Date: November 7, 2018 To: Oregon Board of Forestry From: Greg Jacob, Ph.D., Environmental Representative, SFAC RE: Habitat Conservation Plan

Oregonians favor a Western Oregon Habitat Plan ranging from Astoria to Southwestern Oregon, and thanks to a grant from the USFWS the Division of the Department of Forestry can follow through with a three- phase study of Initiation and Scoping, negotiating Strategies that allow for dispute resolution, and conducting a NEPA analysis. To be fair to all stakeholders the Division is working with Oregon Consensus, Kearns and West, and also with EcoNorthwest and ICF to evaluate costs and revenue.

Admittedly, to follow through with the three phases, the ODF will spend four million dollars over the first three years, but an HCP can reduce average annual ESA compliance costs by approximately 2.2 million dollars. Critics of an HCP may not like that 11,000 acres will be added to stream buffers, 15,000 acres for the Northern Spotted Owl and Marbled Murrelet, and an additional 20,000 acres for new species listing.

After three years, the advantages of a HCP for the forests of western Oregon far outweigh any advantages of take avoidance, which is the policy without an HCP. Take prohibitions defined in Section 9, ESA are strict, and parties can sue for noncompliance. On the other hand, an HCP will provide regulatory assurances and ODF can increase the predictability of its costs related to listed species. The ODF will not be burdened with annual survey and monitoring costs.

An HCP for Oregon's western forests will cover sixteen species—Coho, Chinook, Steelhead, Chum, three salamander species, Coastal Martin, Red Tree Vole, Marbled Murrelet, and Northern Spotted Owl.

According to a staff report by the State Forests Division, an HCP will allow for a cumulative net present value of 250 million dollars over the next 50 years relative to a non-HCP. Annual harvest revenues will increase from \$50 million to \$53 million, and acres for harvest will increase from 51% to 63%. Without an HCP, acres for harvest may decrease from 51% to 46%, a loss of 59,000 acres because of increasing ESA constraints, such as new species listings. Obviously, the financial outcome is better with an HCP than without.

An HCP is in keeping with managing Oregon's forests for the "Greatest Permanent Value" that provides social and environmental benefits, as well as economic benefits, to the people of Oregon.

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AGENDA ITEM B Attachment 7 Page 1 of 1