute is to provide a setback for direct application to protect human health and safety. The purpose is to maintain an area that is void of direct herbicide application around inhabited dwellings or schools. It is a violation if an herbicide is directly aerially applied within that 60' buffer zone.

Springer asked if the Chemical rules are going to be a monitoring priority. Allen remarked that at this point it is among the prioritized rule sets but couldn't provide certainty that it would be addressed this biennium.

Walters guided the discussion into Compliance. As far as evaluating whether there was direct application there are four different ways that we would go about doing that. He emphasized that number 2 is the primary way.

1. Taking direct observation at the time of the application.
2. Visually assessing the effects of herbicides within that 60' unsprayed strip.
3. Reviewing the GPS flight records.
4. And then sampling and analysis of vegetation within that unsprayed strip.

ODA has agreed to provide any sampling and analysis services to help with compliance work. There are very strict protocols for storage of the samples, and determination of the environmental conditions at the time of application and the length of time getting to the lab. To summarize, restrictions took effect on January 1st, 2016 and only apply to the aerial application of herbicides. It is the responsibility of the operator to identify those inhabited dwellings and schools and then leave that 60 foot unsprayed strip.

7. FPA Compliance Audit – Marganne Allen

Allen provided members the Agency talking points on the Compliance Audit. The Department was directed by the Legislature in 2011 through a Budget Note to conduct a Compliance Audit. A particular facet of the Board's direction was directing ODF to use outside contractors to be part of that work. The use of outside contractors brought unique challenges in being able to export an essentially subjective process through a contractual relationship to collect data without the contractor having to determine or interpret compliance with the Forest Practices Act. The Department has reports generated in 2013 and 2014 indicating high overall compliance around 96% for those years. The five-year contract focuses on rules in the Harvesting Division, Roads Division, and a smattering of things in the Riparian Protections Division, namely the no-cut protections. She explained that the approach they took was to pick rules that lent themselves well to measurements or categorical kinds of calls that you could pretty easily write into a contract. 'Measure this, collect the data this way'. And then there are pre-set algorithms based on those measurements or categorical calls of conditions or observations which apply in an if-then-else statement of whether or not there was any *apparent* non-compliance. These results would provide a good indication of where we may have compliance issues with the FPA but that does not by any means follow that individual data points would lead to any enforcement investigation.

The Compliance Audit is extremely valuable in targeting training and educational programs for both our staff and landowners and operators to highlight areas that might be problematic. But she was quick to point out that wasn't an absolute assurance of no enforcement. If there were public safety issues, etc. the Agency would expect some remediation. So, it wouldn't be correct to say that the audit process is completely divorced from the enforcement process. But she also affirmed that the goal is not to go out and write tickets. She was not aware of a single time that the audit led to an enforcement action over the years. She continued that part of the goal was to incorporate the findings of the audit into both internal and external trainings.

The Department is at a key point in the Audit process. The current 5 year contract will end in March of 2018 which presents a tight time frame to decide whether to continue with the same rule sets or a different scope and focus. The focus going forward will depend in part on the dynamic workload concerns in the Monitoring Unit that remain waiting on the BOF's decision on the focus of the Eastern Oregon/Siskiyou Project. For example with a higher project workload the Audit will continue but may change in its rule focus, or frequency or incorporate a smaller sample size.

The 2016 Compliance Audit Report isn't out yet but will be coming out shortly. There were about 100 units sampled. The number of samples in an Area were set to be proportional to the number of notifications in a given geographic area. So there were fewer in Eastern Oregon. More in Northwest and Southern Oregon. Correspondingly they stratified the information by landowner types: Private Industrial, Private Non-industrial, "Other" which includes State Forests, City-owned, County, etc. To make sure it's clear about how things work, we do not have contractors scour every inch of land. Basically, they are walking streams, walking roads, check landings, and quarries. They are looking at the key nexus points between forest operations and Waters of the State. They go to the water and look up from there. So if there is problem they see in the water they would go up and find out what went awry with anything associated with forest activities. The contractors record those GPS data points, and anywhere there are significant issues they also take pictures. With all that

information we can tell you exactly where any point of data was collected. Take you right back to that spot. And in many cases we would be able to share photographs with you of exactly what was going on. So it's a very rich data set. We are looking at things like, what's the proximity of drainage features relative to these stream crossings. Again they are not walking every single inch of the unit. But they are looking for these points where a nexus occurs with key resources.

Allen noted that getting the required sample numbers is no mean feat! Staff ultimately had to reach out 418 times to get landowner permissions on the 100 samples and some additional potential samples if we needed them as backup. Sometimes once contractors are out on the ground, they report back that the sample doesn't fit in some regard or they notified but didn't operate so you always have to have a bigger sample pool with permission granted than 100. Looking at the variety of permissions responses we got from different landowner groups we have high numbers of outright permission granted on Industrial owned lands. 2% of the time there were outright refusals. Private Non-Industrial ownerships were 10% outright refusal. Another big response type was simply, No Response. She called attention to a huge non-response rate for Private Non-Industrials for us to get to our final sample size we have to start with 204 inquiries. So our rate of contact and gaining permission is a huge workload.

Allen provided a sneak peak at the overall outcomes for 2016. No surprise, the overall compliance is again very high. 97%! That figure has been consistent, bouncing between 96% in Eastern Oregon Area to 98% in the Northwest Oregon Area and a similar range of outcomes across the ownership types. Very close in the percentage range of high 90's. Looking at the rates by Rule Division for the rules we sampled one area that we would like to see better compliance rate on is with Written Plans but the rate is still in the 90's. Allen clarified that when she said Written Plans that refers to the Statutory Written Plan requirement. It's a little early to start insinuating trends with three years' worth of data, but they are starting to get a feel for what we hope are improving trends. They are finally getting to a point where we can start getting a sense of the variability of the data as well. Gains in the compliance with Protection of Wetlands is attributable to better landowner/operator recognition of what a wetland is. And that is definitely one rule set that they have been trying to address in the outreach and training that we are doing.

She reported there were 139 data points on the landscape that are associated with delivery of sediment to Waters of the State. In those cases Contractors do their best visual estimation of the sediment load that may have gone in there, trace amounts up to one to ten cubic yards to much more significant, railcar loads of potential sediment delivery or observed sediment delivery. We are still trying to determine whether there is any consistent story in some of those bigger events? For example she shared that one of those bigger events had to do with directing fill onto side cast. Whereas these are more commonly having to do with simply disconnecting your road surface from Waters of the State before you get to a stream crossing.

Allen shared that they try to get better outcomes by increasing the level of recognition of these other resources. Small wetlands, Type N Streams are definitely an area of emphasis for us. At temporary crossings, it's not so much that temporary crossings aren't being pulled. It's more that we're not seeing a full suite of BMPs applied afterwards. So in the case for example a pipe, a temporary crossing they pull the pipe and that's it. There is bare soil, it's not mitigated in any way, and your slopes aren't being set back to the angle of repose. So you still have this stream channel moving through a volume of added sediment on your approaches which risks additional sediment delivery. Likewise skid trails where we are having exposed soils coming in near streams. Some operators are not using the full BMPs near there. Another area needing improvement is simply the practice of leaving petroleum products behind, mainly the containers. She shared that she was aware of cases where something actually had a rupture and placed it under a reportable spill category. She would presume as landowners, you wouldn't want this left on your property. This particular year we did see a drop in compliance with 50 year culvert sizing so we will be watching that issue as well.

The Chair inquired about the level of post-harvest inspections. Abraham didn't have that data in front of him, but believed it was 100 to 600 inspections/month on average. But clarified that the foresters aren't looking for Audit issues in particular but to provide assistance. To conclude, Allen wanted to point out the decision-making process for the future of the Compliance Audit, what rules may be added, expanding the Audit in the next contract cycle, or needing to reduce the scope if necessary to be able to shift the work load for the Eastern Oregon/Siskiyou Region Streamside Protections.

When asked about funding, Allen noted they had a budget of \$250,000 available/biennium. The Budget Note didn't come with funding. To meet that Compliance Audit obligation the Department has had to cannibalize position authority they were given, trading the positions for money to pay for the contracts. It doesn't appear as a line item in the Budget.

Tucker reiterated that back then we received partially funded positions and positions that weren't quite full and made some decisions basically to convert them to Services and Supplies for professional services funding to actually fund the Compliance Audit. Back then we were shooting for \$500,000/biennium we figured we needed. But we gave up half of that in this past legislative session. Currently, we are at about \$250,000 to spend on the Compliance Audit. Which is covering about 100 sample sites/year. So, with a pending decision, they could either go really big, every two years or we can kind of keep it in smaller samples annually. James praised the Department's program and added that it's very important to the landowner community and they appreciate the effort to promote care for Oregon forestlands. Tucker asked Rex Storm to speak about the connection between the audit results and the Association of Oregon Loggers training programs.

Storm responded that ever since the data had become available in 2013, it's been used by not only ODF's training program but AOL contractors have a MOA to provide outreach and education for the purpose of improving compliance and resource protections. This Audit is a very valuable tool to have in those efforts, providing ongoing data, information on what areas need improvement as ODF uses it to learn where they need to beef up their technical assistance efforts and communication to the operators and landowners.

Springer encouraged the Department to make it a high priority in the Audit to monitor aerial pesticide applications because that is the biggest hot button issue that the public and landowners face. Tucker agreed that would be interesting to look at potential protocols and timing involved in monitoring that rule set.

BREAK

8. Agency Strategic Initiative – Lena Tucker & Doug Grafe

Tucker, Private Forests Division Chief introduced Doug Grafe, Division Chief for the Fire Protection Division. In that capacity he had come before this committee many times to provide fire updates. However, Grafe is currently on a special assignment, as the Agency Coordinator for the Agency-wide Strategic Initiative effort. Tucker had broached this topic with the members last fall reporting on Strategic Initiatives for the Private Forest Division. Strategic Initiatives are the concept of work which may evolve into Legislative Concepts or into Policy Option Packages to add funding to our budget. But the State Forester challenged staff to come up with an *Agency* Strategic Initiative. How do we look at our issues? How do we look at capacity? Where is it we need to go?

Grafe began identifying the problem statement. Framing the problem, fire certainly has dominated the conversation around forests for a number of years in a significant way. We know we are experiencing an increase of severity, complexity and duration of fire seasons. All Oregonians have felt that. Much of the public recognize that ODF is challenged to respond to the fires on the landscape and sustain its core businesses. The Department acknowledges the challenges on all sides within each Program and the need to bring them into alignment with our mission for the Agency. So that's the problem statement. To address this they are looking at creating an Agency Initiative for possible inclusion in the 2019-21 Budget.

The framework in which we are having this conversation comes from two prior efforts following the 2013, 2014 and 2015 Fire Seasons. We initiated an internal Fire Program Review which was completed in 2016. Then the Secretary of State (SOS) initiated an independent Performance Audit because of the challenges identified in the Program Review to determine where the pinch points were, the challenges to meeting our Agency mission. So the Agency Initiative is anchored in those two reviews. There were three workgroups involved: the Sustainable Organization Workgroup and Fire Program Review and the Finance Workgroups. The Sustainable Organization group is key now because that is the primary focus as we are beginning to evolve the Agency Initiative. This is our first opportunity to address both the Fire Program Review and the SOS's Performance Audit through a Legislative session. This is why just before the holidays we sat down and said if we are going to do anything about these issues we really need to get somebody on-point to focus the

attention and move the recommendations and thoughts forward around both these efforts. But in 2016 we just completed the reports, so we had no time to necessarily react for the 2017-19 Biennial Budget we are in. So this is really our first opportunity to make change in the organization focused on the 2019-21 Budget. The first public proposal for what a framework might be for an initiative will be before the BOF in April. That's our first target.

Storm suggested that the problem statement implies a pretty strong message of firefighting suppression rather than prevention, and mitigating fire hazards.

Grafe clarified that was a good distinction and he would anchor into "adequately protecting Oregonians, forests and communities". The root of the issue falls far beyond response. And the Cohesive Wildfire Strategy is the framework we are thinking around this initiative as it relates to mitigation, prevention and those sorts of things. So he agreed that he should treat that language a little bit differently. Vroman suggested use of the word 'proactively' instead of 'adequately'.

Grafe quoted Peter Daugherty as saying to the Legislature and the Board, "This fire season has reinforced what we already knew from the 2016 SOS and Fire Program Review. We do not have a sustainable fire organization for these kinds of fire seasons. The 2017 Fire Season, marked the 5th out of the last 6 years of extreme fire severity, complexity and long duration. This summer we once again had to delay, or suspend work in our other Divisions as we focused on fires. As is typical each year ODF is very successful at initial attack and I think that is really important in this conversation. We are stretched to find our resources, keep our Incident Management Teams staffed and support our partners during Extended Attack fires." And Peter reinforced that, "frankly we are organized for the average fire seasons of a decade ago. We need to change if we are going to continue to protect Oregonians, communities and forests from wildfire." So he does speak to the mitigation piece ... "we also need to significantly increase pace and scale and treatments to make Oregon's forests more resilient to fires and examine policies that are slowing this work down."

Grafe provided an outline of Large Fire Response and how the State organizes. ODF has 3 Incident Management Teams (IMT) which is 32 people made up of ODF employees specifically trained to create an Incident Management Team that we employ into the chaos of the fire scene. And that IMT has an Incident Commander; has Logistics Section Chief, the Plans Section Chief; Finances Section Chief; Procurement; Time Recorders; Check In Status Records; I could go on! 30 some people who are highly qualified to be inserted in any situation where wildfires cross the State comes into play. And we can put them in a field and within 24 hours they are feeding 2000 firefighters, have electricity, computers, all the new technology, power, phones and a city is established within a 24 hour period. He highlighted these needs to emphasize the recommended amount of training to be nationally qualified to sit on these teams. This training doesn't happen overnight and certainly a Type 1 Incident Commander of that complexity, are typically the seasoned veterans within the Agency. It's important for the Agency to have our people engaged on Teams for ODF to ensure that the expectations of landowners are met. But nationwide a lot of State Agencies don't have the capacity to provide their own IMT on fire jurisdictions within their lands. So they go to Interagency Teams, Forest Service, BLM, Fish & Wildlife, all the Federal Agencies and local jurisdictions who are trained to that same level. That is a model we certainly could look at in Oregon, in terms of sustainability we might have to think a bit more on that. The initiative to him is to think of ways that will help sustain what we have with Oregon's complete and coordinated system. The key is these fire teams are not built solely from fire positions, clearly State Forests, Private Forests, and Administrative Services personnel participate on Oregon Incident Management Teams. They meet in the wintertime as well to get ready for fire season. Half day, maybe it's a conference call, the point is there is quite a bit of work that is done in advance to be successful as a team from all these employees, not just deployment to a fire. Definitely one of our greatest challenges are the financial viability issues there. And then you add the fire mission on top of that workload.

Grafe highlighted data from 2013, 2014, 2015 to get a sense of where the Department stands on Program hours spent on fire business. In 2014, State Forests Division engaged 80 employees and 121 in 2015 deployed to 65 fires in 2014; 36 fires in 2015. This is rather disturbing when you look at some 30,000 hours State Forests employees engaged actively in fighting fires! This is from Sept.-June to on both of those seasons so we are talking June, July, August, September, only 4 months but in addition remember the training that is required for 121 people to deploy that's not a new employee. We have to prep these folks for whatever role they are in. That's just not a skill set that happens overnight. Understanding what it takes to get those folks ready is a significant part of this conversation around the Agency Mission and sustaining

the services we expect in a Large Fire landscape. The Initial Attack landscape we do fairly well our target is 98% fires kept at 10 acres or less. Initial Attack involves local fire staff, the engines, the Forest Officers, the Task Force Leaders locally are on those fires quick. The complexity is challenged as we get larger and larger fires on extended attack on the landscape. And the resulting unintended, unseen consequences. The current Agency's FTE (Full Time Equivalent) 2017-19 budget is up in around 800 FTE generally that's about 200 State Forests employees. 200 FTE in fire and Abraham added Private Forests was at a 100 FTE. Grafe continued there are 500 seasonal employees funded for 4 months in fire. Administration makes up 30. So the current workload is impacting all members of the organization regardless of programs because of the Extended Attack complexity we are facing.

James noted that back in 2007-09 there were more FTEs and that was when everything was gutted because of the depression. Those figures suggest that you are not anywhere near that level today. Grafe agreed there were probably over a hundred more employees a few years ago and much of that was seasonal. Tucker reminded members that our Service Forestry Program had a huge workforce on the ground serving family forestlands that was dropped from State funding. Federal funding filled the gap on a lot of these positions. She emphasized that didn't mean the demand for our services had gone down when we've had less funding, the demand is still there. And so the complexities of meeting our demands and our missions for all of our programs and in addition serving the broader goal of dealing with Large fires is kind of where we are trying to strategize.

Grafe continued that we have 30 aircraft currently on contract at the beginning of every fire season. That means I need 30 people who are very focused on what that piece of iron is doing in the air that they have the right comms and they have the right mission specs and they are operating within the right space and the dispatchers to call in. That's just one complexity. We want to engage in remotely piloted aircraft (UAV), drones, who's running the GIS technology to support those? The fires have changed. Forest management has changed. We've had 25+ permanent FTE in the Elliott we are down to about 11 on the last biennial budget and now we are down to zero. So that's changed. Generally, fluctuating between 800 to 900 FTE within this organization.

Gordon suggested that he include the fact that the majority of Large Fires are burning off Federal forests where we can't do Initial Attack. So realizing that even when fire is burning on federal ground it still has a pretty significant impact on our resources because of our engagement there when fire crosses onto ODF-Protected lands.

Woodward noted that there have been a wave of retirements from top program and district positions and the Department wasn't necessarily filling those vacancies immediately. And so there is a loss in experience both program and fire wise. New employees may not have the same fire qualifications. If you look at charts in the last 10 years you can see the loss of people in those positions. She offered that may be a part of the story too. The same number of people but you now replace with a different suite of skills.

Grafe agreed and shared that he was astutely interested in the HR dashboard presented to the Board in January that analyzed the ODF workforce. If 20 years ago, was the average longevity of the employees 15 years, and it is 7 now? He proposed even more complexity in that it takes probably 10 to 15 years to grow the right capacity of leadership for those high level positions so we are having to change expectations in those positions because of the way we fight fires. So all of that is embodied in this conversation when they think about long term readiness. Another point that State Forests brought up to me, is you lost 30,000 hours during fire season for your employees but you didn't lose 30,000 hours' worth of work. That work still needs to be done. So they are picking this up in the form of overtime when their employees come back who have already worked 18,000 hours of overtime. All that adds to the story of the true impact of that type of workload on the current organization. The point is that we need to adjust organizationally and add capacity, that's obvious. Every Agency has some story here to tell. You, the rate payers, the legislature. He considers his job is to shed the light on the current condition and offer up a pathway forward that addresses these issues for the decision-makers deliberation.

He feels his responsibility leading this effort is bringing the details forward painting a realistic picture of the challenges the Agency is facing. This initiative is to develop that reasonable ask so we can address the capacity issues and that comes in the form of a policy option package (POP). That's FTE and funding. This will be a General Fund ask above and beyond our base level protection. We have positions in the base level funding but it's the added complexity of Large Fires that are

drawing people from their base to work on the fires, and that is the pressure point. We want to go to the Legislature and deliberate on General Fund ask as important to all Oregonians and our forests.

The Federal Land Assistance, Management and Enhancement (FLAME) Act of 2009 directed the Departments of Agriculture and the Interior to develop a cohesive wildland fire management strategy. This congressionally directed plan was signed to develop a response to severe wildfires, reduce fire impacts on rural communities, and assure sufficient firefighting capacity in the future. The National Cohesive Wildfire Strategy and Healthy Forest Restoration Act was a part of that. So we could influence the rind around our communities and operate on Federal Land. It's All Hands/All Lands on deck to address the issue. That's framed up in 3 bodies of work Grafe believes are the components of a successful complete and coordinated national system:

- Fire response
- FireWise Communities
- Resilient landscapes.

Travis Medema, EOA Director was on the National Committee coordinating this effort. Grafe believes these are the components of a successful complete and coordinated system nationally. Focusing back on private lands, he believes that there's an intersection within this initiative with Private Forests in addressing the needs in the wildland/urban interface. The WDA are Wildland Developed Areas which are becoming more accepted. In looking at the Wildland Development Areas and looking at historical fire data (from 1960 to 2015), 66% of the fires fall within 1 mile of the wildland development areas. 66%! The Wildland Development Areas are strictly based on densities, homes. More reflective of what we describe as our wildland/urban interface (WUI). Questions he is considering in the WDA framework:

- Are we doing enough hazard fuel mitigation work in that area?
- Are we doing enough stewardship planning in that area?
- Are we doing enough community wildfire protection planning?
- Are we developing enough FireWise Communities?
- Are those Communities supported?
- How do we engage more effectively there in mitigation?
- What is ODF's role in that support?

The answer for some of those questions is we are not well enough organized in Fire or Private Forests Programs to address those challenges. Within the framework of the Cohesive Strategy this is an area that he thought would benefit from time working in and thinking about. We protect about a little over 3 million acres of wildland/urban interface and it's an important constituent base and a critically important component of a protection system which needs some attention.

Storm suggested they not forget that many fires are coming off the Federal interface putting high valued natural and human resources at risk beyond the Federal boundaries. Grafe focusing on the intersections with Private Forest and resilient landscapes beyond the urban interface right up to and through wilderness areas in Oregon and work that is being done with the Federal Forest Restoration Program with Good Neighbor Authority dollars.

Gordon noted some of the Federal resources that really we've been able to leverage through partnerships; Joint Chiefs Projects, Regional Conservation Partnership Program Projects and a lot of the NRCS funding that we've got which is allowing us to work along those ownership boundaries on both the federal side and the private side of the fence. And a lot of that funding is really represented both in the Private Forests Landowner Assistance Programs as well as in Protection's programs around fuels projects. He suggested that there might be some good stories to tell there in terms of our ability to have the capacity to engage with those partners at a sufficient level to be able to bring in those external resources to put those projects on the ground. And that would be a nice piece of your argument in terms of increasing our overall capacity so we can engage at a higher level with those opportunities. Grafe agreed that leveraging opportunities, is important and need some more focused attention.

Under this Initiative effort he is seeing the lines of Private Forests/State Forests/and Fire continue to blur. Especially in the context of Large fire response. Because this *is* a conversation about Large Fire response. And he likes the idea of Private Forests focusing on communities specifically because there are some unique workloads that come along with the WUI area and we have some significant exposure there as almost a ¼ of our ODF-Protected acres are within the WUI.

Peel noticed that this discussion around the Initiative seems more focused on the urban/wildland interface but noted there are areas in eastern Oregon with private forestlands that aren't close to urban areas yet have cross-boundary concerns dealing with the National Forest conditions. So for them what's going to happen in those communities if the Forest Service is not involved?

Grafe talked about the need in the short term to respond to the current workload, while concurrently adjusting that workload for the future. We do that by sitting down with our partners in landscape and discussing how to mitigate that transfer of risk from those lands to ours. We have our own State Forest boundaries with private lands that we protect also. It's not always the other side of the fence. But he acknowledged that Peel brought up a clear example of where we need to look to our partners in this work.

Barnes asked what Doug viewed as the role that CFF members could play in this effort.

Although Grafe viewed this whole Committee as too big to work on the actual framework he admittedly needs guidance and council along the way. He was thinking in terms of a small group to help bounce this off of with a tight time frame of two months, a meeting in February and March. Half day sessions likely, chew through the framework of an Agency Initiative and then it goes before the Board and see how it lands there in April. To members present he committed to communicating with the Committee along the way and then depending where OSWA and OFIC and operators land in terms of engagement there are people he would consider close council in framing this up. An adhoc group if you will.

Storm wanted to add that the family forestland community is 40,000 to 60,000 people that don't necessarily participate, but rely on committees like this and organizations to speak on their behalf and provide their voice. He wanted to emphasize that there is a very large voice out there that relies on CFF, OSWA and Tree Farm, and those organizations to speak for them. As such he shared that they are very, very worried and concerned about fire hazards threatening their homes and forests and trees, their assets.

9. LUNCH

10. **Marbled Murrelet Rule Analysis Update** – Jennifer Weikel

Weikel began with an overview of the Marbled Murrelet Project. She began with some species facts.

- The Marbled Murrelet is the only Oregon seabird that nests primarily in trees.
- It is a Listed Species, Threatened both for the State and Federal which is being reviewed for Oregon Endangered status.
- The plumage will differ from a 'marbled' brown in the breeding season to a black and white non-breeding plumage.
- Their inland range is within 50 miles of the ocean preferring mesic forest types.
- Most of their life is spent at sea, feeding in the ocean near shore and fly inland to feed young.
- They are fast flyers that use lots of energy.
- They mostly nest in old growth or very mature conifer forests by creating a nest platform on mossy limbs without building a nest.
- The young are left mostly unattended after hatching unless feeding.

She pointed out that based on those behaviors finding nests is very challenging. There have only been 75 nests ever found in Oregon. Surveys are generally conducted at dawn when birds are most active. So when seen flying *over* the canopy or hearing its distinctive call is considered a 'presence'. If birds are observed flying *under* the canopy, it is considered a possible "Occupied stand". The bird's status federally is under review. A State ESA listing review is in progress with a decision expected in February 2018. But any decision will only affect state-owned lands. Not private lands.

As background Weikel summarized the issue for ODF began when the Board of Forestry was petitioned to develop rules for the species. In November 2016 the Board directed the Department to begin a rule analysis using OAR 629-680-0100. The first step of that rule analysis is preparation of a technical report on the species. That report will detail the biology and habitat use and address questions needed for the FPA rule analysis of conflicts and consequences of resource site

protection. The Technical Report will be presented to the Board in April but she thought it too early to predict possible outcomes. The Draft Technical Report will be taken for the Board's review in February and may be available then if members want to review it.

Barnes inquired about the Federal rules. Weikel reported that the whole ESA is challenging because they don't really put out guidelines or recommendations on what protection standards would be. They only take action after the fact if there is a complaint or some kind of an issue where they must figure out whether there has been a 'take' violation. But the Service itself has not come out with any guidelines for what an appropriate protection strategy would be for the species.

Member questioned that if the State T&E doesn't apply to private lands, would it be fair to assume that if the ODF&W Commission changes the status from Threatened to Endangered, would that put more pressure on the Department to do something about Marbled Murrelets because of the requirements for Sensitive Species?

Tucker clarified that what the State has listed, State Forests have to follow. But she wasn't ready to predict what the effect would be on private landowners. Weikel added that it's the listing status itself that triggers the need for FPA review. In her opinion whether they up list or not it doesn't have a direct impact on our project because it is still Threatened. So we will continue forward as normal.

Weikel reported that an OSU research project tagged 60 Murrelets with radio tags so they could follow them. Then when the birds come in to nest they could find out where they are nesting and be able to do some research. But last year the ocean conditions were really weird and not good. And what happened was, not only did the birds not come in to nest but they flew far away. A bunch of them went to California where there were different ocean conditions and some of them went up to Washington. Woodward shared that studying them is really expensive because most of the time they have to capture them at sea at night. Weikel agreed and part of the reason they do that is so they can spotlight them. During the day, they avoid capture easily. They are harder to find and flush pretty easy. Weikel advised members to keep their eyes open in probably mid-February when we send this technical report out. It will go directly to the committees as one of the groups we are targeting for input. But asked that in particular, looking at the FPA part of it and the range of options we have laid out and letting us know whether we have characterized that appropriately and whether you can think of any other options we might have missed.

Tucker elaborated that when we get to the point of going before the Board to discuss the resource concerns and resource protections the Board has a suite of options they can do. And one of those options are Voluntary Measures, which is where she feels this group and other small landowners as well as the large industrial landowners could come in to testify to what are the things that people are doing, perhaps in the riparian areas, where you are not really harvesting or doing disturbance activities with some of the descriptions of trees that Jennifer gave that would be the nesting platforms to conserve that habitat on the landscape. Weikel summarized that with Murrelets it's all about the platform. They have to have a limb of the right size. And that obviously correlates to areas with more abundant old growth. For example the Elliott has a lot of known Murrelet sites.

11. Incentives Update – Ryan Gordon

Gordon began the update on the NRCS side of things, in terms of our Statewide Agreement and the movement forward. We are working to fill a developmental position here at ODF which allows us to send a staff person up to Portland to work in the NRCS State Office in a special detail to serve as the NRCS State Forester. This position is sort of their statewide forestry technical expert that helps to inform them on policy issues and also provides outreach and technical assistance to their field staff as well as our Conservation Districts. It is really unique opportunity for us to be able to work directly in their office and learn more about their systems and programs and vice-versa for them to get to learn a little bit more about us. So we are trying to find an internal candidate to fill that position right now. In that vein too, NRCS also presented us a NRCS Partnership Award earlier this month that reflected the hard work that our field unit staff put into building this partnership. Those efforts have been building substantially in the last 10 years and in the last 4 to 6 years or so has become a really important part of our capacity to deliver technical assistance to family forestland owners statewide. The developmental will start as a 6 month assignment, then can be extended if they need us longer up to a year. They've got a hiring freeze right now at the Federal level and they are down like 30 to 40 FTE statewide. First the hiring freeze has to

drop and they will start working through their priorities. I believe the State Forester position is in there top ten priorities for hiring when they get there. In general he believed they are really pleased with our help to boost their numbers. The deliverables that they are able to report to Congress in terms of assistance, not just in terms of agricultural lands but also on forestlands definitely. And in that vein too, the NRCS Basin Meetings are happening January, February and March by in large around the State. He encouraged folks to try and join those to add the forestry voice to those conversations and ensure that the local offices are making plans that do include forestland owners and their concerns and needs. There is a page on the NRCS website for Oregon that has those dates and is populated as they are scheduled. He offered to send a link to that page. (**Action Item**)

Post-Fire Restoration, two points there. Circling back to NRCS, they have a CIS, (a Conservation Implementation Strategy) for Post-Fire Restoration on the east side of the State. And they are working on developing one for the west side of the State as well. That is currently under review. It will hopefully come on line here pretty soon and that will be another avenue there for Cost-Share and assistance to landowners who are impacted by wildfire. Our normal program for that is our Emergency Forest Restoration Program (EFRP) through FSA (Farm Services Administration). And that's been really successful for us statewide. We are looking for opportunities to talk about the value of FSA for small forestland owners, in particular, EFRP. Again, FSA being another ag-centric agency. That doesn't always understand the nexus between our programs for forestland owners.

Gordon also reported working quite a bit in the last few months with Tom Fry at the American Forest Foundation on a few pretty unique initiatives. It's not all signed and sealed but we are looking at a pretty unique pilot opportunity with NRCS that would essentially bring more resources into Oregon to help create Management Plans for landowners and in so doing, kind of stack the deck and make us more competitive to receive extra funding when its available from the National office.

Updating on The Joint Chiefs Projects, we have three active Joint Chiefs Projects in Oregon right now. The North Warner Project down in Lake County. A project in the Chiloquin area, and also the Salmon Superhighway project up on the north coast. All three of those projects were funded again. Those were all awarded in previous years and have received additional funding for the coming year, despite the Federal Budget outlook. And we also had an RCPP, a Regional Conservation Partnership Program project that got funded up in NE Oregon. Wallowa Resources is the applicant and ODF is a partner. The short version on that, is that that too will bring additional outside funding for EQIP and other NRCS Cost-Share to landowners up in that neck of the woods.

He closed with the big picture in terms of Federal funding; and he expects to hear from the Forest Service sometime around the end of the month on the anticipated funding levels for most of our programs through the State and Private Forestry. That's Stewardship and Forest Legacy and Forest Health programs. So we will get an initial estimated award letter and that starts the process of narratives and all that. We never know what level we will actually get funded at, probably in July or later. Gordon announced that Linda Lind is the new hire in the State & Private Forestry State/ODF Liaison position. She will be here the middle of next month.

12. Land Use Planning – Tim Murphy, DLCD/ John Tokarczyk, ODF

Abraham introduced two guests. John Tokarczyk who works in our Partnership and Planning Program. And Tim Murphy from DLCD who is the Farms and Forests Planner for them. He invited them to initiate some informed discussion to help members gain some background and understanding around land use laws and regulations for forestlands.

Murphy shared that he was told that members wanted a better understanding of permitted dwellings in Forest zones as well as exclusive Farm Use zones. He began by outlining how land use regulations become actual county decisions. When the Legislature adopts bills regarding land use, most of them are related to Oregon Revised Statutes Chapter 215. The DLCD does what the Legislature tells us we can do. The Land Conservation and Development Commission under the Department of Land Conservation and Development has the authority to establish Administrative Rules. When a statute has not provided a lot of clarity on how a particular use should be handled, we provide some additional background on that. And also enforcement. But in particular, there are some uses that just aren't addressed very well by statute. Typical uses like forest operations. We provide a framework of rules to direct the decisions of the counties. So, the LCDC has a

Statewide Planning Goal System made up of 19 Statewide Planning Goals addressing everything from transportation to economic development. Goal 4 is Forestlands. Those Goals inform their process when preparing Administrative Rules. So based on Statute and the Administrative Rules, counties then adopt Land Use Ordinances that are supposed to align with the Administrative Rules and Statute. Any rule changes go through a Public Hearing process. DLCDC does not have any particular power to tell a County no, you must change this, or no you cannot do that. But we do have the opportunity to appeal just like anybody else does if we see something that isn't consistent with State Rule or Statute. Those Ordinances determine land use decisions and whether or not a dwelling can be approved on a particular property. There are some places where State Statute will allow for different types of rules to be adopted in different areas, like eastern versus western Oregon. Sometimes the rules are different. But those are set at the State level. There are certain things the Counties can adopt that aren't necessarily addressed in Statute like setbacks and things like that. There are 7 Commissioners who are appointed by the Governor's Office with members representing a wide variety of interests including those familiar with forestry and farm. Others are more familiar with urban issues or economic development.

The Chair inquired if second dwellings on forestland and minimum size parcels are a State regulation or set by each county? Murphy responded that it's a State regulation.

Shumaker asked him whether the Exclusive Farm Use Zoning allows for secondary homes. He affirmed that if you've got a farm operation and you need somebody to help you on the farm, you can have a second dwelling for that relative to help you with your farm operations. You can also get a second dwelling if you've got someone who has a Medical Hardship. But on forestlands there is nothing related to someone to help in a forest operation. Although there is the Medical Hardship dwelling allowance.

Statewide Planning Goal #4 is intended to maintain the forest base. To protect the forest economy and practices. Growing and harvesting of trees should be the leading use of forestland. Also addresses environmental concerns such as soil, air, water, fish and wildlife; and recreational opportunities that are consistent within forest zones; agriculture and Dwellings Authorized by Law.

- Medical Hardship Dwelling
- Replacement Dwelling
- Dwellings approved through Measure 49 process on forestlands.
- Large Tract: Dwelling approval based upon acreage. If you are in western Oregon and you've got 160 acres that is contiguous, you can get a dwelling. If you've got 150 acres all connected but you've got another 50 acres not connected, you can count that all together as long as the acres that don't have a dwelling are restricted from getting a future dwelling. The numbers go up a little bit in eastern Oregon just because we are dealing with larger land masses.
- Lot of Record: The statute and rule recognize the rights of property owners to develop on the lands that they have owned continuously since 1985. Basically the land has to be either under the same ownership as it was in 1985 or it has to be within the same family. The 1985 data was chosen because that's when all the local county plans were recognized by our Commission. But there are a couple of stipulations, one is that the parcel has to be within 1500 feet of a public road (which is not a BLM or USFS road). It was purposely set to limit the Lot of Record to very small parcels. [Western Oregon – Less than 5,000 cu/ft./yr.; Eastern Oregon – Less than 4,000 cu/ft./yr.]

In all of our rules you will see a recurring theme of trying to protect the more valuable resource lands. So you can do more on lands that are less productive for forest use and farm use than you can do on the more productive lands.

- Template Test dwelling is the most common approval they see on forestlands. From 2012 to 2015 there's about 500 of these approved statewide. The idea is basically to allow new residential development in areas that already have residential development. Protect the virgin timber lands that are undisturbed for logging and for wildlife habitat while developing those areas that have already been developed. The Template involves drawing a 160 acre square or rectangle around that property boundary aligned with the road so that you pick up all the dwellings and all the parcels that existed before 1993 along the road. Basically, it is trying to capture a snapshot of what existed in 1993 rather than what is there now. So within that drawn rectangle of 160 acres there needs to be 3 dwellings that existed before 1993. There also needs to be a certain number of parcels that existed before 1993. The

productivity of the forest ground determines how many parcels need to be within that square or rectangle that existed in 1993. For zero to 49 cubic/acre/year you only have to have 3 other parcels within that square or rectangle. But that jumps up to 11 parcels if you have more than 85 cubic feet/acre/year.

All dwellings in a forest zone need to meet these siting standards:

- Be within a rural fire district. If they are not within the rural fire service district then sometimes there can be an opportunity for them to establish an onsite irrigation reservoir or lake to use for fire pumping. So they need some kind of source of water supply for fire suppression.
- Fuel-free break areas. Primary and secondary.
- Fire retardant roof.
- Spark arrestors are required on chimneys.
- Meet fire safety road standards as determined by the County.

So for lands that are zoned Mixed Farm/Forest they are subject to Goal #3 which is the Agricultural Land goal and also Goal #4 which is the forestland goal we just discussed. Counties will have in their ordinance what types of dwellings are allowed in those zones. But typically the requirement is that you need to either apply the forest zone dwelling options or you need to use the farm dwelling options and that's based upon the use of the property back in 1993. Usually a County will look at a narrow photo and say, this was mostly farmland in 1993. So, we're going to apply the farm dwelling standards and vice-versa.

Tucker asked for some focus on the zoning discrepancies between farm and forests and the issue of generational transfer. Our forestland owners are an aging demographic group, they are looking to the next generation, their kids, their kid's kids. Who's going to help them manage the forest? So it's kind of an equity question. Why don't forestland owners get the same allowance to have a second dwelling as their land ownership transfers to the next generation who are helping take care of the land? She wanted some insights on those differences between Exclusive Farm Use exemptions and Forestry.

Murphy addressed the question by admitting that that on farmland, you've got Primary Farm Dwellings. And you've got Relative and Non-relative Farm Help Dwellings that can be allowed. So it is very concerned with the active resource management of the land. But on forests the Legislature hasn't allowed any uses like that. Shumaker stressed that since the laws were developed this intergenerational transfer of lands has really become an issue. If your kids haven't learned the Management Plan and haven't been on the land and worked on it then the likelihood is that the woodland will get sold and there will be more pressure to develop or just let it languish and become degraded. OSWA has put this up to the Legislature every year and it never seems to get out of committee.

James perceived part of the problem in equating metrics on Ag and forest land. On Ag land, one of the provisions is you have to generate a certain amount of revenue each year, so that you can justify needing that additional dwelling. On forestland you don't harvest timber every year. It's a long term investment so you don't have income every year to match what Ag does. He doesn't think that DLCDC is opposed to change but there are lobbying organizations that have influence in the Legislature that are against any development.

Murphy offered that he wasn't in a position to advocate for a specific legislation but he happily offered to serve as a technical resource on what allowances there are for farm versus forest zones.

Tokarczyk suggested that a metric might be agreed upon to determine whether an additional dwelling is warranted. The Farm income metric is fairly transparent and easy to measure with annual production and annual income and above a certain line it becomes readily apparent that there is an active farm operation going on, so adding another dwelling isn't necessarily going to challenge that resource. But with forestry there tends to be a disconnect between active management of that forestland as forestland and what that metric may be when you have an inconsistent revenue. It's one of the things, in our dialog back and forth that we don't necessarily need to be thinking explicitly about income on an annual basis, but perhaps the long term investment made as well then documenting efforts to maintain that investment over time. Some kind of verifiable activities that demonstrate that there is ongoing business to managing the resource and perhaps that

second dwelling is just not furthering development of the resource but actually supporting and maintaining that resource. Gordon agreed and noted as a consequence that could incentivize active management.

Shibley shared that it is not just active management but by being on the property the second family member becomes more invested psychologically, and emotionally in maintaining the family ownership and forests in forestry. He thought the key is figuring out how to convince the Legislature that the long term picture that is involved in forestry means that we have to have some family investment psychologically and not just a dollar figure.

Tokarczyk agreed that it's easy to understand without question that the challenge from a land use perspective is identifying the metric that allows for a demonstrated management of the resource. It would be reasonable if you can show there is a history or an ongoing activity associated with that land base. Murphy added he thought that if you could provide some substantial documentation or criteria that would help support that there is a forest operation on the property that needs assistance.

James reaffirmed that the easiest way would be if you have a management plan that outlines what you plan to do. But the largest activity to measure is the metric of physical effort invested. Others added that to keep your forest deferral, you are supposed to be able to prove that you've put in so many hours. And members of the Oregon Tree Farm System get audited every five years to make sure your Plan was implemented. Third-party certification would also make it verifiable. He interpreted that the ball is in OSWA's court to move this forward. They will take another run in 2019 and see if they can make something happen. It would be helpful if the Department was neutral. As he pointed out that the Department was opposed to any additional structures in the forests because it just complicated their ability to put out fires.

It was noted that it seems like Oregon is going to continue to have this conversation as populations continue to grow. Land use has to continue to be a conversation. In some rural areas it is already having an impact on the landowners but also the employers in the area. When they say they can't get employees because they can't find homes to start families in some counties. Gordon added that as land values increase it is more difficult for the younger generation to be interested in owning forestland.

Storm noted that the effects of land use changes in Oregon are interesting. In the urban areas, as population increases urban growth boundaries are enlarged and urban populations can increase but in rural Oregon we've been denied the ability to expand our housing in rural areas, and as an unintended consequence of current land use laws there are fewer people who can move into rural areas because the State doesn't allow it.

There was a suggestion for the Committee to submit a letter to the BOF on the issue as well in supporting OSWA's efforts. Shumaker offered to help with a draft. Abraham pointed out that to the extent that we can, we should put some framework around this idea and the other inter-generational issues that would be important for the Board to hear and potentially carry forward. Hennemann advised that the draft could be sent out for review with feedback provided at the next meeting, so the finalization of the draft is done in a quorum.

13. For the Good of the Order

Storm wanted to add a future **agenda item** possibly for the February or April meeting re-raising the issue of keeping forestlands in forest use in eastern Oregon. For those family forestland owners it is pretty difficult in many geographic areas in eastern Oregon to maintain their lands because there are insufficient markets, insufficient capacity to actually grow and harvest trees. Those landowners are beginning to choose other non-forest avenues for their stands, selling them to people with money to do other non-forest things to them. And part of the cause, has been the dominance of federal land ownership in that geographic area. And that Federal ownership for the past 25 to 30 years has been under a non-forest land use management strategy. So that land use philosophy making up 75% of the forests in the region have eroded and evaporated lots of the infrastructure that a small forestland owner relies on to add value and grow trees. He volunteered to bring some information and help with a discussion. Part of the complication is not only the distances to markets but landowners are becoming wary of spending money to manage their forest because they have no defense against the hazards created by federal neighbors.

Tucker reminded members that this Committee was heavily involved with the CFF Eastern Oregon White Paper. And spent a whole year working on eastern Oregon. So she offered that as a basis for additional discussion.

Storm suggested that in terms of actionable items, the Board of Forestry has a Federal Forests Subcommittee that has re-engaged and they are willing and open to hear ideas regarding the state of federal forests in Oregon. It would be a good thing for that Sub-Committee, the Board members to hear about what *this* Committee thinks about eastern Oregon small landowners.

[Action Item] Susan to send out the White Paper for review.

With that Barnes adjourned the meeting.

The next meeting is scheduled for February 27th in Salem. April 20th and a tentative meeting May 3rd in Klamath in conjunction with the Landowner Collaborative Meeting on May 2nd.