Board of Forestry Testimony  
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The Oregon Department of Forestry concluded the Business Case Analysis for a Habitat Conservation (HCP). After reviewing the information, I have several comments to make that cause concern.

- First, the Business Case is based upon comparing the existing FMP without an HCP to a new FMP with an HCP. All the financial analysis and the outcomes are based upon this assumption.

- The current analysis is too narrow; there may be several other models to evaluate. A Revenue Emphasis Model should be used as another comparison and benchmark when comparing overall costs and benefits of an HCP. This model will increase harvest and revenues to both ODF and the Trust Counties.
  - During the previous Stakeholder Process, there was a Revenue Emphasis Model developed with the help of Forest Analytics, Inc. This model employed a more conventional harvest scheduler and utilized a “Take Avoidance Strategy” for ESA Species. The output from that model was a harvest level during the first decade of 374-366 million board feet per year with FPA or existing FMP stream buffers respectively (See Attached Graph). Either of these harvest level outputs should be included in the side by side analysis that has been just completed by ODF. This additional analysis would generate a more complete comparison of the true cost and benefits of an FMP with an HCP and the associated policy decisions. Without this analysis and transparency, how can a Board Member truly understand and evaluate what they are endorsing?

- The social and economic benefits to rural counties and communities from State Forests need to be weighed on an equal value basis with other outputs from the forest. FMP or HCP discussions need to include the high level of needs within these small rural communities. These communities are struggling to maintain their social fabric and services. The opportunities that a new FMP could bring in the way of family wage employment and increased services to these communities is large. I strongly urge the Board and ODF to put equal weight on these benefits to rural communities.

- Testimony has been given in regard to the Underproductive Lands and the need to convert these lands to coniferous species. A plan is needed to maximize the long term biological growth potential of the forest. The anticipated HCP outputs seem to be relatively flat and then later on some modest increase in harvest. If these lands are not addressed, ODF is passing along a larger problem for future land managers, compromising long term habitat potential, growth potential and financial viability to ODF and the Trust Counties.

- Finally, the new FMP if coupled with an HCP needs to produce sufficient revenues to support fundamental activities on the forests such as pre-commercial thinning, young growth management and a robust Inventory Management and Update System.

Submitted by W. Ray Jones, Representing Stimson Lumber Company