

Tongass Transition Committee Meeting – December 15-16, 2022 Ketchikan, AK

Summary: Progress Toward Young Growth Goals

Participant Feedback: Agency Overview of Progress Toward Young Growth Goals

- The Tongass National Forest needs a new Forest Plan focused on the young growth transition (the “next generation” plan).
- Community level partnerships are essential to implementation. There is great value in sitting with diverse people.
- Continue to build local decision-making and trust-building among entities.
- Continue coordinating management across landowners (All Landowners Group) to conduct analysis across lands and determine short-term supply options.
- To make progress, need to set politics aside and focus on ground-level implementation.
- Improve communication regarding progress (i.e., “tell the story of what the Forest is actually doing”).
- Need to acknowledge that there was not as much progress as hoped. (“Accept the F grade, you haven’t done as much as you wanted to.”)
- A primary challenge is the direction to accelerate the transition (e.g., end of old growth except for annual 5MMBF starts now).
- Need to develop a strategy for both short and long-term projects. This will need to include multi-year project plans, and near-term urgent projects.

Small Group Discussion: Progress, Challenges, and Opportunities for Young Growth Goals

GOAL 1: PROVIDE A STABLE YOUNG-GROWTH TIMBER SUPPLY THAT SUSTAINS LONG-TERM TIMBER YIELDS WHILE MAINTAINING OR IMPROVING HABITAT CONDITIONS FOR WILDLIFE AND FISH AT THE LANDSCAPE LEVEL.

Progress toward meeting the goal:

- Progress towards meeting this goal has been disappointing. A few participants reported that progress on this goal would be a failing grade (F).
- Supply is unstable because 1) old growth is not being offered, and 2) young growth is not available nor economically competitive.
- Timber operators/mills have very limited timber supply available. (e.g., Viking and Alcon each have only about a three-year supply in their pipelines.)

Challenges and barriers to implementation:

- National-level politics and White House interventions (e.g., Roadless Rule)
- Litigation halting sales/projects
- Potential of endangered species listings (e.g., Alexander Archipelago wolf)
- Young growth markets are limited to a single option regardless of species
- Limited economically viable young growth stands (i.e., not enough of commercial size)
- Lack of skilled workforce (e.g., logging engineers)

Opportunities and suggestions for the path forward:

- Review TAC's vision for young growth and update the Forest Plan with a young-growth emphasis. Work with industry to calculate sustained yield for the next 10-15 years and to manage 210 acres of young growth so that it can be profitable for the industry.
- Recognize that continued management is / will be necessary to promote habitat value – need to consider impacts of no management activity in high value watersheds.
- The Forest Service should give longer-term contracts (e.g., 10 years) so that the industry can survive market fluctuations.
- Consider ship safety, taking into consideration the fact that loads of young growth logs are heavier than equivalent old growth log loads.
- Provide leadership to the Landowners Group to promote information development and sharing across ownerships

GOAL 2: PRE-COMMERCIAL TREAT STANDS TO REDUCE OR ELIMINATE STEM EXCLUSION, TO DECREASE STAND ROTATION TIME, AND PROVIDE FUTURE SILVICULTURAL OPPORTUNITIES.

Progress toward meeting the goal:

- The young growth pre-commercial-thinning (PCT) task force produced a robust set of recommendations that are in the process of being implemented.
- Almost hitting the 4000 average acres per year target and the trend is upward.

Challenges and barriers to implementation:

- Contracting – The Tongass National Forest implemented a new approach to program delivery which resulted in a downward trend in treated (PCT) acres for a period of ~6 years.
- Contractors—The Tongass has experienced fluctuations in available contractors over the past 10 years; from 10+ separate contracting entities, reduced to one, and now back to about 5. Issues with allowing remote camping to be permitted has also limited contract opportunities.
- Migrant workforce—Changes in the visa process have caused worker shortfalls. Relying on non-migrant workers is not adequate to meet the labor needs in Alaska.
- Lack of money for PCT projects—The Budget Infrastructure Law (BIL) has alleviated that problem for the near term.
- (See PCT Task Force Recommendations)

Opportunities and suggestions for the path forward:

- Continue to implement the PCT task force recommendations
- Continue to highlight the importance of thinning for multiple benefits
- Prioritize PCT where the benefits will be the greatest (e.g., thinning stands during the thinning window of age 15-30, to alleviate slash concerns)
- Use different terminology that highlights the multiple benefits of thinning (e.g., The terms “pre-commercial thinning” and “wildlife treatments” are referring to thinning practices that have multiple benefits. Common language could illustrate that both terms are referring to the same treatment and achieving multiple goals.)

GOAL 3: CREATE OPPORTUNITIES IN YOUNG-GROWTH MANAGEMENT AND THE USE OF FOREST PRODUCTS IN A MANNER THAT ENHANCES THE ECONOMIC VITALITY OF THE REGION AND THE RESILIENCE OF LOCAL COMMUNITIES.

Progress toward meeting the goal:

- Implemented restoration projects for streams, forests, wildlife (e.g., PCT/thinning for wildlife)
- Workforce development and training programs implemented to help recruit, train, and retain local employees
- Young growth is beginning to be used for local construction (e.g., lumber, cabin/log house kits)

- Young growth is beginning to be introduced in educational settings (e.g., Sitka High School woodworking courses are using young growth lumber)

Challenges and barriers to implementation:

- Young growth management projects are not designed primarily for commercial harvest (and therefore are often not economically viable). For example, Good Neighbor Authority timber sales (e.g., Vallenar, Kosciusko) must contain a restoration component. If the agency designs harvest units with wildlife habitat prescriptions, it results in little or no thought to designing units that are economically/technologically harvestable using technology/logging methods common in the region, and which can be implemented with the current workforce/machinery.
- The “greatest limiting factor” to a young growth transition is economical timber sales. As an alternative to a “restoration economy,” projects need to be based on economics first, and then find opportunities for restoration in the same area.
- Lack of a skilled forest workforce / current workforce is aging
- Young growth wood quality is inferior to (and cannot replace) the quality of old growth
- “Fall-down” of young growth acres increases with emerging fish habitat and hydrologic challenges
- Electric power for manufacturing is cost-prohibitive (i.e., need low-cost power options)
- Backlog of infrastructure maintenance (e.g., roads)
- Current sawmill capacity is limited
- Lack funds for “retooling” manufacturing and harvesting machinery
- Industry insurance is expensive and continues to increase in price
- Failure to provide young growth timber sales and supply/volume
- Looming threats of climate change/extreme weather and political changes (and shifting priorities)
- Transportation logistics is a problem for some YG harvest areas due to remoteness and distance to markets. Also, there are fewer barge companies available now versus even 5 years ago, and trying to schedule service at remote locations is increasingly expensive, including because there are fewer remote customers/operations with whom to share costs.

Opportunities and suggestions for the path forward:

- Create integrated thinning projects aimed at meeting multiple objectives (i.e., combine silviculture and fish/wildlife biology expertise to devise prescriptions)
- Focus on economic viability and scale when designing young growth units and silvicultural prescriptions (e.g., cross-cut harvest)
- Recruit expertise from existing/current timber industry
- Continue to support and expand community forest partnerships (e.g., Keex’ Kwaan Community Forest Partnership)
- Continued investment in workforce development
- Invest in/subsidize biomass projects that utilize harvest waste (e.g., Southeast Conference wood pellet project)

- Provide short-term subsidies for habitat restoration
- Expand use of young growth for local construction (e.g., recreational cabins, affordable housing, etc.)
- Integrate young growth logs into training and education (e.g., local high schools, apprenticeships)
- Provide road access for young growth projects
- Support mill and timber operator capacity (e.g., through financial investment/subsidies; donations of cants/logs)
- Conduct research into young growth markets and demand (e.g., what lumber contractors are willing to purchase), including how to ensure whole tree utilization through a diversity of products from each tree/log (e.g., cultural use, biomass)
- Support and implement community projects through the Southeast Alaska Sustainability Strategy (SASS) (e.g., support community forest partnerships)
- Coordinate with the Alaska Marine Highway System to create a process to transport young growth lumber from small mills to communities throughout the region.

GOAL 4: HARVEST OF YOUNG-GROWTH TIMBER SUPPORTS A VARIETY OF MILL SIZES AND OPERATORS ACROSS THE FOREST, INCLUDING SMALL AND MICRO SALES THAT SUPPORT ECONOMIC OPPORTUNITIES.

Progress toward meeting the goal:

- Several small sales have been offered (see Table 6 of FS young growth report)
- Tongass young growth is higher quality than other second growth (e.g., strong, small knots, holds nails well)
- There are a lot of lessons learned about what not to do (e.g., lessons from Winter Harbor machine logging which indicated the need to watch out for steep slopes, windthrow, etc., and from the Heceta sale)
- Good example of integrated sale utilization exists on the northern Tongass (Chris Budke)

Challenges and barriers to implementation:

- Need much more robust variety of sale sizes to support different mill sizes, but large sales are the “easiest” to offer (e.g., doling out small sales from a larger one entails more contracting work)
- There is not enough current young growth supply to allow for exploring potential opportunities, especially for really small operators (e.g., on Prince of Wales Island)
- Uncertainty about future young growth supply
- Large sales may face NEPA litigation
- Existing contracts and acquisitions processes are difficult to change (e.g., FS has existing paths to buying cabins, signage, etc., and would be difficult to change to new providers/contracts)
- Approaches to young growth require an aggressive, innovative, multi-faceted, integrated mindset (not being reflected by current approaches)

- Using “local benefits authorities” may take longer and be harder to implement
- Cost of bidding on micro-sales is prohibitive for very small operators (e.g., Ezzy Yates, most of his supply comes in the form of salvage from others)
- Uncertainty about how many small sales were implemented (as opposed to what is on the current list of offerings)
- Market competition is challenging due to high costs of transportation (e.g., POW mills cannot compete with large stores like Home Depot to supply construction lumber)

Opportunities and suggestions the path forward:

- Connect inventory data to sale offerings (e.g., map sustained yield to determine sale locations).
- Pursue Environment Assessments (EAs) instead of Environmental Impact Statements (EISs), especially for micro-sales.
- Agency (Forest Service) sponsored activities that work with local operators to utilize Tongass young growth (e.g., building recreation cabins with young growth).
- Provide education about “local benefit authorities” that can help facilitate the use of young growth. Using local benefit authorities may result in cost savings and accrue more “points” in the process.
- Use challenge cost share agreements and partnerships as a more efficient approach to young growth purchasing (as opposed to contracting contracting). (This involves identifying a local partner who can produce the desired product).
- Provide leadership direction to source wood locally.
- Create larger-scale young growth pilot/experimental projects implemented through partner organizations (e.g., provide young growth supply to an entity like The Nature Conservancy to manage small sales to local operators, through a Challenge Cost-Share Agreement or other contracting mechanism)
- Provide education on value, opportunities, and constraints of second growth products (e.g., to Legislators, operators, and the general public)
- Practice co-intent within timber/development LUDs (e.g., thinning projects that support wildlife habitat and produce commercial product)
- Develop a checklist to help local businesses navigate the certification paperwork that enables businesses qualify to for the Forest Service acquisitions process (i.e., for local businesses to supply products to the Forest Service).
- Pursue partnerships with local entities to support implementation (e.g., an organization such as Sitka Conservation Society could provide education and support to local businesses)
- Adjust sale designs to make them more affordable/accessible for small operators.
- Structure sales to make some products available locally and to be economically viable.
- Access existing equipment more suited to young growth (e.g., machinery/equipment already in use in the Lower 48).

- Create Young Growth Coordinator positions within each Ranger District to connect communities with young growth opportunities. Host the positions external to the Forest Service (e.g., within community development organizations, Tribal entities, etc.). The focus of the positions would be to serve as a link between supply and demand by helping to connect infrastructure, small business development, etc. with young growth opportunities, and inform/educate small businesses about relevant investment opportunities and associated paperwork.

GOAL 5: MAKE AVAILABLE A VARIETY OF POTENTIAL FOREST PRODUCTS THAT SUPPORT THE DEVELOPMENT OF AN INTEGRATED INDUSTRY BASED PRIMARILY UPON YOUNG-GROWTH TIMBER HARVEST.

Progress toward meeting the goal:

- Some steps have been taken, but the goal has not been met at all
- Financing provided for small mill young growth retooling for young growth and additional financing available for mills and wood energy/biomass
- Currently 28 small mills identified in the region

Challenges and barriers to implementation:

- Young growth supply is not yet viable (i.e., stands still need another 8+ years to mature)
- High level of supply is needed to sustain current industry (e.g., Viking needs 20MM BF/year to operate and currently relying on Mental Health Trust for supply)
- Uncertainty about how many current mills are operating as a primary business (e.g., of the 28 identified mills)

Opportunities and suggestions for the path forward:

- Pursue opportunities for a broader diversity of forest products (e.g., red cedar for cultural wood, biomass for heating buildings, etc.)
- Utilize as much of each tree/log as possible (e.g., lumber, locally milled value-added products such as cabin kits and furniture, wood energy such as firewood and biochar/charcoal, and cultural use such as carving)
- Purchase locally produced wood for Forest Service projects (e.g., cabins, bridges, signs, etc.) and wood energy. These purchases can encourage broader economic growth and incentivize strategic partnerships.
- Promote non-timber forest products through integrated management approaches (e.g., partner with Tribes and others to manage for berries, biomass for boilers, composting residuals, mushroom production, etc.)
- Address local community needs through locally sourced timber (e.g., to address housing shortage, high heating costs, etc.)
- Strengthen communication about funding that is available for young growth opportunities
- Extract/utilize slash from thinning projects for biomass (especially near road systems)
- Research/examine the use of residuals in each Working Circle
- Recognize that overseas log exports will need to continue to be part of the forest industry

- Utilize the AML rule for log hauling
- Support a cluster economics approach that prioritizes a local workforce (i.e., 2011 Cluster Analysis by the Juneau Economic Development Council; Working Circles)

Participant Reflections: Progress Toward Young Growth Goals

- Progress toward implementation of young growth goals was viewed as mostly a failure. Other than the PCT goal, participants rated progress as a grade of “F”.
- A primary challenge is that the Amendment did not align with the rest of the Forest Plan. (“A young growth focus was tacked onto an old growth plan.) There is a need to create a young growth strategy and new set of goals are needed that recognize the changes that have taken place over the past several years.
- All planning and implementation is compounded by political pressure. Keep politics off the table and take a balanced approach focused at the ground-level. There is optimism about local-level creativity and willingness to improve. This includes Agency staff that are “thinking outside the box”.
- There are opportunities for economical young growth, but it requires a different approach than old growth. Young growth needs to be treated as a commodity product, not a niche product (with the exception of a slightly higher premium for spruce).
- Providing dependable supply of young growth will be essential for having an advantage in a competitive environment. This steady supply does not exist between now and the “wall of wood.” This gap in supply will have substantial economic consequences.
- Collaboration will be essential to the path forward to figure out how to achieve multiple interests (e.g., implementing co-intent) and learn from others. A collaborative group (e.g., the TTC) can continue communicating, but input/suggestions need to be respected (e.g., in contrast to management dictated from “on high”.) Anticipate and be prepared to respond to opposition to collaborative group suggestions.
- The approach to old growth “bridge timber” is uncertain (e.g., need to determine how the 5 MMBF goal will be implemented).
- Management for forest health needs to be prioritized. Identify approaches to achieve sustained yield while supporting fish and wildlife habitat. Ensure approaches are backed by science. This may require approaching management and planning through a long-term time horizon (100+ years) and the path to return to old growth conditions.
- SASS funding can support implementation of the young growth goals (e.g., through community forest partnerships).
- Large-scale management interventions will be needed. Due to the amount of unmanaged acres, there will be a need for more than micro-sales to accomplish the work and improve biodiversity (e.g., need to manage 2000 acres/year).

- Continue working with all landowners to achieve meaningful scale for management (e.g., harvest and thinning). This will require taking a landscape-level approach (e.g., look at the landscape holistically, as if there were no distinctions/“lines on the map” between landholdings)
- Utilize stand-typing to plan future sales. This will require increased community and capacity through partnerships.
- Create access to local harvest of a diversity of forest products (e.g., create road corridors that allow for subsistence harvest and biomass utilization)
- Recognize that stream mapping and rejuvenation of streams may further limit supply.
- Value added products can benefit local economies.
- Invest in science/research regarding how different active management approaches/prescriptions impact/benefit wildlife (e.g., identifying positive wildlife benefits from clearcutting).