

Agenda Item No.:	5
Work Plan:	State Forests Work Plan
Topic:	Programmatic ESA Compliance on State Forests
Presentation Title:	Western Oregon Habitat Conservation Planning Update
Date of Presentation:	November 1, 2017
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**SUMMARY**

The Board of Forestry (BOF) 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 (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 (*Timeline: Nov.2017-Nov.2018*)
  - Evaluate the business case for an HCP
  - Gather baseline data
  - Conduct an open and transparent stakeholder engagement process
- Phase 2: Strategy Development (*Timeline: 2019*)
- Phase 3: National Environmental Protection Act (NEPA) analysis and Consultation (*Timeline: 2020*)

The Division has applied for 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.

**CONTEXT**

Phase 1 of the HCP project includes 639,269 acres of state forestland in western Oregon. The majority of these lands (96%, or 613,577 acres) are owned by the BOF, and the remaining 4% (25,692 acres) are Common School Forest Lands (CSFL) owned by the State Land Board.

In March 2017, the State Forests Division applied for a \$750,000 federal grant from the Fiscal Year 2017 Cooperative Endangered Species Conservation Fund HCP Assistance Program to support this work. If awarded, this funding will provide resources for staff and professional consultants to evaluate economic and conservation benefits, engage stakeholders, and gather data to inform future ESA policy direction on state forestland. The State Forests Division will provide the required \$250,000 in matching funds using staff time already committed to achieving ESA compliance.

## **BACKGROUND AND ANALYSIS**

The State Forests Division currently manages the majority of BOF lands and CSFL using policies that comply with Section 9 of the Endangered Species Act (i.e. “take avoidance”). One exception includes approximately 20,000 acres of state forestland in Lane County that are managed under a Safe Harbor Agreement, through August 31, 2025, for the benefit of the northern spotted owl. Take avoidance strategies increase encumbrances on the landscape and compromise the Division’s ability to carry out business processes necessary to achieve the greatest permanent value to the state while maintaining financial viability. Survey expenses, unpredictable shifts in species site status and location, and legal risk have reduced the certainty with which the Division can fully implement its Forests Management Plans (FMPs). In addition, take avoidance policies alone do not constitute a meaningful long-term conservation benefit for listed species.

The Division is interested in exploring mutual business and conservation benefits through an HCP. In conjunction with conservation measures already in place, an HCP could help the Division provide more durable contributions to the conservation of listed species. An associated incidental take permit would provide a more stable environment to carry out forest management operations, reduce survey costs, and reduce legal risks. The goal is to initiate an HCP planning effort to evaluate the prospect of developing a multi-species, ecosystem-based plan that will provide for the long-term conservation of ESA listed and unlisted species, while providing operational certainty to manage state forestland.

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 Industry Council does not support an HCP on state forestlands. Despite these reservations, no committee has actively declined participation.

### **Recommendation**

Information only.

### **NEXT STEPS**

Next steps and time lines presented below are subject to change if the Division is not awarded the federal grant.

- In winter 2017-2018, the Division will convene an HCP Steering Committee, Technical Team to guide the HCP scoping process.
- In spring 2018, the Division will engage stakeholders, and begin an economic and conservation cost-benefit analysis to determine if there is a business case for an HCP on state forestlands.
- The Division will return to the Board in July 2018 to present a summary of the stakeholder engagement process, the design of the cost-benefit analysis, and any other progress made to date.
- The Division will return to the Board in November 2018 to present the results of the business case, and provide a recommendation on whether or not an HCP is in the best interest of the state.

### **ATTACHMENTS**

- FY2017 HCP Assistance Proposal