



## Threats to Western Private Forests A Western Forestry Leadership Coalition Strategic Initiative

The Threats to Western Private Forests initiative engages diverse stakeholders to explore threats to the health and sustainability of private forests in the western U.S. By having open conversations about the long-term prospects for western forests, we will better understand our challenges and opportunities. The WFLC hosted five workshops throughout the west. This document is a synthesis of the workshop results and an update on the initiative.

### **The business of managing private forestland is changing.**

Globalization of markets, broad economic forces, government regulations, and ecological stresses such as fire and climate change have completely altered the operating environment for forest landowners seeking to manage their land. Large multinational timber companies are able to achieve the financial efficiencies to deal with global-scale market forces, but smaller operators have few tools to help them adjust to the increasing complexity. A new business model within a new policy framework is needed to address the needs of private forest landowners, as well as those of the local, state and federal agencies, and environmental organizations offering financial and technical assistance.

"The lack of markets for timber makes it difficult for people who are not wealthy to manage landholdings for conditions they consider to be ecologically correct."

*Workshop participant*

"Forestry is no longer competitive with other uses of the land."

*Workshop participant*

### **The workshops**

In the interest of helping members of the forestry community "retool" to allow them to continue managing their forests without relying solely on traditional timber harvest models, the Western Forestry Leadership Coalition (WFLC) convened a series of workshops to identify the threats to private forests and forestry. In short, why and how are the ecological and social benefits, and the economic viability of western private forests at risk? Five workshops were held in different regions around the West, and brought together representatives from state forestry and wildlife agencies, Tribes, local government, US Forest Service, Bureau of Land Management, industry, academia, conservation organizations, and most importantly, private forest landowners. Additional listening sessions were held with foresters from the US affiliated Pacific Islands.

### **Workshop times and places**

Central Rockies - Lakewood, CO - March 4-5, 2009

Northern Rockies - Boise, ID - March 18-19, 2009

Interior Alaska - Anchorage, AK - April 7-8, 2009

Central Plains - Nebraska City, NE - April 15-16, 2009

Pacific Northwest & Coastal Forests - Seattle, WA - April 29-30, 2009

## Identifying values and threats - common themes

Workshop participants agreed on the need to emphasize the **scarcity and value** of private forest lands. Private forests often provide ecological strongholds, significant islands of biodiversity, and wildlife corridors. Their value as recreational areas or access points to public recreation sites is huge. Yet, private forests make up a small percentage of the overall western landscape and can be overlooked despite their importance.

Commonly discussed **ecological** threats included uncertainty about climate change and the resilience of forest ecosystems to large scale disturbance, fire (including the accumulation of and inability to deal with hazardous fuels using prescribed fire, harvest, and other management strategies), invasive species, insect outbreaks, and disease. Many of these threats interact in complex ways.

Every workshop discussed **economic** barriers to maintaining traditional or creating new timber-harvest business models—such as declining lumber prices, lack of processing infrastructure, prohibitive transportation costs, and the lack of markets for ecosystem services. Tax issues (especially inheritance taxes affecting the intergenerational transfer of land) make it hard to reward long-term management of forests, increasing the chance of conversion to other uses. Overall, forest landowners are vulnerable to changing economic conditions.

*“If the land can’t pay for itself, eventually its use will change.”*

*Workshop participant*

*“Current economic structures do not account for the value of ecosystem services that private landowners provide.”*

*Workshop participant*

**Policy** concerns also came up frequently and were tightly linked to other economic and social considerations. Participants spoke about having to navigate an “unworkable” system of regulations and land use laws (NEPA, ESA, state forest practices laws, etc.). A lack of integration among federal, state, and county leadership makes it difficult to create structures that encourage collaboration, collective decision making, and a shared view of sustainable forestry.

**Social** concerns included rapid population growth, shifting public values, ownership changes, and an increasingly complex wildland urban interface (WUI). Many participants discussed the gap between today’s aging private landowners and a younger generation that may not understand the intricacies of sustainable forest management and/or be able to afford it. This phenomenon carries into the forestry profession as well, since high turnover (in both public and private sectors) prevents the transfer of knowledge and expertise. Other concerns dealt with the conflict between public demand for forest products and negative attitudes toward the cutting of trees, especially among urbanizing populations.

## Identifying values and threats - differences among the regions

While common themes emerged, important differences across the west deserve note. **Central Rockies** (Wyoming, Colorado, Nevada, New Mexico, and Utah) participants mentioned water as an important ecosystem service more than any other region, emphasizing the role of private forest lands in source watersheds for major urban and agricultural areas. Threats emphasized were development in the WUI and bark beetles, particularly how the scale of the current epidemic precludes corrective management activities.

The **Northern Rockies** (Montana and Idaho) has retained a more robust forest products industry than the Central Rockies, but there are still significant threats to both timber and biomass utilization including regulatory barriers, high start-up and transportation costs, and a lack of a market for biomass energy.

For many reasons, **Alaska** is unique. Its sheer size - 129 million acres of forest - the dominance of native corporations in the private lands picture, subsistence lifestyles are just a few reasons. Low species diversity makes Alaska's forests more vulnerable to insects, disease, and climate change. This vulnerability is complicated by a lack of data and understanding of the state's ecology, as well as a tendency to value wildlife above trees/forests. Village subsistence made biomass energy a hot topic.

Participants at the **Pacific Northwest** (Oregon, Washington, California, and Southeast Alaska) workshop emphasized social and economic issues. There is a strong cultural identity with the timber industry, and many areas still have valuable, highly productive timber lands. Unlike other parts of the West, much of the Pacific Northwest is in private ownership, contributing to greater public expectations of private (as opposed to public) forest land. The regulatory environment here is highly complex, and carbon markets are on the cusp of influencing policy and practice. Finally, new industrial structures (Timber Investment Management Organizations and Real Estate Investment Trusts) are playing a large role in forestry; their impact remains to be seen, but could increase conversion of forest to other uses.

One of the comments made at the **Central Plains** (Nebraska, Kansas, North Dakota, South Dakota, Colorado, Wyoming) workshop highlighted the region's uniqueness: "It's hard to fit forestry into a 'cows and plows' culture." Emphasis in forestry rests on urban and riparian forests as well as agroforestry (windbreaks, shelterbelts, silvopasture, etc.). The lack of large blocks of forests often precludes inclusion of the forests and trees that do have value from being counted in federal inventories and therefore prioritized for funding and assistance.

### **Identifying opportunities for success**

Although there are obvious challenges ahead, participants emphasized that this report should not dwell on threats, but address the multitude of **opportunities** for success. Participants were asked to brainstorm ideas for improving the outlook for working forests and creating a new business model.

**Public understanding** - Improve public understanding of the value of maintaining working forests. Education is an ongoing task as populations shift and new residents are unfamiliar with the threat of conversion or the many needs for forest management. The message that mills, harvesting, wildlife, forest health, and community well-being are tied together and can support each other can never be oversold. Education campaigns should include local decision makers such as county commissioners as well as the insurance industry, developers and others with an interest in and impact on the landscape.

**Integration** - Create and improve opportunities for partnerships.

Building capacity to integrate research and practice across scales, disciplines, time frames, and government levels - such as through the statewide assessment process - is an important step toward developing a sustainable business model for private forest management.

**Ecosystem services** - Establish a currency and markets for ecosystem services.

This can be accomplished through tax credits (tied to easements and/or forestry districts), long-term management incentives, wildlife mitigation banking, open space easements, a carbon cap and trade system, or other creative approaches.

**Technical assistance** - Increase capacity for technical forestry assistance.

State forestry agencies and other service providers (e.g., NRCS, NACD, extension) provide resources to private land owners for the continued management of their forests. Additional funding and improved collaboration among federal, state, and local entities are critical.

**Biomass energy** - Create opportunities for biomass utilization.

This can be achieved by including woody biomass in renewable energy policy and exploring more sophisticated electricity-generating technologies. Conduct feasibility studies on markets for wood as a renewable energy source.

## **Moving forward**

The workshops generated a large body of ideas with regard to both threats and creative remedies. From here, a drafting group will build upon these results to create a report published by the WFLC and endorsed by workshop participants. The report, along with policy briefs developed by participants and partners, will be distributed to key policy makers at all levels of government to facilitate appropriate recommendations to address barriers to maintaining private working forests. Congressional testimony, memos to agency leadership, and resolutions made at the state and local levels will carry the messages towards implementation on the ground.

Change may be inevitable for many working forests, but their continued management offers the flexibility to adapt to change in ways that unmanaged and converted lands clearly do not. In the end, this flexibility will help private forest landowners continue to provide the many ecological, economic, and social benefits expected by their local and global neighbors - including a buffer against potential climate change. Just as working lands offer resilience through flexibility, the forestry community has to be flexible in adapting to a new business model that will make healthy forest management possible and financially sustainable.

## Identifying values and threats - graphic summary

The following table outlines, graphically, the values and threats synthesized in the text above. The "x"s indicate in which geographic workshop the policy, economic, social, or ecological issue was discussed.

Category	Threat or issue	Central Rockies	Northern Rockies	Anchorage	Central Plains	Pacific Northwest
Policy	Unworkable government regulations at multiple levels	X	X	X	X	X
Policy	Lack of integration among agencies, ownerships		X		X	
Economic/Policy	Tax codes/policy impede land management and/or transfer	X	X		X	X
Economic	Lack of timber markets and infrastructure; high transportation costs	X	X	X	X	X
Economic	Lack of capacity for biomass utilization		X	X	X	
Economic	Lack of incentives for managing ecosystem services; ecosystem service markets	X	X		X	X
Economic	Lack of understanding/ capacity for carbon markets		X	X		X
Economic	TIMOs, REITs		X			X
Economic/ Ecological	Impact of recreation		X	X	X	
Ecological	Climate change	X	X	X	X	X
Ecological	Invasive species	X	X		X	
Ecological/ Social	Overstocking, inability to deal with fuels; lack of social license	X			X	X
Ecological/ Social	Lack of baseline data			X	X	
Social	Ownership changes, generational shift	X	X	X	X	X
Social	Population changes, WUI	X	X	X	X	X
Social	Public expectations	X	X	X	X	X
Social	Urban decision maker disconnect	X	X			
Social	Intolerance of different values	X	X			X
Social/ Policy	Zoning	X			X	X
	Most important category of issues	Social	Economic	Economic	Social	Social