



# Oregon

John A. Kitzhaber, MD, Governor

## Department of Forestry

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## REPLACEMENT

February 10, 2014



"STEWARDSHIP IN FORESTRY"

The Honorable Senator Richard Devlin, Co-Chair  
The Honorable Representative Peter Buckley, Co-Chair  
Interim Joint Committee on Ways and Means  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301-4048

### **RE: OREGON DEPARTMENT OF FORESTRY REPORT ON DRY-SIDE FOREST HEALTH COLLABORATION FUNDING PACKAGE**

#### **Nature of the Request**

The Oregon Department of Forestry (ODF) respectfully requests the opportunity to report to the Interim Joint Committee on Ways and Means on implementation of the \$2.885 million funding package (SB 5521 - 2013), intended to increase the pace and scale of federal forest restoration.

#### **Agency Action**

##### ***Program Summary and Background***

Federal forestlands make up 60 percent of Oregon's forest landbase, and are a significant ecological, economic and social asset. The management of these lands influences Oregon's overall wellbeing, and the health and sustainability of the state's entire forest resource. The Dry-Side Forest Health Collaboration Program is a pioneering state-federal partnership focused on restoration of national forest lands.

There is widespread agreement regarding the need to increase the pace and scale of science-based, collaborative forest management on these lands, particularly the dry, fire-prone forests of eastern and south-central Oregon. Community-based collaborative groups have shown that agreement on specific projects is possible. Building on these successes, and reducing planning and project implementation costs, are essential to bringing this work to the broader scale needed to achieve substantive change.

Expanding on earlier recommendations from a state Board of Forestry advisory group, the package funded by the 2013 Legislature has three components:

1. Grants to build collaborative groups' capacity
2. Contracts to provide technical assistance and science support
3. Piloting a new business model to increase the pace and scale of restoration in the Blue Mountains

This report summarizes progress in each area.

To date \$215,319 has been expended. ODF expects the bulk of funds to be spent between March 2014 and January 2015, accommodating this year's field work season, and subsequent payment for work performed. It is noteworthy—and a condition of the state's commitment to spending these funds—that the U.S. Forest Service has matched the state investments. The Forest Service has committed an additional \$8.8 million through its eastside restoration strategy.

### ***Federal Forest Health Collaborative Capacity Grants***

These grants seek to maintain and grow the capacity of community-based forest collaborative groups. This is the first component of the overall package to be implemented.

With members representing a range of interests, collaboratives have demonstrated great potential to build community support for increased restoration on federal forests. The grant process asked applicants to identify specific projects and/or issues on which to focus their efforts, and to identify specific deliverables. The Oregon Watershed Enhancement Board (OWEB) has used its existing processes to implement the grants for ODF, an approach that maximizes efficiencies and establishes strong interagency coordination. The grants are designed to complement the Forest Service's Community Capacity and Landscape Stewardship grants, which focus on establishing local capacity.

The first grant solicitation, which closed on November 25, 2013, drew 10 applications totaling more than \$432,000. Grants were limited to existing forest collaboratives, and smaller requests with explicit deliverables and realistic timelines received preference. Accordingly, OWEB recently awarded \$200,000 to the:

- Ashland Forest Resiliency Project (Rogue-River Siskiyou National Forest)
- Blue Mountains Forest Partners (Malheur NF)
- Deschutes Collaborative (Deschutes NF)
- Harney County Restoration Collaborative (Malheur NF)
- Umatilla Forest Collaborative (Umatilla NF)
- Wallowa-Whitman Forest Collaborative (Wallowa-Whitman NF)

These grant awards leveraged \$451,654 of match funding generated by the collaboratives from other sources.

Outcomes expected of each collaborative include:

- Collection of data about local socioeconomic benefits of restoration projects.
- Developing a statement of purpose and need for dry-forest restoration work on a 30,000-acre scale, and identifying a second collaborative project in moist, mixed-conifer forests, where reaching consensus is more challenging.
- Increased outreach capacity to engage residents of the wildland-urban interface.

OWEB intends to offer a second grant solicitation—potentially \$400,000—in the spring of 2014.

### ***Technical Assistance and Science Support Contracts***

The second package component will engage contractors to provide overarching technical assistance and science support to the collaboratives. This work seeks efficiency by focusing on issues that touch multiple collaboratives, such as management options in moist, mixed-conifer forests.

During March, ODF will offer a request for proposals to identify contractors. The request, currently under review by the Department of Justice, will seek contractors in five areas:

- General technical assistance, including group facilitation, sharing of best-practices, and monitoring.
- General science support, to help develop strategies and priorities at a larger, landscape scale.
- Specific trainings and workshops relative to federal laws, in order to increase understanding and opportunities for collaboratives to pursue efficiencies (for instance in meeting requirements of the National Environmental Policy Act, or NEPA).
- Communications and marketing, to increase community understanding, support and engagement.
- Local private-sector contracting capacity, including an assessment of local work forces and Forest Service contracting opportunities.

ODF expects to execute approximately \$600,000 in contracts over the biennium under this package component.

#### ***New Business Model Contracts***

This component seeks to pilot a new federal-state partnership that increases the pace and scale of federal forest restoration in the Blue Mountains region (the Wallowa-Whitman, Umatilla, Ochoco and Malheur National Forests).

The work will focus on the various phases necessary to implement Forest Service projects, such as required surveys and data collection, and initial implementation, including layout of projects on the ground.

The state investment strategy has two tiers. First, short-term investments will advance projects on which collaboration and NEPA analysis are complete, but that have been deferred in implementation due to federal budget reductions or delays. These investments are critical to getting projects started on the ground, and to maintaining infrastructure and contracting workforce. As an initial example, in November and December 2013, ODF kept on two seasonal summer employees to determine thinning needs on almost 34,000 acres on the Malheur National Forest.

The second tier involves long-term investments. These represent the best opportunities to move to larger-scale restoration work. A specific objective will be to find new and more efficient methods to gather data, and particularly to increase the quality and availability of data necessary for larger-scale NEPA analyses. These investments are essential to increasing the pace and scale of restoration in the Blue Mountains, and hopefully can be applied on other national forests.

State investments will be coordinated with the Forest Service to make project planning more efficient through data sharing and other measures.

State investments in a new business model will seek to advance two Forest Service initiatives: the Eastside Restoration Strategy, and a 10-year stewardship contract encompassing many projects on the Malheur National Forest. The Forest Service has increased funding for these projects by \$8.8 million in the 2012 and 2013 fiscal years.

These two efforts have already produced results at larger scales than previous projects, and envision ambitious additional work. The Malheur contract, for example, has increased the forest's timber sales from 28 million board feet in fiscal 2012 to 65 million board feet in fiscal 2014. The Eastside Restoration Strategy's planned projects include a 180,000-acre strategic fuel reduction spanning four national forests.

The state, through its investments, will share data-collection, initial implementation and efficiency enhancements for which federal funds are not available.

**Action Requested**

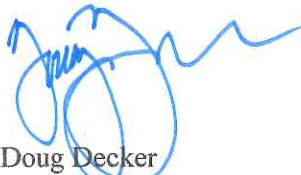
None.

**Legislation Affected**

None.

Thank you for your time and consideration. I would be pleased to answer any questions.

Sincerely,



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c: Richard Whitman, Governor's Office  
Brett Brownscombe, Governor's Office  
Tom Tuchmann, Governor's Office  
Linda Gilbert, Legislative Fiscal Office  
Dustin Ball, Department of Administrative Services  
Board of Forestry  
Jill Neely, ODF Budget Manager