

Tongass Transition Collaborative 5-Year Review of the 2016 Tongass Land Management Plan Amendment

Feedback and Suggestions for the Path Forward August 28, 2023

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Background

The Tongass Transition Collaborative (TTC) was reconvened in the fall of 2022 at the request of the State of Alaska Division of Forestry, in coordination with the Tongass National Forest Leadership Team and US Forest Service Region 10, for the purpose of providing a five-year review of the 2016 Tongass Land Management Plan (TLMP) Amendment. The group's charges included a "backward looking reflection" of progress toward meeting young growth goals outlined in the Amendment, and "forward looking" conversations to develop suggestions for how to improve performance in meeting those goals in the future. Input from the TTC will be used to inform the Southeast Alaska Sustainability Strategy Forest Management (SASSfm) implementation, and, as appropriate, pre-assessment for the Tongass National Forest Plan Revision.

The group had two in-person meetings, the first in December 2022 to conduct a review of past performance toward meeting young growth goals - successes, challenges, and opportunities for future improvement. Five small working groups were established during the first meeting to discuss specific issues and begin developing suggestions for consideration by the full TTC group at the second meeting. The working groups conducted their conversations virtually and / or via zoom. The second in-person meeting in May 2023, which also included a field trip, focused on developing suggestions for the path forward (informed by input from the working groups), and on the potential future of the TTC.

All meeting materials and background resources are available at: <u>tongasslandmgmt.org/tongass-transition-collaborative</u>.

Feedback and suggestions provided by the TTC do not represent consensus recommendations, but rather the range of perspectives and considerations communicated by individual members. Where indicated as "cross cutting themes," the input was repeated by multiple, although not necessarily all, TTC members.

Review of Progress Toward Achieving Young Growth Goals

Overall Progress

Progress toward implementation of young growth goals was viewed as mostly a failure. Other than the pre-commercial thinning (PCT) goal, TTC members generally rated progress as a grade of "F," and emphasized that the Forest needs to acknowledge that there was not as much progress as hoped.

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 a new set of goals that recognize the changes that have taken place over the past several years. The political direction to accelerate the transition (i.e., end old growth harvest except for annual 5 MM board feet starts now) has further complicated the situation. The approach to old growth "bridge timber" is uncertain (e.g., need to determine how the 5 MM board feet goal will be implemented).

Progress, Challenges, and Suggestions for Each Goal

For each of the five young growth goals, TTC members discussed the amount and type of progress that has been achieved to date, identified challenges and barriers to implementation, and offered suggestions for opportunities for the path forward.

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

- **Progress toward meeting this goal has been disappointing.** A few members 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

- National-level politics and White House-level 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 tree species
- Limited economically viable young growth stands (i.e., not enough of commercial size yet)
- Lack of skilled workforce (e.g., logging engineers)

- Review the Tongass Advisory Committee's (TAC's) vision for young growth and update the Forest Plan with a young growth emphasis. (See <u>TAC Final Recommendations</u>, 2015.)
- Work with industry to calculate sustained yield for the next 10-15 years and to manage 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.

- **Provide longer-term contracts** (e.g., 10 years) so that the industry can survive market fluctuations.
- **Consider shipping safety**, taking into consideration the fact that loads of young growth logs are heavier than equivalent old growth log loads.
- Provide leadership to the All Landowners Group to promote information development and sharing across ownerships

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

PROGRESS

- The young growth pre-commercial-thinning (PCT) task force produced a robust set of recommendations that are in the process of being implemented. (See <u>Pre-Commercial</u> Thinning: Improving Young Growth Forests through Effective Management.)
- Almost hitting the 4000 average acres per year target and the trend is upward.

CHALLENGES

- Contracting mechanisms
- Limited contractor pool
- Migrant workforce
- Lack of money for PCT projects

SUGGESTIONS

- 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
- Use different terminology that highlights the multiple benefits of thinning. The terms "precommercial thinning" and "wildlife treatments" refer to thinning practices that have multiple benefits. Common language could illustrate that both terms refer to the same treatment and achieve multiple goals.

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

PROGRESS

- 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

CHALLENGES

- Young growth projects are not designed primarily for commercial harvest (and therefore are often not economically viable)
- 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)
- Limited sawmill capacity
- Lack funds for "retooling" manufacturing and harvesting machinery
- Failure to provide young growth timber sales and supply/volume
- Looming threats of climate change/extreme weather and political changes (and shifting priorities)

- **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
- 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
- **Utilize young growth for local construction** (e.g., log / lumber kits for recreational cabins and affordable housing)
- Integrate young growth logs into training and education (e.g., local high schools are using young growth woodworking/shop class)
- 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 diversify products from each tree/log
- **Support and implement community projects** through the Southeast Alaska Sustainability Strategy (SASS) (e.g., support community forest partnerships)
- Pursue funding from USDA Agricultural Marketing Service for marketing assistance

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

- Several small sales have been offered (see Table 6 of Forest Service young growth report)
- Tongass young growth is higher quality than most 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 sleep slopes, windthrow, etc., and from the Heceta sale)
- Good example of integrated sale utilization exists on the northern Tongass (Chris Budke)

CHALLENGES

- 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., Forest Service has existing procedures for 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)
- Cost of bidding on micro-sales can be prohibitive for very small operators (e.g., EZZY and Yates, most of their 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)

- **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.
- Encourage 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 management. (E.g., identifying a local partner who can produce the desired product).
- Provide leadership direction to source wood locally to the extent possible.
- 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 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., NGOs, coops and others that can provide expertise and resources).
- 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 states).
- Create Young Growth Coordinators tasked 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

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

CHALLENGES

- 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 20M BF/year to operate and is currently relying on Mental Health Trust for supply)
- Uncertainty about how many current mills (of the 28 identified) are operating as a primary business
- All planning and implementation is compounded by political pressure.

SUGGESTIONS

- 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, chips, pellets 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 for forest industry viability

Reflections on Past and Future Progress

Toward the end of their December 2022 meeting the TTC members reflected on implications of what has taken place to date – progress toward meeting young growth goals and / or lack thereof, opportunities that are apparent, and challenges standing in the way – and offered some initial thoughts about the way forward.

- All planning and implementation are compounded by political pressure. To the extent possible, keep politics off the table and take a balanced approach focused on implementation at the ground-level. There is optimism about local-level creativity and willingness to improve. This includes agency staff who are "thinking outside the box".
- There are opportunities for economical young growth, but they require 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 a 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.
- 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).
- There is a need to develop a strategy for both short and long-term projects, including multi-year project plans, and near-term urgent projects.
- Collaboration and community level partnerships are essential for responding to multiple
 interests, successfully implementing projects (including through co-intent), taking
 advantage of local knowledge, and fostering trust among entities. Funding from the
 Southeast Alaska Sustainability Strategy (SASS) can support implementation of the young
 growth goals, e.g., through community forest partnerships.
- A collaborative group (like the TTC) can provide significant value due to insights and
 creativity derived from diverse perspectives at the table and a broad base of constituents to
 consult and seek support for any agreed-upon solutions, and from the sense that decisionmakers are sensitive to local views and needs in contrast to management being dictated
 from "on high." It is important, however, to recognize potential tension between local and
 regional / national interests, and to a anticipate and be prepared to balance input from
 various levels.
- Management for forest health needs to be more fully integrated into management than
 has sometimes been the case in the past. 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.
- It is imperative to continue coordinating management working with the All Landowners Group to conduct analysis across lands, determine short-term supply options, and achieve meaningful scale for management (both thinning and harvest). 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). Recognize that stream mapping and rejuvenation of streams may further limit supply.
- **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) and recognize that 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).
- Improve communication of progress ("tell the story of what the Forest is actually doing").

Suggestions for the Path Forward

On May 3-4, 2023, members of the TTC met in Klawock, Alaska for a combined meeting and field trip. During the meeting they: 1) heard an overview of the Southeast Alaska Sustainability Strategy (SASS) and then discussed challenges and suggestions regarding its implementation; and 2) finalized suggestions for young growth components – building on the TTC Work Group Suggestions Discussion Draft, as well as insights from the field trip and the regionalized established priorities in the comprehensive economic development https://www.seconference.org/publication/southeast-alaska-2025-economic-plan/. They also discussed potential ongoing TTC engagement and the Forest Plan Revision. A summary of their deliberations on these topics, including suggestions for the path forward, is detailed below.

Southeast Alaska Sustainability Strategy

Tongass National Forest staff provided an overview of the <u>Southeast Alaska Sustainability Strategy</u> (SASS) because it serves as one mechanism for implementing the TTC's suggestions. SASS, announced in July 2021, was developed to support diverse economies, community resilience, natural resource conservation, and climate resilience. SASS has four primary components:

- **1.** End large-scale old growth timber sales and prioritize management for restoration, recreation, and resilience.
- 2. Reinstate the 2001 Roadless Rule.
- **3.** Engage in meaningful Tribal consultation.
- **4.** Provide financial investment.

In response to the first component, the Forest Service is designing and implementing an integrated forest management program (SASS Forest Management or SASSfm) that includes restoration, young growth harvest, and small-scale old growth harvest. The intent of SASSfm is to collaboratively develop a 10-year program of work that is reflective of community projects and needs and integrates timing and coordination of projects. SASSfm projects within this program of work will be designed to be implemented within the guidelines of the 2016 TLMP, while "bundling projects" to meet multiple objectives in the Forest Plan.

OPPORTUNITIES FOR INPUT

Agency staff requested TTC members provide individual comments through the <u>SASS Forest</u> Management Story Map. **The deadline for input is June 30, 2023.**

Among the questions they would like members to respond to are:

- **1.** What are the most important benefits that integrated forest management can produce?
- **2.** Where can work be done and what should be done?

Additional opportunities for input/comment include:

- Assessment Tool with Draft Criteria: The Forest Service created a draft assessment tool with suggested criteria for prioritizing integrated management projects. The agency requests feedback regarding additions or amendments to the draft criteria.
- <u>SASSfm Input Form</u>: Provide written comments in response to the prompt "What do you believe to be the most important benefits integrated management can produce for your community?"
- <u>Submit an Idea or Project Proposal</u>: Contribute integrated forest management project ideas through written comment, and link to a specific geographic area through the mapping tool.

CHALLENGES

TTC members referenced the following challenges with SASSfm implementation:

- The SASS decision for an immediate end to large-scale old growth harvest is at odds with the direction of a "timber transition" outlined in the 2016 TLMP.
- While SASS communicates a priority for investment, funding is not yet allocated (i.e., agency funding pathways are not pre-determined but must be created in-house).
- Project proposals were already solicited by the agency, so it seems duplicative to send another request for project ideas without first acting on those submissions.
- It is unclear how SASSfm differs from prior approaches to integrated forest management planning.
- The approach to community input may be confusing and inaccessible/inequitable to some. Many of the people that could provide input do not have the knowledge or technology to use the online story map.
- It will be difficult to identify projects and provide input on the draft criteria in parallel (since the criteria will be used to prioritize projects).

SUGGESTIONS

TTC members provided the following suggestions specific to SASSfm:

- Convene a working group to support communities in providing input to SASSfm.
- Create a template or 'how to' guide for communities to provide input through the Story Map.
- Authorize and allocate additional funds to SASSi. (This is a request to the Secretary of Agriculture and Chief of the Forest Service.)
- Create a process for investing in programs and projects that submitted SASS investment (SASSi) proposals.

Forest Plan Revision

The Tongass National Forest will be undergoing a full Forest Plan Revision in the coming years, with formal analysis for a draft environmental impact statement scheduled to begin in 2025. At a broad level, a Forest Plan seeks to:

- Outline what the ecological capacity of the land base is
- Identify which lands are available for which activities
- Catalogue and calculate available resources

The Revision process will be based on the 2012 National Planning Rule. One major change will be that the Plan will no longer utilize Land Use Designations (LUDs) but instead assign Management Areas.

Throughout the Plan Revision process, there will be opportunities for engagement, including, formal government-to-government Tribal consultation, written public comment, and meetings/open houses. The first step of the process is Tribal engagement and consultation in the pre-assessment phase, and then the agency will undertake a scientific assessment process prior to seeking public comment.

SUGGESTIONS

• The Tongass National Forest needs a new Forest Plan focused on the young growth utilization (the "next generation" plan).

Young Growth Management

As previously mentioned, issue-specific working groups were convened to explore goals, challenges, and opportunities specific to each issue, and to begin drafting tentative suggestions for the path forward to be considered by the full group. (Individual work group summaries are available on the TTC Work Groups webpage. The Discussion Draft, mentioned above, also contains a complete summary of work group deliberations.)

Through deliberation, consideration of insights gained during the field trip, and some consolidation, six broad categories of suggestions emerged:

- **1.** Basin-level analysis and planning;
- 2. Sustainable supply;
- **3.** Products and markets;
- 4. Integrated management;
- 5. Community engagement; and
- **6.** Access to forest resources.

Cross cutting themes and suggestions for these categories are detailed below.

BASIN-LEVEL ANALYSIS AND PLANNING

Several of the working groups identified the need to understand what sustainable harvest could look like at a basin level (rather than across the whole Forest) and therefore more meaningfully plan for commercial harvest, restoration, and other forest uses with detailed localized supply information, infrastructure, and community needs taken into account. With that in mind, the TTC Young Growth Supply Work Group requested agency staff conduct a scenario analysis of young growth opportunities in the Thorne Bay and Staney Creek basins. These two basins represent approximately 10% of young growth stands in the Forest. The analysis built upon young growth inventory and timber flow analysis conducted by Terra Verde.

The intent was to estimate projections of harvest/supply quantities and changes in stand structure over time (200 years). In essence, the analysis was seeking to answer the question: What does sustainable harvest look like with:

- 1. No harvest
- 2. Harvest at "2 log"
- 3. Harvest at Culmination of Mean Annual Increment (CMAI)

In all scenarios, the model assumed 100% pre-commercial thinning; and in harvest scenarios, even-aged management. Only young growth on suitable acres (as defined by the 2016 TLMP) were included. The analysis did not include any restricted areas, such as beach/stream buffers, and Roadless areas. Suitable acres represented approximately 40% of available young growth in the Forest. (Note: The oldest stands will face the most "economic fall down" because of resource protections that were implemented after initial harvest.)

Stand structure was organized by phases of forest growth:

- 1. Stand initiation
- 2. Stem exclusion
- **3.** Understory re-initiation

The resulting graphs illustrated a trade-off between harvest and forest health (as measured by stand structure). For example, a trade-off of not harvesting would be a significant amount of stem exclusion that is costly to treat. One TTC member explained in more detail, "If you want understory habitat, you need to thin. But, if you let it grow on its own [without treatments], it will prune itself to be higher quality wood." Another member reflected on trade-offs of time scales, "You can allow stands to reach old growth conditions and maintain sustainable harvest. But you have to wait!"

Forest Service staff acknowledged that the analysis was conducted specifically for the TTC, and therefore is still in draft form. Nevertheless, the analysis could be useful for the assessment phase of the Forest Plan Revision.

SUGGESTIONS

TTC members expressed gratitude for the analysis (a lot of extremely useful work in a short amount of time!) and offered the following suggestions:

- Do not share the analysis publicly until there is more information and clarification.
- Conduct additional analysis to "tell more aspects of the story" beyond just volume, including: pre-commercial thinning (e.g., 100% vs 50% vs 10%); roaded Roadless (i.e., what is available on the existing road system); wood quality (e.g., clear wood, qualities for cultural use trees, etc.); species composition; availability across land ownership boundaries; site index, etc.

SUSTAINABLE SUPPLY

THEMES

Cross cutting themes that emerged from the discussion of sustainable supply included:

- The lack of available timber creates a critical gap. When SASS was announced in 2021, the "old growth bridge" was no longer available to help with near-term supply. However, most young growth "is not ready yet" so supply is insufficient.
- The future forest products industry depends upon supply. Discussions at times reflected a "chicken or egg" reality landowners need to understand demand to provide supply, and industry needs to have certainty about supply before knowing how much they can produce or expect to grow. It is difficult if not impossible to articulate a generalized vision for the future of the forest products industry in Southeast Alaska without both of those dimensions reconciled. In addition, the TTC members recognized that interests and needs will vary by community, and for each individual mill or operator.

- Quantify and identity 'clear wood' supply, available now and into the future. (Build upon / model after the 1990s study of wood quality, with use of newer data.)
- Conduct inventory of supply/availability of cedar for cultural use. Ensure that analysis considers multiple Tribes and Native villages for multiple generations (e.g., the one community of Kasaan will need 22 trees for totem pole carving; more will be required for canoes).
- Develop sale offerings and contracts that cater to multiple buyers. The current approach
 to sale offerings is prioritizing a single buyer, but operators need to coordinate to ensure
 multiple needs are being met. This could require a primary award and subawards to other
 operators.
- Expedite NEPA-cleared young growth sale offerings. Forest Service staff emphasized that collaborative input at the project-level can support development of alternatives that "everyone can get behind," and allow for a speedier and more efficient process.
- Continue inventory and analysis. Increased data availability can support analysis at finer scales, across boundaries, and with multiple variables. (This includes the basin-level analysis described above.)
- Determine estimates of young growth volume needed for economic feasibility of continued timber industry. Build upon estimates and scenario planning conducted by Alaska Forest Association.

• Analyze the impacts of a hybrid approach to harvest at "2-log" and CMAI. Based on the scenario analysis of young growth inventory data, there could be an opportunity to use differing standards for harvest over time. For example, use the 2-log rule for harvest during the first 20 years, and transition to CMAI once there is more stability in available young growth. (Note: This has the potential to result in significantly different log characteristics and sizes over time – e.g., smaller diameter vs. large saw timber.)

PRODUCTS AND MARKETS

Products and markets – and therefor the forest products economy - are inherently tied to availability of timber supply, but also to quality and species. For example, the difference between wood quality in old growth versus young growth is a significant factor. "The quality of timber available now will never compare to what was cut in the past."

YOUNG GROWTH PRODUCT FEASIBILITY ON PRINCE OF WALES ISLAND

To better understand potential young growth manufacturing opportunities, researcher Georgia Reid with Geoconsulting conducted the <u>Prince of Wales Young Growth Wood Product Hub Initial Feasibility Project</u>. The intent of the study was to explore an opportunity to stimulate the regional economy and catalyze the transition to young growth. Reid explained, "The goal is not simply delivering a product to market. It is doing so in ways that help build wealth that sticks to the region." Following release of the report, a meeting of small mill owners on Prince of Wales was convened to share and discuss results.

THEMES

Key themes and outcomes from the research and small mill meeting discussion included:

- Mill owners and operators cannot afford to take risks. Small businesses require certainty in supply, markets, and revenue streams.
- Young growth wood products will mainly be for construction. They may include kiln dried and planed construction lumber (Spruce), window trim and shiplap siding (Hemlock), shingles, siding, and decking (Cedar), etc.
- Early markets may include wholesale lumber buyers, but the wood must be high quality (no wane, kiln dried and planed) and the price is low (\$0.50 per linear foot for a 2"x4").
- Mills need equipment investments, including mechanical harvesting equipment, kilns, and opportunities for biomass utilization. Currently a lack of kilns is a bottleneck to growth.
- Limited access to stable supply can lead to uncertainty and exacerbate conflict beyond normal competition between larger and smaller operators, as well as among smaller operators. (Mills just on Prince of Wales require a consistent supply of 5 MM board feet of old growth and 3 MM board feet of young growth to maintain their operations.) Moving forward, these operators will need to coordinate and support each other.
- Inefficient harvest leads to losses. Timber recovery currently hits a maximum of 41-59%, meaning that an average of half of the timber volume is left in the forest as biomass residuals. Seek opportunities to utilize and monetize those resources.

There is a disconnect between current industry and the "industry of the future." The intent of the transition is for mills to process young growth, but most rely on old growth now. Even though the 5 mmbf / year of OG is intended to ensure that the many small mills reliant on old growth can still use OG for the long term, operators must focus on their current operations, and there is external pressure to recreate their businesses for new products. (Note: Alaska Forest Association is using SASSi funding to develop an industry framework – how industry has historically operated, current thinking about harvest approaches, and emerging ideas from contractors and personnel.)

• Future visions need to be realistic. For example, while there is a role for Alaska young growth in addressing housing shortages, "you cannot fix the housing crisis with in-region processing."

- Conduct an economic calculation of economic viability with and without international round log export. During the Forest Plan Revision, demand analysis is usually conducted based on prior market demand and scenario analysis. Different future export scenarios could also be useful. (Note: Export guidelines/restrictions may be imposed through legislation, irrespective of what is detailed in a Forest Plan).
- Invest in mill equipment and emerging technologies for a transition to young growth processing. Equipment needs include mechanical harvesting equipment, kilns, and tools for biomass utilization. Consider shared access to / ownership of equipment.
- Identify opportunities to utilize the "whole tree." This may include utilizing post harvest slash, e.g., for biomass; in other cases, it may be considering how the remains can support a healthy ecosystem (e.g., through nitrogen fixing in the soil).
- Provide support for small businesses, including marketing, business planning, contracting and sales, etc.
- Continue (informal) meetings of small mill operators. Owners and operators on Prince of
 Wales expressed a desire for continued dialogue about the future of the industry and
 opportunities for coordination. Ultimately this may require developing approaches to
 coordination and collaboration across operators. However, soon were not ready to consider
 a "co-op" approach. (The collaboration / coordination to date has been supported by a
 steering committee consisting of the Alaska Forest Association, The Nature Conservancy,
 and Southeast Conference.)
- Improve communication to / with operators. Mill owners and operators often feel that
 their messages are not being heard / received by those with power or authority. Related,
 when policies are implemented at higher levels, there is ineffective communication to
 operators. The Alaska Forest Association will continue to be a valuable resource for mill
 owners and operators by communicating and providing information that supports all
 industry players.
- Consider the role of lumber grading. There is potential for self lumber grading, but not all mills would be interested in this approach. State legislation is likely to be helpful

- Participate in the Wood Energy Conference https://www.alaskawoodenergy.com/alaskawood-energy-conference/.
- Invest in a regional young growth processing facility. Coordinate among owners for
 equipment access and investment needs for modern efficient machinery. (Note: Not all
 owners/operators will be interested, but it could provide a pathway for those that are.)

INTEGRATED MANAGEMENT

Tongass National Forest staff defined 'integrated management' as the ability to balance "the full range of forest management activities to meet a diversity of interests and address numerous resources." They emphasized that management is objective-driven and that each stand may have different (and sometimes multiple) objectives. Management approaches are tailored to the objective(s). The intent of integrated management is to find areas that best suit one or possibly more objectives and to meet multiple objectives across the landscape as opposed to trying to meet every objective on every acre.

THEMES

Cross-cutting themes that emerged from discussion of integrated management included:

- Not all stands can meet all objectives. Integrated management takes place across the landscape, not necessarily on every acre. TTC members agreed that both restoration and timber harvest are important objectives; the disagreement was on determining where and how to approach each. "We can understand that the forest has enough opportunities that it doesn't have to be perfect on every piece of land." Rather than looking toward stand-by-stand integrated management, take a holistic approach to landscape scale planning. One member emphasized that integrated management needs to be considered for the whole Forest, not just on the young growth land base. "The young growth landscape cannot carry all the values." Another stressed the importance of considering the landscape beyond forest boundaries (i.e., integrated across landowners).
- All stands are not created equal. There are several factors that influence stand quality and
 productivity, for example based on site index or elevation, which result in different sizes
 (bimodal distribution) and species composition within and between stands. Because of this,
 the same prescriptions may result in different outcomes in different stands or sites.
- Most young growth stands are "not ready." TTC members expressed contrasting viewpoints of management priorities, but expressed similar concerns about the state of young growth stands on the Forest. From a harvest perspective, much of the young growth "is not ready yet," and from a wildlife perspective, stand condition is equally concerning. "Wildlife habitat has years to go before it is productive again."

SUGGESTIONS

Increase opportunities to engage and learn from the timber industry. What is needed on
the ground for integrated management and prescriptions will be different based on buyers,
operators, and users (and this may contrast with what is suggested by community
members).

- Invest in research to better understand current deer habitat conditions. This includes a more comprehensive study of the impacts of stem exclusion, and an inventory of stem excluded areas in the Forest. Build on The Nature Conservancy's deer habitat study with Lidar imagery and the Tongass-Wide Young Growth Study (TWYGS).
- Prioritize habitat restoration for subsistence resources in areas surrounding communities by ensuring productive subsistence opportunities regardless of landowner.
- Reconsider / re-evaluate management standards and guidelines in LUD II designations.
 Currently restoration projects are allowed (e.g., wildlife thinning) but no harvest can occur (i.e., "cannot remove for commercial purposes). Slash removal could offer an opportunity for goods for services contracts for restoration that also provide timber. If treatments are paid by the Agency as opposed to an outside purchaser, it may not be considered 'commercial.' Consider the same approach to management of Tongass Timber Reform Act (TTRA) buffers. (Note: LUD II and TTRA designations are congressionally determined and may not be changed through a Forest Plan. However, the objectives outlined for these designations may be open to interpretation.)
- Consider creative alternatives to meet objectives. For example, when considering how to ensure subsistence access to blueberries, one approach could be to restore blueberry habitat; another could be to build a road to currently inaccessible blueberry habitat.
- Learn from and communicate lessons from the Thorne Bay Basin project. Recognized as the "first integrated resource project of its kind," the Thorne Bay Basin project could serve as a model for what integrated management means and could set the precedent and shape the future of integrated management approaches and projects. Consider developing an integrated resource management reference sheet based on lessons from the Thorne Bay Basin effort.
- Prioritize management of cedar for cultural use trees where they are most likely to be found. High quality trees for cultural use often grow best at the intersection of high and low site classes (i.e., where spruce and hemlock meet cedar).
- Implement a mixed approach to harvest that includes areas of selective logging that support wildlife objectives and other areas that emphasize commercial (clear cut) prescriptions.
- Implement management approaches that increase forest resilience. This includes soil health (landslide threats) and wind resistance.

ACCESS TO FOREST RESOURCES

Several TTC members emphasized the importance of road systems for access, while recognizing that roads can also be a source of controversy. Local people throughout the region rely on the road system for traditional customary harvest (subsistence) and recreation. In addition, many previously closed roads could provide access to young growth stands in need of management, restoration, and / or harvest.

SUGGESTIONS

• Coordinate joint road use and maintenance across landowners.

- Convene a working group to help the Forest Service develop guidance regarding road
 maintenance / closures / discontinued use e.g., to draft guidelines for that ensure value to
 the public while recognizing financial and ecosystem trade-offs. (Often these decisions are
 made based on broadly applied policy from the national level made without consideration
 of localized / community needs.)
- Invest in infrastructure maintenance.

COMMUNITY ENGAGEMENT

TTC members recognize the importance of "keeping people living here" by utilizing forest resources in ways that support the socioeconomic wellness of Southeastern Alaskan communities. The Forest Service staff said that they strive through community engagement to understand what is important to enhance community economic vitality. However, they also said that it can be incredibly challenging to engage all communities.

TTC members reflected that community members are often overwhelmed by the number of Agency meetings and cannot attend all of them. As one member stated, "It is oversaturated, so people pass up opportunities to provide input". Another concern was that providing meaningful input through "community engagement" often means having more expertise than the average person.

- Engage the <u>Indigenous Guardians Network</u> as a convenor for meaningful community and Tribal engagement. The Network, housed by the Central Council of Tlingit and Haida, is working to garner an understanding of what is helpful to the Forest Service, and approaches to engaging communities in a way that will reflect local needs.
- Invest in and engage Community Forest Partnerships and others with an interest in forest
 management and stewardship. Community forest partnerships are an obvious and
 productive place for engagement. Examples include the Hoonah Native Forest Partnership,
 Keex K'waan Forest Partnership, and Klawock Indigenous Stewards Forest Partnership. (See
 a report of lessons learned from the Hoonah Native Forest Partnership.) Forest Service staff,
 including District Rangers and resource specialists, have many other opportunities to engage
 with and learn from their communities by identifying, reaching out to, and investing in a
 variety of interested groups.
- Invest in the Forest Service tribal relations program. The Forest tribal relations staff can serve as connecting points and allies. (Note: The agency intends to hire for one tribal relations position at each ranger station, but the program has historically been underfunded.)
- Increase the number of Community and Regional Catalysts with the <u>Sustainable Southeast Partnership</u>.
- Encourage broad participation on <u>Regional Advisory Committees</u> (RACs). Tongass Forest RACs, appointed by the Secretary of Agriculture, are comprised of 15 local citizens. Their role is to provide recommendations for project development and implementation on federal lands. There are two RAC Districts for the Tongass – North which includes Yakutat,

Hoonah, Juneau, Sitka and then South which includes Petersburg, Wrangell, Ketchikan and POW.

- Engage municipalities, local governments, and city councils, recognizing that each community has a different economy and vision for forest management in their area. (Note that the Ketchikan City Council is currently represented in the TTC).
- Incorporate local knowledge into assessment and research.
- Prioritize local hiring at all levels of the Tongass National Forest. One member stated, "The
 best way to do community engagement is to have invested people in the communities.
 These are the people that grew up here and have those connections." Currently, a provision
 in the Alaska National Interest Lands Conservation Act (ANILCA) is being used to hire entrylevel forest technicians for data collection etc. It could potentially be utilized to hire more
 broadly for example, for recruiting District Rangers.
- Create a position and hire a Young Growth Catalyst within the Sustainable Southeast
 Partnership. Such a position could support product and market development, building on
 the Prince of Wales Young Growth Wood Product Hub Feasibility Project. Spruce Root is well
 positioned to support this project in its first year through SASSi funds; Forest Service State
 and Private Forestry could also support (though there is not currently staff capacity for this).
- Create opportunities for more one-on-one and informal engagement. In addition to inviting community representatives to Forest Service meetings, have agency staff attend other people's meetings where community members are already in attendance and there are opportunities for mutual learning and trust building. Consider offering spaces within communities for maps and resources. Also noted was the importance of informal conversations e.g., "meetings in the board room, out in the woods, and one-on-one conversations while harvesting or eating".
- Communicate the values of young growth beyond/in addition to timber harvest.
- Develop a project endowment fund to identify and prioritize projects. With a significant
 investment (\$100 million was suggested), a regional body could directly fund efforts that
 align with the purposes of SASSfm. The funding could be hosted by the Denali Commission
 or other entity. In the words of one TTC member, "Put the money on the table."

Future of the Tongass Transition Collaborative

Throughout their discussions, TTC members expressed hope that their input will be utilized, emphasizing, "we are here out of good will." They reiterated the need for durable solutions – certainty that transcends changes in administration and successful implementation at the ground-level. One member expressed frustration – saying that "the outcomes of the Federal Advisory Committee (the TAC) didn't matter," because of "imposition of a federal mandate" that overruled a significant portion of their consensus recommendations. Assuming that their input is valued and used, TTC members generally were very supportive of continuing in some capacity. The composition of the group may need to expand to ensure truly inclusive representation of the many interests with a stake in the Tongass.

SUGGESTIONS

- Provide suggestions and input on the purpose and need for the Forest Plan Revision.
- Review and provide feedback on the draft integrated 10-year program of work. The group
 could provide strategic input about where to focus NEPA efforts, identifying the purpose
 and need, and shaping alternatives.
- Once the 'package' of projects has been put together for SASSfm, bring that to the group for input on integrated projects, investment, and communication.
- **Provide written expectations for the TTC**. Include the group's role in the near-term with SASSfm and longer-term with the Forest Plan Revision. Specify avenues for providing input and how the input will be considered and utilized.

TTC Member Reflections

After two days of meeting and field site visits, participants and staff offered reflections about their experience at the event and thoughts about the future. These individual comments reflected some common themes:

- Partnerships and collaboration: In the words of one participant, "Partnerships will be the
 guiding light for decision making." Others reflected this sentiment with recognition of
 building relationships through listening and feeling heard; honest dialogue; and diverse
 expertise, interests, and viewpoints. A couple members acknowledged, while it will be
 challenging to satisfy everyone's wants and needs, "there is room for everyone," and the
 ability to meet multiple objectives. One member emphasized that this includes inviting
 participation from the younger generation.
- Forest Service role and coordination: Several members expressed gratitude for agency involvement and expertise, including a willingness to admit 'I don't know.' Agency staff echoed this gratitude by recognizing the value of collaborative members' input, conversation, and commitment. They also acknowledged the "slow pace of agency progress," and the hope to continue to receive input and direction from the group. Some collaborative members emphasized that for their continued involvement, the Agency needs to demonstrate action in response to their suggestions and input. "It's really important that we see results or some kind of initiation of our ideas." Agency staff responded by emphasizing that the group's efforts are not in vain, stating, "Your comments will be taken forward."
- Commitment to communities: Members reflected the importance of positive impacts to
 and meaningful involvement of local communities. One member stressed, "It is critical to be
 on the ground and in the community and hear local perspectives." Another emphasized the
 necessity of creating local jobs through this work. Agency staff acknowledged this
 commitment, recognizing "the level of commitment to communities is evident in your
 willingness to put forward this time and effort."
- Solution-oriented future: Some members acknowledged the challenges that lie ahead. Stated aptly by one member, "Complex issues require complex solutions and that requires all of us at the table." Another member echoed, "There are not simple solutions. It will be an

- ongoing piece of work." That said, there was still an air of optimism, with a recognition for emerging opporutnities and the ability of the collaborative group to make progress. One member asserted, "Everyone in this room is a catalyst and has the ability to move some piece of this." Another recognized the value of communicating "what is already happening for a new economy."
- Young growth opportunities: When considering solutions for the future, some members reflected specifically on opportunities for young growth harvest and markets. One member stated, "I see a forest that is not ready to be harvested," while others emphasized emerging and future opportunities. "There are a lot of good things to be said about young growth timber and the opportunities that exist." To harness these opportunities, members referenced the need to identify and implement a mix of operators, industries, and markets.

Appendix: Tongass Transition Collaborative Member List

Quinn Aboudara

Stewardship Coordinator Natural Resources Division Shaan Seet Incorporated

Tessa Axelson

Executive Director Alaska Forest Association

Gordon Chew

Owner & Operator Tenakee Logging Co.

Bob Christensen

Regional Catalyst Sustainable Southeast Partnership

Steve Connelly

Coastal Region Forester Alaska Division of Forestry and Fire Protection

Les Cronk

Vice President
Southeast Stevedoring Corp.

Michael Douville

Council Member Craig Tribal Association

Jason Gubatayao

General Manager Haa Aanì Sealaska Corporation

Maranda Hamme

Tongass Forest Program Manager Southeast Alaska Conservation Council

Jeff Hermanns

Senior Resources Manager, Forestry Alaska Mental Health Trust Lands

Ian Johnson

Environmental Coordinator and Community Catalyst Hoonah Indian Association

Michael Kampnich

Council Member City of Craig, Alaska

Brian Kleinhenz

President Terra Verde, Inc.

Mark Minnillo

Area Management Biologist Alaska Dept. of Fish & Game

Julia Nave

Conservation Forester The Nature Conservancy

Eric Nichols

Partner Alcan Forest Products and Evergreen Timber

Dennis Nickerson

Environmental Planner Organized Village of Kasaan

Chelsey Okonek

Property Manager University of Alaska Trust Lands

Austin Otos

Community Member Ketchikan Gateway Borough

Andrew Thoms

Executive Director Sitka Conservation Society

Robert Venables

Executive Director Southeast Conference

Jill Weitz

Natural Resource Manager Central Council of Tlingit & Haida Indian Tribes of Alaska

Austin Williams

Alaska Director of Law & Policy
Trout Unlimited

Support Team

Mike Cooney

Forester III

Alaska Division of Forestry

Bret Foster

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Connie Lewis

Senior Fellow Meridian Institute **Diana Portner**

Affiliate

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