

Forest Stewardship Advisory Committee Meeting
Kalanimoku Building, Room 322C Honolulu, HI
September 3, 2009

9:14 am

MEETING CALLED TO ORDER

Members present: Craig Rowland, Mike Tulang, Katie Friday, John Henshaw, Betsy Gagne, Tanya Rubenstein, DayDay Hopkins, JB Friday, David Clausnitzer, Kip Dunbar, Lea Hong. **Members absent:** Laura Brezinsky, Bill Cowern. **Staff:** Sheri Mann, Irene Sprecher, Michael Constantinides, David Smith. **Guests:** Colleen Carroll.

OLD BUSINESS:

Meeting minutes March 20, 2009. **Motion to approve the minutes as corrected. Moved by J. Friday, seconded by Hopkins. Pass unanimously.**

NEW BUSINESS:

Election of Officers

Nominations were made for J.B. Friday as Chairperson and John Henshaw for Chairperson-elect. **Motion to approve nominations for J.B. Friday as Chairperson and John Henshaw for Chairperson-elect. Moved by Hopkins, seconded by Dunbar. Pass unanimously.**

Meeting schedule

The Department of Land and Natural Resources has been asked to reduce operation costs across the Department. For this Committee, this includes primarily travel time associated with meetings and sites for Forest Stewardship projects. Staff has proposed that the Committee meet twice in person during this fiscal year and conduct all other meetings or required business through the Video Conference Center or by conference call, as appropriate. This meeting is one of the two meeting during this fiscal year; our next meeting will likely be on the Big Island. The Nature Conservancy has potential offered use of space at its Kona Hema Preserve.

Natural Area Reserve Fund Consultation

The Hawaii Revised Statutes requires that the Natural Area Reserve Commission and the Forest Stewardship Advisory Committee consultation once a year on the status and allocations under the Natural Area Reserve Fund (NARF). This fund as directed by the statute, funds the Natural Area Partnership Program, the Forest Stewardship Program, and Hawaii Youth Conservation Corps. Other programs supported by the program include the Natural Area Reserve System, Forest Reserve System, Watershed Partnership program, Invasive Species Committees, Conservation Reserve Enhancement Program, and Rare Plant Program. The NARF budget is set annually depending on the amount of funds available for that fiscal year. The consultation will allow these two bodies to

provide advise to the allocation of this fund. Additionally as it looks to be a difficult financial year for the State, funding sources like the NARF may be subject to ‘raiding.’ It will be beneficial to have a good understanding of NARF fund support programs and to have a united statement should we be give the opportunity to speak about this fund.

The consultation will be done through a SubCommittee from both the Forest Stewardship Advisory Committee and Natural Area Reserve Commission that will be held on Oahu in October 2009. Those interested in representing the Forest Stewardship Advisory Committee are asked to be able to get to Honolulu on their own accord.

The Committee would like staff to prepare some analysis on the history of expenditures under the NARF and provide for a history of the fund over the last ten years as background information prior to the SubCommittee meeting.

1) Motion to form a SubCommittee to meet with the Natural Area Reserve Commission to provide for consultation on annual budget allocations of the Natural Area Reserve Fund. Moved by Henshaw, seconded by Dunbar.

2) Motion to nominate the same number of SubCommittee members for the Forest Stewardship Advisory Committee as was nominated to represent the Natural Area Reserve Commission. Moved by Henshaw, seconded by Dunbar.

Motions pass unanimously

SubCommittee members include: Kip Dunbar, John Henshaw, Craig Rowland, and David Clausnitzer. Should there be funding issues Oahu residents will represent the Forest Stewardship Advisory Committee.

Forest Stewardship Program Funding & State Budget

The Forest Stewardship Program currently has a number of projects with approved management plans that the Division is trying to get funded (Waikoloa Dry Forest Recovery Project, Hui Ku Maoli Ola project, and Ahu Lani Sanctuary). We are also trying to encourage new participation in the program. Unfortunately, with a reduce budget over the next few years, we may not be able to bring on new funded projects for Forest Stewardship Program. The Natural Area Partnership Program is also looking a similar constraint. The decision of the Forest Stewardship Program thus far is to keep the current funding level for the program constant and as program contracts end additional funds may be available for new projects. The Forest Stewardship and Natural Area Reserve Programs are the primarily recipients of the NARF.

Is it possible to use available program funding to support management plan development? Currently, the program does not pay for the plan until the first year payment of their agreement contract with the State. The Committee is interested in separating the funding of the management plan from the funding of practice installation to expedite the planning and funding process. Staff is asked to explore the options of this type of assistance under the State’s procurement requirements. The Natural Resource Conservation Service (NRCS) through its Environmental Quality Incentive Program (EQIP) has potential

opportunities to provide for assistance for management activities as approved under Forest Stewardship management plans. EQIP under the 2008 Farm Bill has clear authorization

The Committee should make sure that we funding the best projects versus the projects that are first in line. We still want to encourage landowners to apply and submit management plans for funding, but should let them know that funding is limited and projects will be evaluate for funding. The current Forest Stewardship Handbook does not have a prioritization or evaluation criteria, because we have not had to prioritize projects in the pass due to funding limitations. The Committee during the last meeting reviewed some general scoring criteria presented by staff and nominated a SubCommittee (including Katie Friday, J.B. Friday, Betsy Gagne, and Laura Brezinsky) to further refine the criteria including the inclusion of the Spatial Analysis Project (SAP), and assist with reviewing some of the procurement problems the State is faced with. Staff will convene this SubCommittee.

Motion to revive SubCommittee for the program criteria review. Moved by K. Friday, seconded by Dunbar. Pass unanimously

Forest Legacy Program

The McCandless Ranch Forest Legacy application was withdrawn from this year funding request and will be postponed until the FY11 FLP application process. No other applications were received for this funding period.

In 2000, the Committee approved an application for the acquisition of the McCandless Ranch portion of Honokua as it was some of the last remaining habitat for the endangered Alala, Hawaiian crow. However due to too many title issues the application for the Honokua portion was put on hold and the program moved forward with a conservation easement on mauka portions of the Ranch; Kahuku tract of 3,300 acres for \$2.2 million in FLP funding and a land value donation by the Ranch equal to approximately 66% of the total acquisition value. The Ranch has since reevaluated their assets portfolio and determined that they are relatively land rich but with little funding to support management of that land. The majority of the Ranch property is zoned Agriculture 5 and the Ranch is subdividing the lower portions into multiple parcels and the upper Ranch into 9 lots of differing levels of management and conservation. Those upper lots are potential available for purchase or conservation easement purchase. The U.S. Fish and Wildlife Service is interested in purchasing 2 of the lots to add to the Hakalau Refuge South Kona section and are currently exploring funding options. This acquisition could also expand access to the Refuge for the Service. The other lots are potentially available for conservation easement purchase of which DOFAW and the Fish and Wildlife Service are exploring options with the Ranch. Additionally, DOFAW is looking to converting a portion of State owned lands adjust to the Refuge into a Wildlife Sanctuary.

TNC, Fish and Wildlife Service, and DOFAW are interested in the support of the Committee for a large scale conservation vision that includes lands from Kealakekua

Heritage Ranch to TNC managed lands in South Kona. A draft vision paper was presented to the Committee.

Motion in support of the conservation vision for these lands in South Kona, Hawaii Island. Moved J Friday, seconded by Dunbar.

Continued Discussion:

- This is one part of the larger McCandless family. All of the family members of the subject owners of the Ranch have voting rights.
- The highest priority lots from a conservation point vary with the lower lots having an ohia dominated forest which can be better habitat for forest birds and the upper lots contain a koa dominated forest which may have a higher economic value.
- A landscape vision for this area can assist with seeking funding for any number of the proposed acquisitions.
- The final vision statement or paper should include the importance of access for both management and the public.

Pass unanimously

Henshaw and Rowland recuse.

Kainalu Forest Watershed. A number of funding requests have been made for this conservation easement acquisition. The FY09 Recovery Land Acquisition (RLA) grant was awarded for \$1.5 million. The FLP grant is pending final award, but did make the Presidential and House budget request. A joint consultation of the U.S. Senate and House Committee will determine the final award for this grant request. Staff has submitted an additional request to RLA for \$1.5 million in lieu of the pending FLP funds. For the match for this program, staff submitted a proposal to Acres for America grant program for approximately \$1 million, as non-federal funding source. Staff is working on finishing due diligence work.

Kealakekua Heritage Ranch. The Ranch and staff are currently reviewing the KHR conservation easement language. Staff would like the Committee's guidance and input on the forest management section of this easement. Comments should be submitted within a week of this meeting.

- May want to consider just asking for FSC certification for harvest purposes.

LUNCH

Plant Extinction Prevention program note cards were provided to the Committee and are for your use.

SWARS Update

Colleen Carrol was introduced to the Committee. Colleen will be helping with the SWARS process and would like the Committee members to fill out a brief survey on forestry in the State. A similar survey was done at the Hawaii Conservation Conference; Staff has the results of this survey if interested. Colleen can be contacted through the SWARS website or through Sheri Mann.

The Spatial Analysis Program (SAP) came out with 1 map with identified high, medium, and low areas. The State has the potential with SWARS to have separate maps for each issue and associated identified areas of high, medium, and low. The strategy section will identify the knowledge gaps as well as how we will address the major issues of the State.

Forest Stewardship Program

Committee was given a spreadsheet with all active stewardship projects including their projected funding levels over the next 15 to 20 years. We may or may not be able to take on new projects in the next few years, as well as we may have to consider delaying the funding of active projects. Each year staff puts together an annual legislative report that reports on the accomplishment of the program as well as reporting in PMAS to our federal partners.

The Committee would like to consider just funding the development of the management plans to continue to encourage landowners to do long-term management planning. And/Or having the State under program funding write management plans for landowners. It would be up to the budgetary subcommittee to make a recommendation to the joint consultation for consideration. The Committee would like staff to look into the potential other fiscally possible including both of the above.

There still remains as issue with getting all the appropriate permits (specific to management action/conservation program) together to even get programs started. For conservation programs to work, we need more than just planners. US Fish & Wildlife currently has an intern working on complying all the different compliance information/requirements and evaluating where there are inefficiencies. Also it seems that there is a need for a jointly funded person that can help with walking participants through planning and permitting processes. NRCS can hire TSP to help with specific type of planning (eg: range management or forestry) as there is a demand. Other states have jointly funded positions to encourage enrollment in programs and to assist with conservation or management plan development under the cooperative agreement with NRCS and state agencies. There may even be a possibility have funding for advertisement of conservation programs to increase demand.

The Committee is still interested in having the landowner participate in the generation of their plan versus having someone from the government give them a plan to implement for their land (ie: working together to meet needs, wants, and goals). The reason, incentives or goals of Forest Stewardship Program in Hawaii are different than in other states where there is a presence of a forest industry. What are incentives for landowners in Hawaii to have professional management plans? There are property tax incentives and effective use of management.

Existing FSP Projects. Waikoloa Dry Forest Recovery, Hui Ku Maoli Ola, and the Ahu Lani Sanctuary projects are still being pushed forward for funding. Waikoloa is the closest of these three projects to be completed; we are waiting on compliance documents and the completion of a draft Environmental Assessment. The other two projects are

waiting on the Governor's approval for funding before they can be presented to the Board of Land and Natural Resources for approval.

NRCS / FSP Template

NRCS and FSP have the ability to enter into an agreement that will ultimately allow for eligible FSP management plans to be funded under NRCS EQIP (Environmental Quality Incentive Program). NRCS generally does not have a lot of forestry expertise, but is interested in expanding their programs into this area. As such, FSP has been identified as an existing forestry program that can assist NRCS and landowners with getting funding under NRCS programs, specifically EQIP.

Staff and NRCS have been working together to identify areas in the Forest Stewardship Handbook that may need to be updated to include information needed by NRCS to enter projects into EQIP (eg: making sure working is consistent, appropriate information is included, etc). Interested parties could either go directly to NRCS to sign-up for programs or go to FSP to have a plan generated and submit that to NRCS for funding under EQIP. The cost of writing the forest management plan can be cost-shared under EQIP, but that still needs to be explored. There is a potential to get most of the plan funded between NRCS and the State FSP, but this also needs to be explored. For practices, cost-share ratio under EQIP is proposed to be 75% for forestry practices and there is a maximum contract amount. It would be a similar relationship as that used to exist between FSP and the Stewardship Incentive Program.

The FSAC can provide advice to NRCS in implementing the forestry component of their programs. NRCS is working on providing guidelines and training for staff to be able to deal with forestry projects; having the FSP plan will be an even better alternative to make sure that good projects and plans are being funded.

NRCS procedures. Planting non-native hardwoods to address a resource concern. FSP will fund the planting of non-natives for ecological or economic benefit. Additionally, forestry practices are paying for a long term thing that provides long term benefits. Some benefits include soil conservation, carbon sequestration, fire protection/suppression, invasive species management/control, water protection, biodiversity (depending on the species), etc. The same arguments for forestry can be made with rangeland, they are both natural resources that need to be conserved. It seems that for NRCS the best universal resource concern for forestry or the justification of planting trees is to control invasive species. Everything in NRCS comes down to addressing a resource concern. FSP plans to be funded under EQIP will need to clearly document the resource concern.

SAP Update

The Committee was provided with maps that included FSP projects with the SAP data. When the SAP was created, staff looked for the best available data to be used. The SAP needs to be updated each year with our new projects, and DOFAW would like to include SAP with the SWARS. The Committee was provided with a list of all the new and relevant GIS data that is currently available for use in the SAP. LandFire data will be nice to include once it is available, but it has not been completed yet. Committee would

like staff to consult with other DOFAW staff (eg: fire program, invasive species, etc) on the appropriate question that SAP should be asking and to target outreach. Staff will look into what is required to update FLP and SAP for inclusion into SWARS.

**Motion to continue with SAP as current. Moved Henshaw, seconded by Dunbar.
Pass unanimously.**

Hamakua Marsh

The Committee was updated on the progress of Hamakua Marsh by Oahu DOFAW District Manager, David Smith.

Next Meeting

Staff will organize SubCommittee meetings and poll FSAC with potential meeting times. The next FSAC meeting will likely be within six months.