

Work Plan: **State Forests Division**

Primary Contact: **Liz Dent, Division Chief**

Date Approved:

DIVISION OVERVIEW

Purpose & Objective

The Oregon Department of Forestry, State Forests Division manages approximately 730,000 acres of forestlands across Oregon. These state forestlands are actively managed under forest management plans to provide economic, environmental, and social benefits to Oregonians. Timber sales on these forests create jobs and generate revenue that fund counties, local districts, and schools throughout the state. These forests also offer recreation and educational opportunities, and provide essential wildlife habitat and clean water. Management costs associated with managing these public forests is funded primarily through the sale of timber.

The Division's core businesses include financial accounting and log tracking, timber sale contracting and administration, fish and wildlife surveys and implementation of conservation measures. We collect, manage, and analyze data and report outcomes. Field and Salem staff conduct and coordinate reforestation activities, road construction and maintenance, collaborate with local communities and other organizations on habitat improvement projects, maintain recreation facilities and opportunities, and provide educational programs to schools and the public.

Current Issues and Focus

The Division faces several issues. As expenditures continue to outpace revenues, the Division has reduced capacity by maintaining vacancies to achieve budget reduction goals. It has become increasingly difficult to support all priority work and core business. Unanticipated legal actions have further impacted workloads, are costly, and often displace other priority work.

We are addressing these issues on multiple fronts. We are modernizing our organizational structure to better meet the current social and political climate and deliver greatest permanent value to Oregonians now and into the future. We are revisiting policies and are seeking to diversify funding streams so we can sustainably manage state forests to provide the range of social, economic, and environmental benefits. This includes evaluating potential changes to the Forest Management Plan to look for opportunities to achieve financial viability and improve conservation outcomes. We are making significant investments to improve our business processes and looking for opportunities to diversity revenue streams.

DIVISION TOPICS FOR THE BOARD OF FORESTRY 2018-2019

1. Forest Management Plan
2. Pursuing a Habitat Conservation Plan for Western Oregon State forestlands

3. Tillamook County Land Exchange
4. Veteran's Special Access Pass Rulemaking
5. Updates and Reporting
6. Tillamook Forest Heritage Trust

ISSUE: Forest Management Plan Project

Overview

The dominant management plan for State Forests is the NW Forest Management Plan (FMP) which includes 650,000 acres, about 75% of the total state forest land base, and generates over 90% of the revenue from Board of Forestry lands. The Board of Forestry approved the original FMP in January 2001 as the first integrated resource management plan for the state and approved a plan revision in 2011 to improve financial outcomes. The foundation of the FMP is an approach called "structure based management" under which the forest is managed to produce a range of forest conditions across the landscape. Analysis of the forest management plan outputs, at the time of approval, suggested a high level of timber harvest and a corresponding contribution to a diverse array of fish and wildlife habitats across the landscape. The plan was intended to be coupled with a Habitat Conservation Plan (HCP). The expected outcome of the combined HCP and FMP was to provide long-term, durable conservation as well as operational certainty. However, the state was not able to acquire an HCP. The lack of an HCP combined with costs associated with take avoidance and some challenges with implementing structure based management are impacting State Forests Division financial viability.

Purpose

The purpose of this work is for the Board to evaluate potential changes to the FMP that will achieve financial viability and improve conservation outcomes. Ultimately the Board will approve a final forest management plan and adopt it as an Oregon Administrative Rule.

Board Deliverables and Timelines

January 2018 (Begin Phase 1)

- Decision: Review and approve FMP Project Work Plan.
- Decision: Review and approve FMP Content Table.
- Direction to draft Guiding Principles for the FMP.

April 2018 (Continue Phase 1)

- Decision: Review and approve FMP Guiding Principles.
- Direction: Review definitions of financial viability and conservation in the context of GPV and provide direction to revise.

July 2018 (Complete Phase 1 and Begin Phase 2)

- Decision: Approve definition of financial viability and conservation.
- Direction to begin populating the FMP Content Table with FMP goals, strategies, and standards.

November 2018 (Complete Phase 2)

- Review draft FMP goals, strategies, and standards and provide direction to revise.
- Decision: Review and approve information needed to support decision-making.

Spring 2019 (Begin Phase 3)

- Review evaluation of financial and conservation outcomes for proposed goals, strategies, and standards in the context of GPV.
- Direction to revise FMP goals, strategies, and standards.

Summer/Fall 2019 (Complete Phase 3)

- Decision: Approval of final goals, strategies, and standards.
- Direction to begin drafting the FMP incorporating the approved goals, strategies and standards.

Winter 2019 (Begin Phase 4)

- Review of the draft FMP, financial and conservation outcomes, and GPV findings.
- Direction to revise the draft FMP.

Spring 2020 (Complete Phase 4)

- Decision: Approval of draft FMP and direction to begin rulemaking process.

Winter 2020 (Begin and Complete Phase 5)

- Review public comment and any proposed changes in response to the comment.
- Direction to revise if needed.
- Decision: Approval and adoption of the final FMP as Administrative Rule.

Outreach

The eventual success of the FMP project will largely depend on developing sufficient understanding, acceptance, and support from stakeholder groups. Providing accurate and timely information to stakeholders will be of critical importance, and the Division is committed to an open, equitable, and transparent stakeholder engagement process. Additionally, counties within which we manage Board of Forestry lands have a statutorily established relationship with the Board through the Forest Trust Lands Advisory Committee (FTLAC). The Division will provide accurate and timely information to ensure FTLAC has the information they need to advise the Board of Forestry and the State Forester. The Division will convene informational meetings for all interested stakeholders with the purpose of providing the information in a clear and transparent manner and allowing sufficient time for the stakeholders to prepare their input for the Board of Forestry meeting.

The Department recognizes the importance and value of reaching out to all Oregon's federally-recognized Tribes on issues related to managing Oregon's state forests. We will pursue opportunities to meet with Tribal Chair Council and Tribal staff directors to listen and learn from the Tribes, seek opportunities for input and collaboration, and build relationships.

ISSUE: Pursuing a Habitat Conservation Plan for Western Oregon State Forestlands

Overview

The Board of Forestry has directed staff to continue exploring options for achieving financial viability while increasing conservation outcomes, including the pursuit of a programmatic Endangered Species Act (ESA) compliance tool, such as a Habitat Conservation Plan (HCP). The State Forests Division is taking the following 3-phased approach to evaluate the possibility of an HCP to cover state forestland west of the Cascade Mountains:

- Phase 1: HCP Initiation/Scoping
- Phase 2: Strategy Development
- Phase 3: National Environmental Protection Act (NEPA) analysis and Consultation

Purpose

This work is closely linked with the FMP project and will take place simultaneously. The business case will be the first product and will inform the Board's determination of whether pursuing an HCP is in the best interest of the state. If so, the Division will move to Phase 2 – the development of conservation measures and mechanisms to provide operational certainty. If the Board directs the Division to continue working on the HCP, and the agency successfully negotiates an HCP, the Board will approve the HCP which will be a companion to the FMP.

Board Deliverables with Timelines

The Division has applied for a US Fish and Wildlife Service (USFWS) HCP Assistance Grant to supplement existing resources and work through the process at a faster pace than if the Division is relying solely on the Forest Development Fund. The timeline presented here reflects the best case scenario of receiving full planning grant funding for all three phases. If grant funding is not available, the Division will implement the 3-phased approach as time and resources allow.

January 2018 through January 2019

- Phase 1: HCP Initiation/Scoping
 - Evaluate the business case for an HCP
 - Gather baseline data
 - Conduct an open and transparent stakeholder engagement process

January 2019 through January 2020

- Phase 2: Conservation Strategy Development

January 2020 through Fall 2020

- Phase 3: National Environmental Protection Act (NEPA) analysis and Consultation

Outreach

All standing stakeholder committees (State Forests Advisory Committee, North Coast Conservation Coalition, Conservation Ad Hoc, Industry Ad Hoc, Forest Trust Land Advisory Committee, and Oregon Forest & Industries Council) have been invited to participate in the HCP scoping process. Some members of the Forest Trust Lands Advisory Committee have expressed concerns and the Oregon Forest & Industries Council does not support an HCP on state forestlands. Despite these reservations, no committee or stakeholders have actively declined participation.

The Department recognizes the importance and value of reaching out to all Oregon's federally-recognized Tribes on issues related to managing Oregon's state forests. We will pursue opportunities to meet with Tribal Chair Council and Tribal staff directors to listen and learn from the Tribes, seek opportunities for input and collaboration, and build relationships.

ISSUE: Recreation Rule Making: Veteran's Special Access Pass

Overview

Senate Bill 116 (2017) calls for the Department of Forestry (Department) to honor the pass issued by Oregon Parks and Recreation Department (OPRD) to permit the free recreational use of state forestlands by disabled veterans, as well as, active duty military personnel on leave on Memorial Day, Independence Day, and Veteran's Day. The Bill became law January 1, 2018.

Purpose

Under current Oregon Administrative Rule (OAR), all users of state forests campgrounds are required to pay a camping fee or could be fined. Revision of the Division 25 rules will help to ensure implementation of the statute in a manner that ensures a favorable experience for visitors and meets the needs of the State Forests Division.

Board Deliverables with Timelines

Board direction to begin drafting rules was given at the September 2017 Board meeting. Next steps include:

January 2018

- Review draft proposed rules and direct staff to initiate formal rulemaking

April 2018

- Approve final rules

Outreach

The rulemaking process has established requirements for public outreach and public hearings. A summary of public hearings and proposed changes based on the feedback will be presented to the Board.

ISSUE: Tillamook County Land Exchange

Overview

Tillamook District and Tillamook County have been working for two years on a land exchange proposal. Tillamook County operates Trask Park located on ODF ownership and ODF operates Sprague Wayside located on County ownership. The land exchange proposal of equal values will align ownership and infrastructure investments. This proposal involves Board of Forestry lands.

This proposal is brought to the Board of Forestry to ensure it meets the applicable Oregon Revised Statutes (530.010 through 530.040), and Oregon Administrative Rules (629-033-0000 through 629-033-0055) pertaining to acquisition and exchanges, including securing the Greatest Permanent Value to the State.

Purpose

The Board is asked to approve the land exchange between State Forest Division and Tillamook County.

Board Deliverables with Timelines

April 2018

- Board approval

Outreach

This work is being conducted in close coordination with the Tillamook County Board of Commissioners. The Tillamook District is working with the county to finalize maps, mineral rights, appraisals, and ownership boundaries. The land exchange has been shared with State Forest Advisory Committee, Tillamook County Parks Advisory Committee and Oregon Public Lands Advisory Committee. There will be a 30-day Public Hearing process initiated with a 2-week notice in the newspaper. The public hearing feedback will be summarized and presented to the Board.

ISSUE: Tillamook Forest Heritage Trust

Overview

The Tillamook Forest Heritage Trust serves as a non-profit supporting organization to the agency and the Division. The Trust's mission is *"Inspiring Oregonians to learn about and enjoy the many benefits of their state forests by nurturing partnerships and supporting the Oregon Department of Forestry."* Formed in 1999, the Trust initially spearheaded a successful fundraising effort to enable a public-private partnership for planning and construction of the Tillamook Forest Center. Since the opening of the Forest Center in 2006, the Trust has remained active through awarding annual grants and administration of the JE Brown Education Scholarship. More recently, the Trust has expanded its support to the agency through a successful effort to raise funds for construction of an outdoor education pavilion at the Forest Center, creation of the State Forests Recreation Fund, and by joining the Salmonberry Trail Intergovernmental Agency as its non-profit partner. Support for the Forest Center, the broader recreation management program on state forests, and the Salmonberry project all contribute to meeting the Trust's mission, and continues to expand the list of partner organizations and contributors to the Trust.

Purpose

The Division and the Trust are interested in expanding the Trust's ability to support programs on state forests, and to bring new partners and revenue streams to meet the challenge of providing the many public benefits associated with recreation, education and interpretation programs on state forests. Such an expanded partnership between the Division and the Trust holds promise for developing a new model for funding management for these public benefits, one that relies on a public/private partnership. Through periodic updates on the work of the Trust, and the key projects that the Trust is engaged in on behalf of the agency, we hope to keep Board members well-informed, and to seek their support for these efforts.

Board Deliverables with Timelines

April 2018

- Tillamook Forest Heritage Trust Update

July 2018

- Salmonberry Update

Outreach

The work of the Tillamook Forest Heritage Trust (Trust) involves outreach and public involvement in a variety of ways. The business and current work of the Trust as it relates to the Tillamook Forest Center is shared through articles in periodic newsletters produced and distributed by the Center staff. Information on the Trust can be found on the TFC website. In addition, the Trust maintains a separate website with information on its programs (tillamooktrust.org), and maintains a website for information on the Salmonberry Trail project (salmonberrytrail.org). The Trust also sponsors and participates in a number of public forums related to the Salmonberry Trail project, including Salmonberry Trail Intergovernmental Agency Board meetings and public advisory committee meetings associated with trail planning. The Board of Trustees for the Trust meets quarterly, and Board meetings are open to the public.

ISSUE: Division Updates and Reporting

Overview

There are a number of updates and reports the Division will provide for the Board over the term of the work plan. These include a State Forests Annual Report, a research and monitoring update focusing on the Trask Watershed Study, and information and updates related to Board strategic initiatives.

Purpose

The overall purpose of the Annual Report is to provide an operational perspective on how Division policies are applied, highlight business improvements, and share some of the outcomes. The research and monitoring update on the Trask study will provide a progress report on a major study. Ultimately, the Trask study is expected to provide information to the State Forests Division and The Board of Forestry to evaluate forest management standards and practices in Division Forest Management Plans (FMPs). Updates and reports to the Board will highlight other work related to the State Forests Division Strategic Initiatives such as business improvements, the Tillamook Forest Restoration Initiative, and policies related to Threatened and Endangered species.

Board Deliverables with Timelines, Outreach, and Public Involvement

Update/Report	Anticipated Timeframe	Outreach, Public Involvement
Annual Report	January or March, annually	Association of Oregon Counties; Forest Trust Lands Advisory Committee, State Forests Advisory Committee, Oregon’s federally-recognized Tribes
Research and Monitoring Update: Trask Study	January 2018, January 2019	As needed: FTLAC, SFAC, professional meetings, other forums that publicize research, Oregon’s federally-recognized Tribes
Strategic Initiatives	As needed	Dependent on topic

State Forests Division Work Plan	CY 2018 Board of Forestry Agenda						
	Jan	Mar	Apr	June	July	Sept	Nov
Issue A: Revise Forest Management Plan for NW State Forests							
<i>Milestones</i>							
<ul style="list-style-type: none"> ❖ <u>Review</u> work completed to-date. ❖ <u>Decision</u>: Review and approve FMP Project Work Plan. ❖ <u>Decision</u>: Review and approve FMP Content Table. ❖ <u>Direction</u>: Draft Guiding Principles for the FMP. 	X						
<ul style="list-style-type: none"> ❖ <u>Decision</u>: Review and approve FMP Guiding Principles. ❖ <u>Review</u> definitions of conservation and financial viability in the context of Greatest Permanent Value. ❖ <u>Direction</u>: Revise definitions of conservation and financial viability. 			X				
<ul style="list-style-type: none"> ❖ <u>Decision</u>: Approve conservation and financial viability definitions. ❖ <u>Decision</u>: Begin populating the FMP Content Table with FMP goals, strategies, and standards. 					X		
<ul style="list-style-type: none"> ❖ <u>Review</u> draft FMP goals, strategies, and standards. ❖ <u>Direction</u>: Revise FMP goals, strategies, and standards. ❖ <u>Decision</u>: Review and approve information needed to support policy decisions. 							X
Issue B: Habitat Conservation Plan							
<i>Milestones</i>							
<ul style="list-style-type: none"> ❖ <u>Information</u>: Status of grant and HCP scoping process (consent) 		X					
<ul style="list-style-type: none"> ❖ <u>Information</u>: Phase 1 outcomes: Business case analysis, steering committee engagement, and stakeholder processes. 							X
Issue C: Veteran’s Special Access Pass Rulemaking							
<i>Milestones</i>							

State Forests Division Work Plan	CY 2018 Board of Forestry Agenda						
	Jan	Mar	Apr	June	July	Sept	Nov
❖ Initiate rulemaking process with Secretary of State for rule revision.	X (consent item)						
❖ Adopt final rules			X				
Issue D: Tillamook County Land Exchange							
<i>Milestones</i>							
❖ Approval of exchange			X				
Issue E: Updates and Reporting							
<i>Milestones</i>							
❖ Trask paired Watershed Study - Information update on the findings	X						
❖ Annual Report - Information item summarizing annual accomplishments		X					
❖ Business model, Business Improvements, T&E – updates as needed							
Issue F: Tillamook Forest Heritage Trust							
<i>Milestones</i>							
❖ Information item on the trust and its programs		X					
❖ Salmonberry Update					X		