

**Threats to Private Forests Workshop Draft Agenda  
Pacific Northwest and Coastal Forests  
April 29-30, 2009**

**National Archives Research Agency (NARA)  
6125 Sand Point Way NE, Seattle, WA 98115**

**Objectives:**

- Develop a detailed outline of the threats in the Pacific Northwest and Coastal Forests
- Review major past efforts to describe threats
- Articulate potential solutions to the threats to be passed on to drafting committee

**Wednesday, April 29**

---

**8:00 a.m.                    Opening comments**

**8:10 a.m.                    Agenda review**

**8:20 a.m.                    Introductions**

**8:35 a.m.                    The Western Threats Assessment Process**

A brief explanation of the context for the workshop, how the workshops are organized and the expected final outcome. Review of threats that describe the challenges for the Pacific Northwest and Coastal Forests region.

Description of the process and how we arrived at the themes to be discussed for the day. There is also the potential adding of other threats to the list.

**9:00 a.m.                    Briefings on Threats**

Workshop organizers will brief each of the threats/issues identified as challenges for the Pacific Northwest and Coastal Forests region by reviewing studies to understand the impacts of the threats on forests in the Pacific Northwest and Coastal Forests. These threats are:

- ESA and regulatory requirements
- Forest health challenges
- Subdivision for recreation

Question and answer will be included as part of the briefing.

**9:50 a.m.                    Break**

**10:00 a.m.                    Discussion**

The group will be asked to discuss the threats and to work to discuss the underlying causes and impacts of the threats to private forestry. How are these threats changing the economic and social parameters of private forestry? Some potential questions include:

- Is the threat a symptom of a larger threat or a cause of other symptoms or both?
- What is the nature of the threat? What is the definition?
- Is it different in different locations?
- How is this impacting private forests?

**12:15 p.m.                    Lunch**

**Threats to Private Forests Workshop Draft Agenda  
Pacific Northwest and Coastal Forests  
April 29-30, 2009**

- 1:00 p.m.**                    **Discussion**  
How are the threats related to each other?  
What are additional threats and how are they related to the discussion?
- 2:30 p.m.**                    **Review of outline** of threats and discussion of how they should be bound together/ organized.
- 4:00 p.m.**                    **Adjourn, Day 1**
- 6:00 p.m.*                    *Dinner out?*

**Thursday, April 30**

---

- 8:00 a.m.**                    **Discussion of Day 1**  
Any additions or changes from the previous day.
- 8:30 a.m.**                    **Review of outline:** Is this the way it should look? What changes are necessary?
- 9:15 a.m.**                    **Solutions: Given the outline of threats, how can solutions be applied?** Solutions that were mentioned during discussion will be reviewed and new ideas will be invited.
- How can we overcome barriers to achieving productive private forests in the Central Rockies?
- 11:30 a.m**                    **Next steps, comments on workshop**
- Noon**                            **Adjourn**

Threats to Western Private Forests

State	Name	Organization	Email	Telephone
WA	Brian Boyle	ex-Public Lands commissioner WA	bboyle@u.washington.edu	206-616-8140
	Dana Coelho	WFLC	<a href="mailto:dcoelho@fs.fed.us">dcoelho@fs.fed.us</a>	303-445-4364
OR	Don Motanic	ITC - Technical specialist	donmo@teleport.com	(503) 282-4296
	Jamie Barbour	PNW	<a href="mailto:jbarbour01@fs.fed.us">jbarbour01@fs.fed.us</a>	503-808-2542
	Jerry Beatty	WWETAC	<a href="mailto:jbeatty@fs.fed.us">jbeatty@fs.fed.us</a>	541-416-6583 503 945-7206
OR	Jim Paul	Oregon Department of Forestry, Chief, Private Forests Division	<a href="mailto:jpaul@odf.state.or.us">jpaul@odf.state.or.us</a>	503 931-0483
WA	John Perez-Garcia	University of Washington	perjohm@u.washington.edu	206-685-2315
WA	Marc Engel	Washington Department of Natural Resources	marc.engel@dnr.wa.gov	360 902-1390
WA	Michelle Connor	Cascade Land Conservancy	michellec@cascaDELand.org	206 905 6899
CA	Sheri Smith	USFS-R5	<a href="mailto:ssmith@fs.fed.us">ssmith@fs.fed.us</a>	530-252-6667
OR	Steve Calish	BLM - Oregon State Office	Steve_Calish@blm.gov	
WA	Steve Stinson	Executive Director of the Family Forest Foundation	stevestinson@familyforestfoundation.org	360-736-5918
WA	Stewart Matthiesen	Northwest Natural Resource Group, Development & Policy Director	<a href="mailto:stewart@nnrg.org">stewart@nnrg.org</a>	
	Tom Tuchmann	US Forest Capital	tuchmann@usforestcapital.com	503.220.8103
	Will Singleton	Facilitator	<a href="mailto:will@singletonstrategies.com">will@singletonstrategies.com</a>	303-895-7570

**Western Forestry Leadership Coalition**  
**Threats to Western Private Forests**  
**Northwest Workshop Summary**  
Seattle, WA April 29-30, 2009

**In Attendance:**

Brian Boyle	Dan Stonington $\mathcal{N}$	Dana Coelho
Don Motanic	Jamie Barbour	Jerry Beatty
Jim Paul	John Perez-Garcia	Marc Engel
Michelle Connor $\mathcal{J}$	Sheri Smith	Steve Calish
Steve Stinson	Stewart Matthiesen	
Will Singleton – <i>Facilitator</i>	$\mathcal{N}$ = <i>day one only</i>	$\mathcal{J}$ = <i>day two only</i>

**Workshop Objectives:**

- Develop a detailed outline of the threats/barriers to forestry on private lands in the Pacific/Northwest Region
- Articulate potential solutions to overcoming the threats/barriers to the drafting committee
- Provide guidance to the drafting committee for the Pacific/Northwest section of the report

**Action Items / Next Steps:**

- Workshop participants are asked to review the draft workshop summary carefully to ensure that it is complete and accurate
- WFLC will post the finalized summary on a private website for participants' reference
- Flip chart photos will also be posted on the Web
- Once the summary is finalized, invitees who did not attend may be asked to add their perspectives that will be an appendix to the summary

**Process Summary:**

The Western Forestry Leadership Coalition is conducting five workshops throughout the western United States to identify threats to maintaining private forests as working lands. This workshop was the last of the five. Its focus was on the private forests the Pacific/Northwest region. This was intended to include participants from Washington, Oregon, Northern California and Southeast Alaska. While many of the conditions may be similar, this summary does not include the participation of individuals from SE Alaska – invitees were not able to attend. The workshop was organized to ask participants to delve into the issues in depth. The results of the workshop are going to be incorporated into a report to be approved and published by the WFLC board. The major steps of this process are:

- Workshops held in five regions throughout the West
- A drafting group is assembled to draft a report
  - The report will summarize the results of the workshops but will also synthesize the themes of the workshops to produce a unified report that reflects the entire region
- Workshop participants will be asked to review the report and ensure factual accuracy as well as determine their willingness to have their names associated with the report as “Workshop Participants”
- The draft report will be reviewed by the WFLC board, changes may be suggested/requested
- A finalized report will be produced by the drafting committee
- Drafting committee members and workshop participants will be asked if they want to sign on to the report
- The report will be published by WFLC, printed, posted on the Web and distributed to key policy makers

- WFLC expects to print a final report by the early fall of 2009

The report will be used to inform policy makers at the local, state and federal levels about the challenges that private forests face in the West, to establish a policy context for approaches to address the challenges, and to make appropriate recommendations to address the barriers to maintaining private working forests in the western states.

A general **timeline** follows (Note: dates are approximate):

April	Regional Workshops are conducted
May	WFLC forms a drafting committee
June – Aug	Drafting committee develops its report
Aug 15	Drafting committee sends its report to the workshop participants for comment
Sept.	Drafting committee sends the report to the WFLC Board for comment
Sept. 15	Drafting committee considers comments and finalizes reports Workshop participants are asked to sign on to report

## **Workshop Results:**

### **A. Summary of Actions**

Workshop participants engaged in a day and a half of discussions centering on conditions in the Pacific/Northwest Region. Stemming from the sense of the participants that important work similar to the objectives of the workshop had already been done in the Washington, Brian Boyle of the Northwest Environmental Forum summarized the process' results. This as well as a WFLC prepared summary of themes established the foundation of the context section of the report outline found in this summary. After an initial review of themes that were developed through interviews with WFLC members, the participants discussed the nature of barriers to maintaining private working forests. It should be noted that participants repeatedly referred to stakeholder driven processes in Oregon and Washington as potential sources for the drafting committee to glean threats and recommendations.

The discussion was framed around three central organizing categories: **Ecological, Economic, and Social**. This framework was used to organize participant described threats and solutions to private forests in the Pacific/Northwest. The participants were asked to draw a Venn diagram reflecting the threats in the geographic area in which they work (i.e. a Forest Service region or a state). They were asked to draw the diagram to reflect which of the three groupings were the most important (Ecological, Economic, or Social) and they were asked to identify their three priority threats.

The **Venn diagrams** showed that social issues are the largest overall concern. All but two participants defined social issues as the biggest set of challenges to forestry in the region. These diagrams were scanned and are going to be used to inform the drafting committee on the variability within the region. Each participant was asked to give his/her top threats/barriers. Issues identified more than once are connoted with a 4. It was pointed out that the ecological problems were a circle inside the social and policy circles. Ecological problems could be addressed if social will and appropriate resources were applied. Through the discussion, workshop participants identified **threats/barriers** under the three categories. Finally, the group was asked to delineate some underlying causes of problems and the symptoms to those problems. The table reflects that output.

**Solutions** were discussed on day two and are attached at the end of this summary. They are also grouped into the three large categories of Ecological, Economic, and Social.

Finally, as a result of the discussions, an **outline** was suggested that might be a format for the Pacific/Northwest “chapter” of the eventual west-wide report. Participants stressed the importance of drawing from existing forums, studies and case studies

A description of threats, solutions and a proposed outline follow. The last item is a list of reports, examples and initiatives that can be used to inform the writing of the report. *(This section will be improved with references for the final summary.)*

## **B. Discussion of Threats/Barriers**

### **Social444444**

Public does not understand some of the crucial issues of private forestry

- Public does not understand slow regeneration rates
- There is increased demand for wood products from the public at the same time that there are heightened expectations from the public for the other values that forests can offer (scenery, recreation, wildlife, etc) – the public does not understand the trade off of products vs values.
- Little political will from the politicians to revise resource management plans as science evolves
- Lack of scientific consensus can hold up processes
- Public expectations of public forests (for scenery and as an amenity) has been extended to private forests
  
- There is a big inter-generational transfer of ownership about to happen, this means that a less knowledgeable generation will be taking over. There will be tax implications, this could mean a decrease in resources for forest management
- Rural forest industry-dependent communities are vulnerable to the pressures of subdivision and ex-urbanization
- There is the knowledge of how to address ecological problems that threaten the forests but there isn't the social license from the public or budgetary resources to do appropriate forest management.
- Resource professionals and land managers are good when communicating with each other but typically communicate poorly with the public

### **Policy/Economics444**

- Conflicting uses and expectations of neighbors
- BMP Regulations prevent the development of markets for ecosystem services. Additionality (as in carbon sequestration) requirements also make development difficult.
- The drive for a rate of return on capital has changed management and status of private forests.
- Homogenization/Commoditization of timber infrastructure – large logs are less valued and market vulnerability is greater because of a focus on housing industry (with its ups and downs). More and more timber products are reflecting the lowest common denominator.
- TIMOs look for investment value without harvesting very much. Harvesting of timber has become less of a driver for their actions.
- REITs have tax advantages and have to harvest to provide specific dividend returns – this can lead to harvesting that is faster than regeneration rates
- TIMOs and REITs seem to be more adapted to a new economic conditions where they have the ability to get PR and income from management whereas the traditional land owners are left managing a resource of diminishing value (fire, forest health, litigation)
- Regulations prevent small land owners from doing active forest management – “Forest Practices Act”

- WA- ESA Implementation has prevented decision-makers from acknowledging disagreement and moving forward. ESA implementation doesn't seem to allow action without consensus. The processes have been slow and the rules are creating barriers to using private forests.
- WA- NW Forest Plan is not adaptive
- CA- Sierra Nevada Framework Plans – Some conclusions were not scientifically defensible; trade-offs are often made to move processes forward at expense of active forest management.
- Timber is no longer a market commodity – a new focus is on the land's ability to bring income for the shareholders

On tribal lands:

- Stewardship contract procurement is a barrier when working with U.S Forest Service on adjacent lands
- Turnover of U.S. Forest Service expertise has made consistent management a challenge on adjacent land

#### Ecological4

- Tree mortality from native bark beetles and invasives such as sudden oak death, beetle
- Fire
- Climate alteration

East of the Cascades:

- Overstocking of trees in fire adapted forests
- Insects
- Mistletoe
- Fire danger
- Drought
- Bark Beetles

Cause	Symptom
Declining resource values for forest productivity at the same time that non-resource values are going	<ul style="list-style-type: none"> <li>• Lack of compensation for ecological values</li> <li>• Lack of green infrastructure</li> </ul>
Population growth in region and rural areas/urbanization	<ul style="list-style-type: none"> <li>• Conversion pressure</li> <li>• Demand for water and other resources</li> <li>• Local public is increasingly disconnected from forests and its necessary functions</li> </ul>
Conflicting policies	<ul style="list-style-type: none"> <li>• NEPA isn't working (pertaining to federal lands)</li> <li>• Litigation drives decisions</li> <li>• The supportive local public that should be speaking out is silent</li> <li>• Pressure for political solutions</li> <li>• Collaborative approaches has faded as the old timers have retired</li> <li>• Fractured TFW communities</li> <li>• There are negative consequences to the "no action" alternative in federal and state decision-making including forest health degeneration and less need for forestry infrastructure</li> </ul>
Lack of sustainability policy	<ul style="list-style-type: none"> <li>• Extreme views dominate dialogue</li> </ul>

	<ul style="list-style-type: none"> <li>• More attention is paid to outliers</li> </ul>
Externalization of true costs	<ul style="list-style-type: none"> <li>• Forestry is not recognized as the highest and best use for the land</li> <li>• Rural communities are failing</li> <li>• Natural systems are lost to commodity drivers</li> </ul>
How opportunities for “natural capital” are created – ineconomic returns	<ul style="list-style-type: none"> <li>• Less funding for public lands and resources</li> <li>• Imposed costs where decisionmakers are not paying attention to outcomes</li> <li>• Internalization of losses from decreased investment in natural capital</li> <li>• Passing mandates without considering about costs / outcomes</li> </ul>
Capitalization	<ul style="list-style-type: none"> <li>• Short term profiteering – including over harvesting and subdivision of parcels</li> </ul>
Reluctance to innovate / intolerance of others’ views	<ul style="list-style-type: none"> <li>• Failure to achieve stated goals – i.e. Coho salmon – the process is not talking to the right land owners</li> </ul>
Climate change	<ul style="list-style-type: none"> <li>• Alterations in vegetation and fire and drought regimes, also potential alterations in insect and disease lifecycles, activity and function</li> </ul>

**C. Discussion of Recommendations:**

**Social**

Creating a public will to act

- Governor needs to show leadership (MN Gov lead their effort)
- TIMOs need to play a role
- Integrate efforts through transportation planning and utilize some funding
- Explain costs of not having forests – Puget Sound water quality
- Many communities are amenable to sustainability – delineate how working forests fit into a sustainable landscape
- Regain trust of communities through certification – it adds a verifiable middle ground
- The forest message needs to change and connect with the public. The old message and channel doesn’t seem to work. Even developing a simple message or slogans like “wood is good” and develop a mascot: “Checkers” the eagle – would be something different that the public could start to notice and reengage with the forest professionals.

**Policy/ Economics**

- Statewide plans on private forest survival include payments for ecosystem services (some examples of existing plans are MN and VA)
- Allow owners to join a taxing district that would tax others to pay landowners for their management. Instead of additionality, turn Forest Practices Act on its head – change who pays
- Figure out how to tie value to the appropriate party/user
- Take away development value of lands through down zoning, transportation planning that emphasizes the urban cores, passing of lost ecosystem costs on to the home buyer through the contractor
  - Link to transportation dollars –with increased density there is easier access to transportation funding
  - Use salmon/sewer funding because of the benefits of forested lands as opposed to development for water quality

- Draw from MD's "No Net Loss of Forest Act" – Landowner has to make sure that an equivalent number of acres some where else is preserved if land is develop.
- Incentive funding – Development tax with funding going to compensate working forest land owners for management practices that provide ecosystem services
- Link efforts with state-wide assessments to provide quantitative analysis to proposals
- Leverage intellectual resources and expertise from the region
- Work on legislation that would allow states to take a more active role in resource management planning – The Healthy Forest Act doesn't get to tax districts
- Federal government needs to do a better job explaining what "no action" means to broader forest health and economic values
  - Monetize options in terms of income, jobs and communities to determine the true costs of actions vs. inaction.
- Streamline incentives for small private landowners
- Overcome marginal differences between working forest lands and subdivision through niche market development:
  - FSC certified lumber for green building projects
  - Large diameter logs or "charismatic logs" for special purposes
  - Alternative fuel products
- Use Data/GIS (WA database) to identify priority lands for adding potential needed income or easements and use the special localized conditions to implement the appropriate actions
- Determine the right increment for forest landowners in the highest risk areas. Target areas where the marginal compensation can allow possible action (instead of areas where the costs would be too high or areas where there is no risk) and offer a portfolio of tools through extension efforts.
- Defer inheritance tax on lands until a conversion to impervious surface or residential conversion occurs

### **Ecological**

- Tribes are creating coalitions for climate change and are establishing an information clearinghouse for climate change because there is so much information. This includes land owners, conducts workshops and studies

## **D. Proposed Outline**

**I. Context and Opportunities:** This workshop covered Washington, Oregon and Northern California. SE Alaska was intended to be included in the workshop but no participants from SE Alaska attended. Some of the following factors should be considered when establishing the context in the introduction of the Pacific/Northwest<sup>1</sup> "chapter". Washington is experiencing more rapid land conversion than Oregon.

P/NW has some of the following conditions:

- The three states are very different
- The region has a strong cultural identity with the timber industry, even if there is a smaller and smaller portion of the population who work in the industry. Despite the transition from logging, nothing has replaced the cultural identity in many communities.
- Many areas have very valuable growing conditions with rapid regeneration
  - The value of those lands tend to be very high
- Unlike other parts of the West, much of the P/NW is private

---

<sup>1</sup> One participant objected to the term Pacific/Northwest to describe the region. She said that it should either be Pacific Coast or Northwest and Southwest Region.

- It is a very productive area – WA alone produces 5.7 million board feet of lumber, 4 million board feet was exported out of the state. But the relative importance of the timber industry has declined as other industries have become prominent (software, aerospace, shipping)
- For Oregon, lumber production represents 11% of the GDP, 60,000 jobs and many more indirect jobs, 4 million board feet / yr
- Highly complex regulatory environment that include high compliance costs, uncertainty about definitions and perverse outcomes to regulations
- There are forest health challenges
- Subdivision and development with potential impacts to ecosystem services provided by forest lands, impacts to capacity and markets
- Carbon markets are on the threshold of becoming a factor in a way that may change the proposition for the forest landowner, they may begin to look at the “triple bottom line” where they are able to combine income from a number of sources including compensation for ecosystem services.
- In the region, there would be no way to maintain forests without industry and private ownership. Income generating forests provide funding to maintain forest health.
- Puget Sound is an example of the important benefits that forests provide. If converted, costs of cleaning storm water would be huge
- Change may be inevitable for many working landscapes but the working lands offer flexibility to adapt to changing conditions. In the end the flexibility will save society money and can buffer society from rapid change. Working lands offer resilience and fiscal prudence.

The key players include TIMOs & REITs, tribes, state governments, federal lands/agencies particularly with their impacts on forest health issues and declining infrastructure.

*Instructions from participants: The introduction should focus on the importance of jobs for the region and rural areas. It might highlight the value of the carbon and other ecosystem services in the region. Consider governors as a target for the report.*

Specific state descriptions included:

### **Washington**

Landowners: Up to 1000 acres tend to include residential, recreation and multigenerational lands. Major concerns are air and water quality, insects, diseases, legacy taxes and misuse and trespassing. Larger parcel (1000+ ac) owners include Timber Investment & Management Organizations, Real Estate Investment Trusts and family owners. They tend to produce sawed logs and pulp, they focus on investment and production, tend towards intensive management. They tend to identify ESA and regulatory issues as major factors. In Washington, designated forest lands are county assessed. In Washington, lands are roughly 43% industrial forests and 49% small landowners.

Washington has an extensive GIS-based layered database that delineates all parcels in the state. The database includes value, ownership, use, soil/regeneration capabilities, risk of conversion, proximity and impacts to fish habitat.

In Washington, ownership has changed from vertical integration. There is less incentive to maintain undivided parcels, which has led to high conversion rates, up to 30% in some areas and 61 – 80% in some watershed. Oregon has seen less rapid land conversion. This conversion has led to problems with fish habitat and water quality. It is expected to also lead to the decline of production of 1 billion board feet by 2080 – along with associated implications on trade and competitiveness.

The NW Environmental Forum reflects issues that are also very similar for **Oregon**. Oregon sees conversion as a coming trend – it is not at the scale of WA with its 400,000 acres. Fragmentation is impacted by OR rules that allow structures on land of certain sizes without changing the status of those lands. This policy has raised the question of what is the tipping point of density. The Federal Government owns more in OR than in WA. OR has more of a checkerboard ownership because OR and CA both re-vested lands. Big timber companies and large forest land owners tend to trade lands with each other, further complicating the ownership picture. Eastern Oregon constitutes one third of the forest productivity but federal land management has meant a decrease in infrastructure. Overharvesting vs. growth rate is an issue in Oregon – this has increased pressure to parcelize and speculation.

**California** – About one third of the state is forested. Of that ~15% is private, ~30% is non-industrial, ~34% is federally managed, mostly USFS. CA has also seen closing of mills and loss of timber infrastructure. A decrease of supply has happened partly as a result of regulation and litigation. The Forest Service is so constrained in some areas that it has been unable to harvest even fire-killed trees. Widespread tree mortality in '03-04 in southern CA and the more recent large scale wildfires (e.g. Moonlight Fire ~65,000 and the Angora fire in the Lake Tahoe Basin that burned many homes) is leading to changed attitudes about active forest management. Tree mortality caused by wildfire, bark beetles, sudden oak death and Goldspotted oak borer are ongoing forest management issues. CAL FIRE, the Fire Safe Councils and Forest Care have been active in thinning on private lands to reduce susceptibility to bark beetles and wildfire.

*CA representative thought the report should be broader to cover all forest lands and had the following comments to the draft summary:*

*Also suggest contacting: <http://www.forestlandowners.org/membership.html>, (530) 389-2436*

*They may have a better handle on issues facing private non-industrial forestry land owners in CA. Also suggested contact Bruce Goines with State and Private Forestry in the Region 5 USFS regional office and Jeff Calvert with CAL FIRE.*

**Tribes:** Tribal forests have also been impacted by the decrease in production from the Forest Service. That has made access to infrastructure more difficult.

**II. Barriers and Threats** – These barriers should be taken from the delineation of threats described in Section B of this summary and the work of the WA Working Forest Forum and the Oregon Forest Resource Institute.

**III. Strategies and Recommendations** – identify desired outcomes and how to measure those achievements. These should be drawn from Section C of this summary as well as the stakeholder driven processes in the three states.

#### **Papers & Resources**

- Washington Working Forest Forum Papers
- Oregon Forest Resource Institute will have a list of publications including “Threats to Private Forests”
- Links to WA Forum study of actions in every state
- Tribal Wildfire Guide – produced by the Inter Tribal Timber Council

- Land Owner Survey – Compare national to regional statistics

### **Feedback on Workshop**

#### **Good**

- Venn Diagram exercise
- Facilitation
- Workshop tackled hard issues

#### **Needs to be changed**

- Discussion tended to rehash old issues
- Need more private land owners
- Over representation from WA, not enough CA and OR
- Logistics clarity