

**Small Forest Land Owner Assistance Program
Memorandum of Understanding
between
Washington State Department of Natural Resources
and
Northwest Natural Resource Group**

This Memorandum of Understanding (MOU) is made and entered into between the State of Washington, acting through the Department of Natural Resources, hereinafter DNR, and the Northwest Natural Resource Group, hereinafter NNRG, a Washington State non-profit non-governmental organization, hereinafter together known as “the parties.”

I. PURPOSE

With this MOU, the parties seek to establish a mutually beneficial collaboration that will provide assistance to small forest landowners (SFLs) in targeted geographic areas, improving the environmental performance and economic viability of these lands, and the public benefits they provide for the citizens of Washington State. This MOU guides actions by the parties necessary to form and execute a collaborative working relationship.

II. RECITALS

Over half of the private forest and woodland acreage in Washington is owned by landowners with less than five thousand acres, many of which are not in the business of industrial handling or processing of timber products. These landowners are absorbing more impacts on their forests from increasing demands for timber; fish, wildlife and water protection; recreational uses; and aesthetic resources due to population growth and a shrinking commercial forest land base. In order to encourage and maintain nonindustrial forests for their present and future benefit to all citizens, Washington’s nonindustrial forest owners’ long term commitments to stewardship of all the forest resources must be recognized and supported by the citizens of Washington state.

In 2002, the legislature found that increasing regulatory requirements were diminishing the economic viability of SFLs and their willingness to keep their lands in forestry use, which is better for salmon recovery and conservation of other public resources than other land uses. These concerns also emphasized the need for significant technical expertise not readily available to SFLs. Because of these concerns, the legislature, in 76.13 RCW, established the Small Forest Landowner Office (SFLO) within DNR to serve as a resource and focal point for SFL concerns and policies, and provide significant forest stewardship expertise. The forest stewardship expertise provides SFLs guidance, information, and recommendations to complete stewardship plans that meet all of the requirements of the Federal Forest Stewardship Plan’s National Standards and Guidelines.

The Federal Forest Stewardship Plan serves as a “gateway” for private forest landowners to access financial assistance (e.g., Environmental Quality Incentives Program – EQIP) and other opportunities, including tax incentives, forest certification, and emerging markets for ecosystem services (e.g., carbon, water, biodiversity). Where applicable, the plan may also include cost share and conservation easement components the SFLO offers such as the Family Forest Fish Passage Program, the Forestry Riparian Easement Program, and the Riparian Open Space

Program. These cost share and easement programs ease the disproportionate economic burden on SFLs while securing long-term resource protection.

State funding of the SFLO and the various cost share and easement programs has been significantly reduced, and in some cases eliminated, over the last few years. In addition, federal funding for State and Private Forestry programs has diminished. Efforts to restore state and federal funding have had limited success. Consequently, the SFLO's ability to meet the legislative mandate in 76.13 RCW has been seriously compromised.

During this time period, NNRG has developed programmatic infrastructure to serve a wide range of SFL needs. NNRG's primary tool for serving landowners is Northwest Certified Forestry, a membership program for public, non-profit, and family forest landowners that provides Forest Stewardship Council (FSC) certification, forest management assistance, landowner incentives, marketing, and educational workshops. After seven years of operation, the Northwest Certified Forestry program now has a total of 170 landowner members across 160,000 acres in Washington and Oregon. Through this and other programs, NNRG works to: 1) increase the number of acres certified under the FSC system in Washington and Oregon 2) provide access to the tools and information that SFLs need to sustainably manage their forest and 3) improve the economics of sustainable forest management so that SFLs can secure the financial resources to steward their land, and consumers can help restore forests with their purchases.

Collaboration between DNR and NNRG will improve each of the parties ability to accomplish their mission and better assist SFLs by increasing and cross-training staff to provide technical, educational, and cost-share assistance to protect water quality, fish and wildlife habitat, improve forest health, reduce the risk of wildfire, improve landowner profitability, and help SFLs stay on the land.

III. GENERAL AGREEMENTS

A. Objectives

The following are objectives of the parties for this collaboration:

1. Jointly apply for funding opportunities to provide and train staff to deliver professional forestry expertise to SFLs;
2. Fulfill DNR SFLO obligations to provide professional forestry expertise to SFLs in a more efficient and innovative way, focusing on performance-based outcomes to provide critical services at the least cost to the public.
3. Support DNR in its obligations to meet Clean Water Act Assurance milestones through enhanced engagement with SFLs on their forest roads.
4. Realize economic value that is not currently accessible to SFLs by reducing barriers to entry in existing markets and developing new markets for forest products and ecosystem services;
5. Support new Forest Stewardship Council (FSC) certification and FSC market development;
6. Gain recognition of alignment and equivalence between Forest Stewardship Plan requirements and FSC certification requirements;

7. Assist SFLs in achieving greater forest resiliency, structural complexity and diversity to adapt to climate change; and
8. Assist SFLs in maximizing sustainable revenue opportunities.

B. Collaborative Implementation

This public-private collaboration between the parties is a unique opportunity to leverage the strengths of both organizations and sectors to build a new model for SFLs in Washington. The parties agree to the following features of this collaborative structure:

- The parties will work together to raise funds to meet the objectives of this collaborative effort. Fundraising opportunities include grants from federal sources and private foundations, appropriations from the Washington Legislature, and gifts from private individuals;
- Once funds have been raised to implement this collaborative effort, the Implementation Team will draft a joint work plan that sets specific goals and deliverables consistent with the intent of this MOU; and
- The parties will seek opportunities to pool knowledge and expertise, cross-train staff, and integrate services.

C. Implementation Team

The Implementation Team will be responsible for the creation, coordination, and implementation of the work plan, ensuring that specific goals have been achieved and deliverables have been met. The Implementation Team will ensure that all staff are cross-trained and the services provided by each collaborator are integrated into the work plan. The Team will seek funding and grant opportunities, approve outreach plans, and establish training criteria. The Implementation Team will consist of the Forest Practices Assistant Division Manager for Policy and Services, the Manager of the Small Forest Landowner Office, the Executive Director of NNRG, and the Director of the Northwest Certified Forestry Program for NNRG. The work plan will be reviewed and updated on an annual basis.

D. Advisory Committee

Guidance for this collaboration will consist of a joint advisory committee that will include the Deputy Supervisor for Forest Practices and Federal Relations, the Special Assistant to the Commissioner of Public Lands, the Forest Practices Division Manager, and three NNRG representatives including at least one NNRG board member. The advisory committee will consult with the project coordinators from DNR and NNRG on the implementation of the work plan and will report at least once per year to the DNR Commissioner and the NNRG Board President.

E. Geographic Focus

This collaboration will focus on several target geographies so that the parties can provide proof of concept for new models for working with SFLs. The parties agree to focus on the Puget Sound basin where SFLs face a combination of development pressures, local market opportunities, and forest health issues from single species management on former industrial timberland. A focus on the Puget Sound basin will allow the parties to take advantage of DNR anchor forests and existing clusters of NNRG landowner members. The parties will be open to opportunities for

advancing the intent of this collaboration throughout the Puget Sound basin, but will focus particular attention on the following two geographies:

- South Puget Sound (Thurston, Lewis, Grays Harbor and Mason Counties)
- Nisqually River Basin (Pierce, Thurston and Lewis Counties)

V. GENERAL PROVISIONS

Authority: This MOU is entered into by DNR under the authority of RCW 43.30.700(3).

Term of MOU: This MOU shall be effective on the date signed by both parties and shall remain in effect until January 15, 2017 unless sooner terminated by either party, as provided herein. This agreement must be periodically reviewed at least annually.

Termination: Either party may terminate this MOU by giving written notice to the other, at the address first noted herein, of such termination and specifying the effective date thereof at least fifteen (15) days before the effective date of such termination.

Amendments: This MOU shall only be amended by written mutual consent of the parties.

No Right or Benefit Created: Nothing in this MOU shall be construed to create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity, by any party against DNR, its agencies, officers or any person or against NNRG, its staff, members, officers or any person.

No Modification of Authorities: Nothing in this MOU shall be construed to affect or modify existing regulations or DNR responsibilities and authorities.

No Funds Obligated: Nothing in this MOU shall obligate the Parties to expend or transfer any funds or execute any tasks or work products. Specific work products and projects that may be conducted by the Parties and involve fund transfers to further the objectives of this MOU shall require the execution of a separate agreement or contract, in compliance with the applicable laws of Washington State, and are contingent on the availability of appropriated and privately secured funds.

VI. CONTACTS

The Project Coordinator for NNRG is:

Dan Stonington
(206) 971-3709

The Project Coordinator for DNR is:

Tami Miketa
(360) 902-1415

VII. APPROVAL

Northwest Natural Resource Group

Department of Natural Resources

By: Dan Stonington

By: Peter Goldmark

Title: Executive Director

Date:

Title: Commissioner of Public Lands

Date: