

STAFF REPORT

Agenda Item No.:	F
Work Plan:	Administrative
Topic:	Key Performance Measures
Presentation Title:	Annual Performance Progress Report 2023
Date of Presentation:	September 6, 2023
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SUMMARY

The purpose of this agenda item is to provide the Board of Forestry with the Department of Forestry's (ODF) Annual Performance Progress Report for 2023 based on the agency's legislatively approved biennial key performance measures.

CONTEXT

Through the biennial budgeting process, each state agency in Oregon is required to develop key performance measures consistent with joint direction from the Legislative Fiscal Office (LFO) and the Department of Administrative Service's Chief Financial Office (CFO). Key performance measures proposed by state agencies must be approved by the Legislature along with their respective agency budgets. ODF is required to submit an Annual Performance Progress Report to LFO and CFO each year, reporting on the agency's key performance measures.

RECOMMENDATION

This is an informational item.

NEXT STEPS

ODF's Annual Performance Progress Report will be submitted to LFO and CFO before the October 2, 2023, deadline. If the Board desires modifications to the measures, the biennial budgeting process requires agencies to be prepared to work with LFO and CFO Budget Analysts on proposed changes in March 2024 and complete the request by April 30, 2024.

ATTACHMENT

- (1) Oregon Department of Forestry, Annual Performance Progress Report, Reporting Year 2023

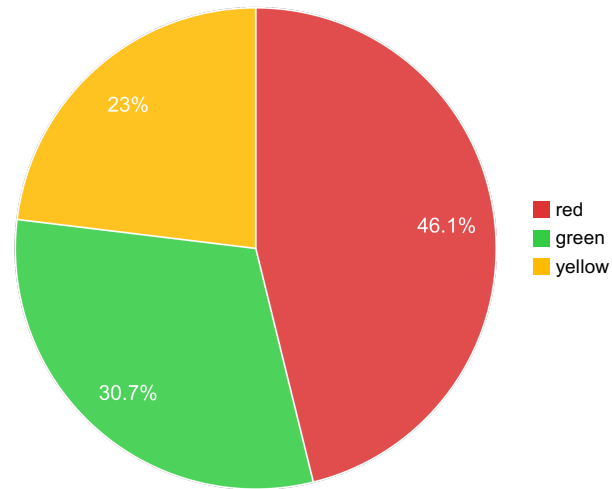
Department of Forestry

Annual Performance Progress Report

Reporting Year 2023

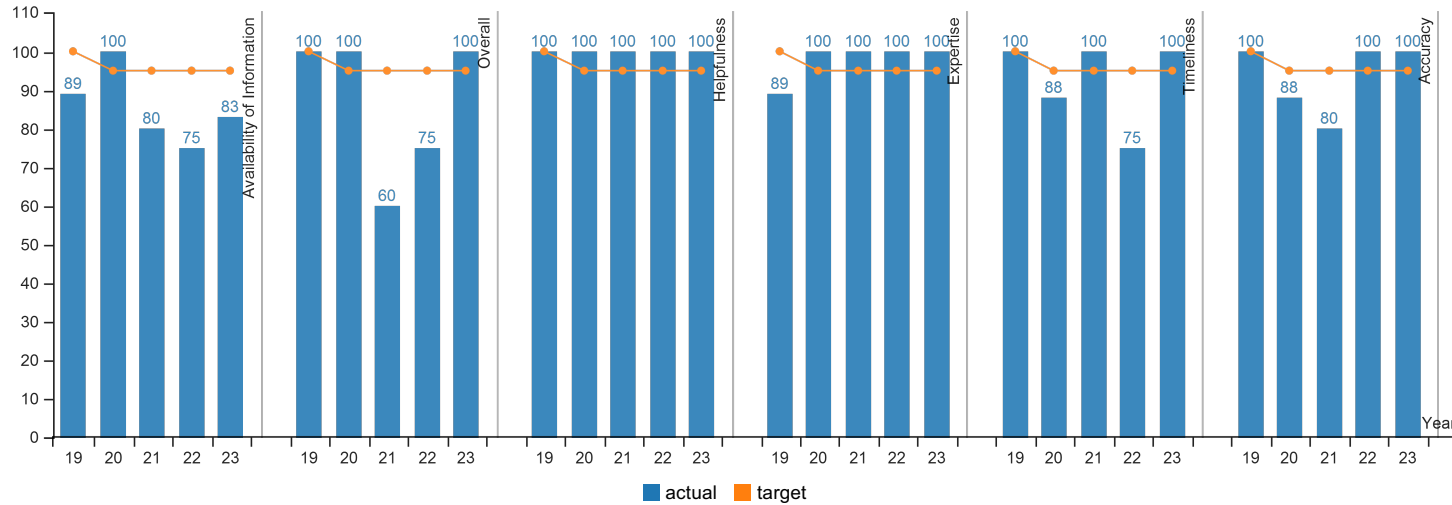
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KPM #	Approved Key Performance Measures (KPMs)
1	CUSTOMER SERVICE TO COUNTY 'GOVERNMENTS AND FOREST LANDOWNERS - Percent of Oregon's forested counties and forest protective associations rating that ODF programs collectively provide "good" or "excellent" customer service: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
2	BOARD OF FORESTRY PERFORMANCE - Percent of total best practices met by the Board of Forestry.
3	FOREST PRACTICES ACT COMPLIANCE - Percent of forest operations that are in compliance with the Forest Practices Act
4	URBAN AND COMMUNITY FOREST MANAGEMENT - Percent of Oregon cities actively managing their urban and community forest resources.
5	STATE FORESTS TOTAL REVENUE - Percent increase in total revenue produced by State Forests
6	AIR QUALITY PROTECTION - Total number of smoke intrusions into designated areas per total number of units burned.
7	PERCENTAGE OF PRIVATE FORESTLAND MANAGED AT OR ABOVE FOREST PRACTICES ACT STANDARDS. - Percentage of industrial private forestlands managed under an approved certification system, stewardship agreement, or other approved management plan including wildlife habitat conservation and management plans
8	FOREST STREAM WATER QUALITY - Percent of monitored stream sites associated predominately with forestland with significantly increasing trends in water quality.
9	VOLUNTARY PUBLIC AND PRIVATE INVESTMENTS MADE TO CREATE HEALTHY FORESTS - Cumulative public and private forest landowner investments made in voluntary projects for the Oregon Plan for Salmon and Watersheds or for the Oregon Conservation Strategy.
10	STATE FORESTS NORTH COAST HABITAT - Complex forest structure as a percent of the State Forests landscape.
11	FIRE SUPPRESSION EFFECTIVENESS - Percent of wildland forest fires under ODF jurisdiction controlled at 10 acres or less.
12	PREVENTION OF HUMAN-CAUSED WILDLAND FOREST FIRES - Number of Oregon residents per human-caused wildland forest fires. (population expressed in thousands of residents) This metric measures the ability to maintain or reduce the number of human-caused wildfires as the population of Oregon increases. An upward trend indicates a positive result.
13	DAMAGE TO OREGON FORESTS FROM INSECTS, DISEASES, AND OTHER AGENTS - Percent of forest lands without significant damage mortality as assessed by aerial surveys.



Performance Summary	Green	Yellow	Red
	= Target to -5%	= Target -5% to -15%	= Target > -15%
Summary Stats:	30.77%	23.08%	46.15%

KPM #1	CUSTOMER SERVICE TO COUNTY 'GOVERNMENTS AND FOREST LANDOWNERS - Percent of Oregon's forested counties and forest protective associations rating that ODF programs collectively provide "good" or "excellent" customer service: overall, timeliness, accuracy, helpfulness, expertise, availability of information.
	Data Collection Period: Jan 01 - Dec 31



Report Year	2019	2020	2021	2022	2023
Availability of Information					
Actual	89%	100%	80%	75%	83%
Target	100%	95%	95%	95%	95%
Overall					
Actual	100%	100%	60%	75%	100%
Target	100%	95%	95%	95%	95%
Helpfulness					
Actual	100%	100%	100%	100%	100%
Target	100%	95%	95%	95%	95%
Expertise					
Actual	89%	100%	100%	100%	100%
Target	100%	95%	95%	95%	95%
Timeliness					
Actual	100%	88%	100%	75%	100%
Target	100%	95%	95%	95%	95%
Accuracy					
Actual	100%	88%	80%	100%	100%
Target	100%	95%	95%	95%	95%

How Are We Doing

The Department of Forestry strives to exceed expectations in service to Oregon's forested counties and forest protective associations. Results from this year's survey indicate that while Department employees have demonstrated local success in building strong relationships within our communities and providing service to Oregonians, the complex sociopolitical environment surrounding State Forest land management continues to challenge our ability to meet expectations in service to all.

Factors Affecting Results

Our department's mission is to serve the people of Oregon by protecting, managing, and promoting stewardship of Oregon's forests to enhance environmental, economic, and community sustainability. One of our core values is excellent, efficient, and effective service.

Sentiments shared this year indicated that our employees are knowledgeable, responsive, and helpful in providing timely information, even amongst challenges of an unknown shifting policy environment; our fire response was characterized as excellent, attuned to local conditions in the communities served, and professional in our partnerships; employees are going above and beyond what is asked of them; and our field staff are consistently available for questions and communication needs.

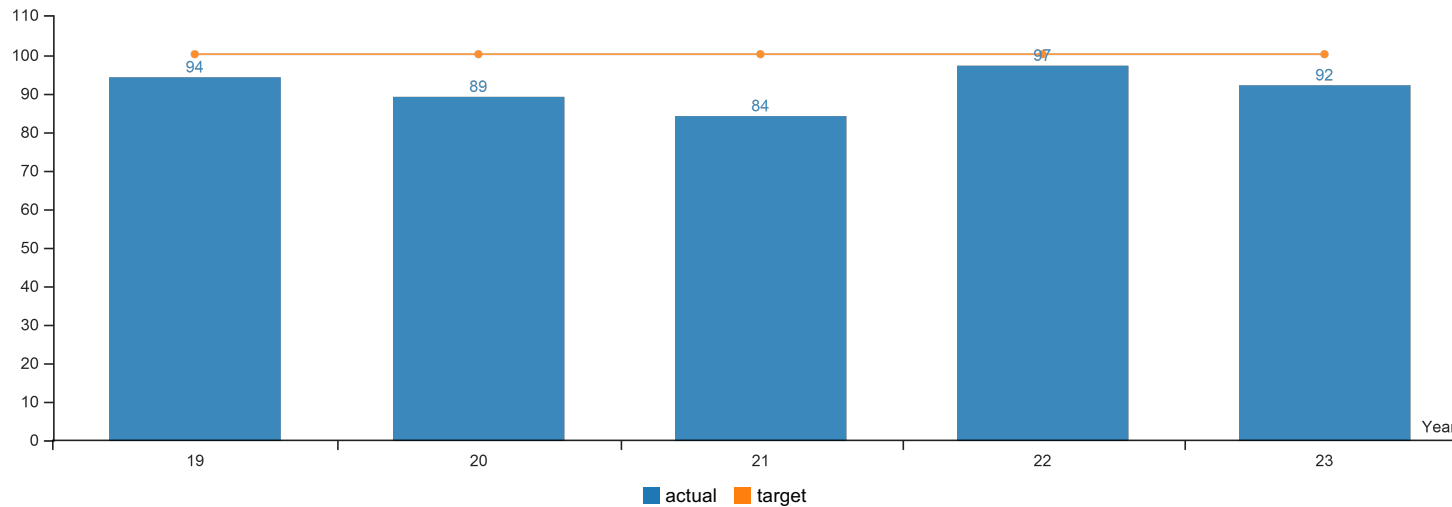
The positive results of this performance measure directly correlate to the investments made between Department staff and county commissioners, county officials, forest protective associations and forest landowners to build effective working relationships across all jurisdictions and forestry programs.

Feedback shared from our respondents included suggestions to collaborate with Oregon Department of Fish and Wildlife on fish or wildlife issues; to focus more resources on preparing defensible space with interested landowners; to ensure factual information is provided for decision-making relative to state forests planning; and general improvements to our agency website and resources provided.

Some of the comments received were a direct reflection of concerns expressed in management of State Forest lands, related frustrations in the development of a Habitat Conservation Plan and concerns that the department is not financially sustainable in its current structure, greatly impacting the counties. State Forests were intended to be managed for economic, environmental, and social values, providing a sustainable harvest while balancing conservation, scenic, recreational, and other factors included in the Greatest Permanent Value, serving Oregonians and Forest Trust Land counties over the long-term. Maintaining balance across these sociopolitical factors is complex and the tensions embedded within this landscape are reflected in the feedback received during this year's evaluation of the performance measure.

KPM #2	BOARD OF FORESTRY PERFORMANCE - Percent of total best practices met by the Board of Forestry.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Oregon Board of Forestry Governance					
Actual	94%	89%	84%	97%	92%
Target	100%	100%	100%	100%	100%

How Are We Doing

The Board of Forestry concluded the annual board governance performance evaluation with common agreement in meeting 92 percent of the standard best-practices criteria. Results of the evaluation suggest that current board members see the board functioning in a satisfactory manner across the majority of best practices in governance; however, slight disagreement in a few criterion ratings affected the Board’s ability to meet their performance measure target of 100 percent for 2023.

Factors Affecting Results

All seven board members serving in the 2022 calendar period completed the evaluation. The Board found common agreement in reaching 92 percent of their best practices as compared to the prior year’s evaluation of 97 percent.

The Board found common agreement in meeting best practices of governance in areas of:

- defined performance expectations for the State Forester and recent evaluation,
- review of the agency’s annual key performance measures, as well as key financial information and audit findings as they are released,
- agency adherence to accounting rules and financial controls,
- board members responsibly serving as public representatives, coordinating with other public agencies and boards where statutory authority overlaps, attending appropriate training and technical information sessions, utilizing outreach and engagement of stakeholders and special interest committees, and annually evaluating their adherence to best practices in governance.

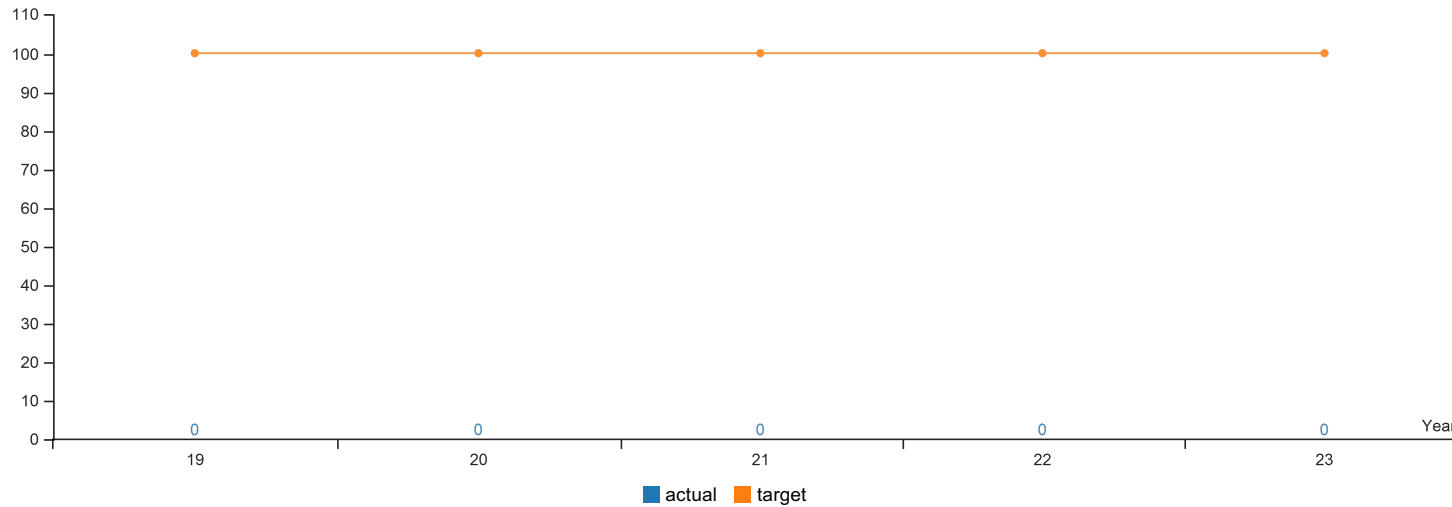
Areas for further improvement include:

- completion of the Board's strategic plan in the *Forestry Program for Oregon* with current agency mission, high-level goals, and defined strategic initiatives and priorities,
- increasing communication with the Board surrounding complex or significant operational-level decisions and communication strategies associated with those efforts,
- commitment of the Board to attend the rural community board meetings and field tours,
- increasing coordination with partnering agencies, continuing to hear from a broad range of diverse perspectives and information sources, reliance, and use of the best available science,
- enhancing the detail of financial information provided, and the interrelated financial impact associated with key policy decisions before the Board; including, overall financial risk to the agency and challenges within the biennial budgeting process, and
- securing stable funding for management of state forests and the counties supported by state lands, and the highly variable cost of wildfire funding.

Overall, the Board had positive reflections on their effectiveness as a board with recognition for the significant volume of complex issues requiring their attention and continuing room for improvement.

KPM #3	FOREST PRACTICES ACT COMPLIANCE - Percent of forest operations that are in compliance with the Forest Practices Act
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Percent of Operations in Compliance with Oregon's Forest Practices Act					
Actual					
Target	100%	100%	100%	100%	100%

How Are We Doing

The Oregon Forest Practices Act (FPA) outlines standards of practice for forest operations on non-federal and non-tribal lands in Oregon. The FPA is administered by the Oregon Department of Forestry's (ODF) Forest Resources Division. Within the Forest Resources Division, the Monitoring Unit is tasked with developing studies on landowner compliance with the FPA rules at statewide scale.

A statewide study of Forest Practices Act compliance was conducted from 2013-2018. Results of the study were provided in Key Performance Measures reporting. In 2019, concerns for some of the statistical processes employed in the study were raised. The Monitoring Unit contracted with Mt. Hood Environmental (MHE) to review statistical elements of the 2013-2018 Forest Practices Act Compliance Study and make recommendations for improvement. The Monitoring Unit and MHE completed the review of processes and provided a report to the Board of Forestry in which individual elements of previous work were considered and discussed. MHE provided recommendations related to study design, data collection methods, and analysis, which will be implemented by ODF in future compliance monitoring studies.

The ODF Monitoring Unit completed a pilot study in 2022 that evaluated compliance with the FPA rules for reforestation. The primary goal of the reforestation pilot study was to assess compliance rates with a subset of rules in the Reforestation Division (610) of the Forest Practices Rules. ODF selected a statistically robust sample of harvest units, which were assessed for compliance at the individual reforestation rule level. The study used a statewide sample only covering the Private Industrial (PI) landowner type. Questions addressed included: 1) What percentage of clearcut units were replanted to acceptable stocking levels (OAR 629-610-0020)? 2) What percentage of units had reforestation completed within the specified time (2 years from harvest) (OAR 629-610-0040(3))? 3) What percentage of clearcut units were restocked with acceptable species (OAR 629-610-0050)?

More recently, ODF issued an RFP to contract with a statistician to assist with the current and future compliance monitoring study design, protocol, and data analysis. After receiving one RFP submission, the ODF Monitoring Unit, again contracted with MHE. MHE evaluated the reforestation pilot study methods and provided feedback. The pilot study found 97% compliance with the two-year replanting requirement (OAR 629-610-0040(3)) among private industrial landowners. Mount Hood Environmental also provided additional recommendations on sample sizes and data collection methods for ODF's 2023 Reforestation Study.

Using the lessons learned from the pilot study and MHE feedback, the Monitoring Unit will begin the Reforestation compliance audit data collection in late 2023. Rules under review will include one or more of the following: OAR 629-610-0040(3), OAR 629-610-0050, OAR 629-610-0040(4). Results will be reported in consultation with MHE and included in future KPM reporting.

In December of 2022, the ODF Monitoring Unit began reaching out to existing and new stakeholders with the goal of reconvening the ODF Compliance Monitoring Program Committee (CMPC). Stakeholders with knowledge of the FPA rules representing varied interests were invited to participate, including industrial and family timberland owners, environmental organizations, and other state agencies such as the Oregon Department of Environmental Quality. The new CMP committee began meeting in February 2023.

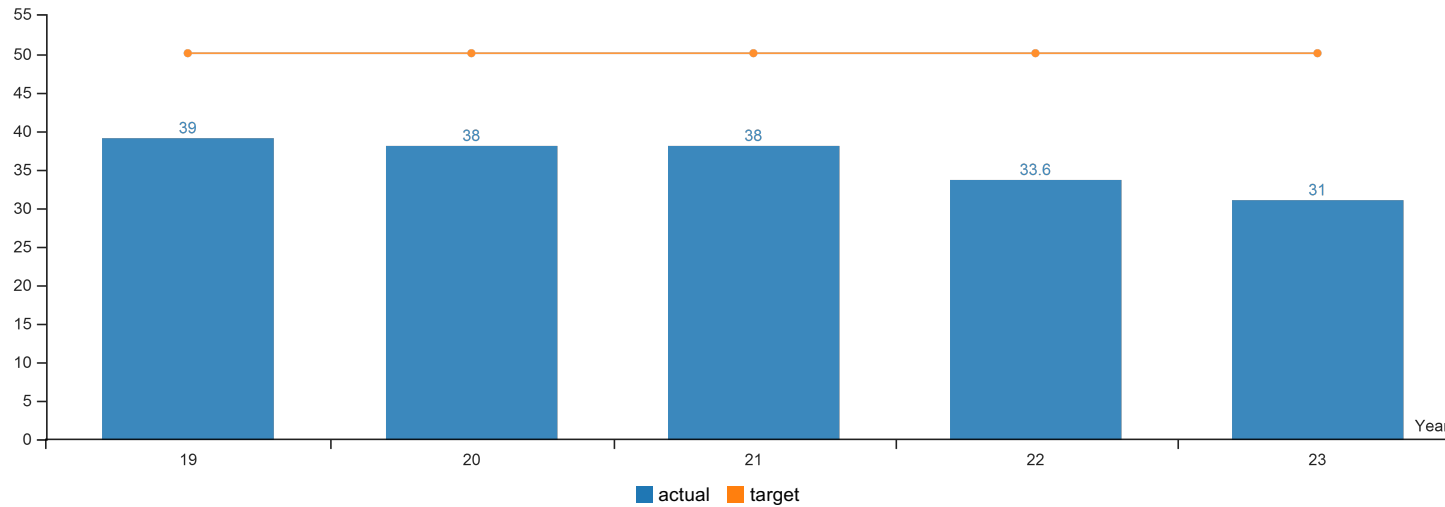
Factors Affecting Results

In 2022, the Governor's mediated discussions on forest policy were memorialized in the Private Forest Accord Report, which laid the foundation of legislation (Senate Bill 1501, 1502 & House Bill 4055). That legislation directed the Department of Forestry to make substantial changes in standards of practice for forest operations on non-Federal forestlands and provided regulatory assurance for landowners. In October 2022, the Board of Forestry adopted new and revised Forest Practices Act (FPA) rules that included a new rule division on Compliance Monitoring Program that described the framework and monitoring priorities. The ODF Monitoring Unit will prioritize rules related to biological and aquatic resources, including the following: Division 625 Forest Road Construction and Maintenance rules; Division 630 Harvesting rules for steep slopes; Division 643 Water Protection Rules: Vegetation Along Streams rules. Other rules may be included at the direction of the Board of Forestry.

The adopted rules will improve the ODF Compliance Monitoring Program audits. Under OAR 629-605-0150 (10a, b) landowners will need to notify the State Forester of completed activities for which they have submitted notifications. In addition, OAR 629-678-0100 (7,8) landowners will need to allow ODF staff and/or contractors access to their completed operations to conduct a compliance assessment. These new rules directly address MHE's 2021 recommendations: #3 (Quantify the Population) and # 4 (account for non-response bias). Important to note, the ODF Reforestation Study falls under the 2023 FPA rules where participation is voluntary, and notification of completion is not required.

KPM #4	URBAN AND COMMUNITY FOREST MANAGEMENT - Percent of Oregon cities actively managing their urban and community forest resources.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Percent of Oregon cities actively managing their urban and community forest resources					
Actual	39%	38%	38%	33.60%	31%
Target	50%	50%	50%	50%	50%

How Are We Doing

The mission of the Urban & Community Forestry (UCF) Program is to help all Oregonians improve their quality of life by promoting community investment in our state's urban forests. UCF Program staff assist communities of all sizes by sharing a wide range of technical, educational, and organizational "Best Management Practices" through onsite visits and training, webinars, newsletters, email, and video conferencing. When funding is available, the UCF Program also provides grants and financial assistance to cities and community groups to help them build organizational capacity and support local UCF planning, maintenance, and training efforts.

KPM #4 tracks the percentage of Oregon cities and county subdivisions that are deemed to be actively managing their urban and community forests, based on their attainment of at least two out of four management criteria. The 4 management criteria that we track are whether cities/communities have (1) trained UF professionals on staff, such as an International Society of Arboriculture-certified arborist or tree worker; (2) a tree ordinance; (3) a tree board or advisory committee; and (4) an inventory-based urban forest management plan. According to the most recent federally reported data, the percentage of cities meeting two or more of these UCF management criteria – indicating they are pro-actively managing their urban forests -- has dropped slightly to 31 percent from 33.6 percent in 2022 (from 81 to 79 cities/communities). From a population perspective, these 79 cities/communities comprise 73% of the total population residing in Oregon's incorporated cities and county subdivisions (2020 Census data). This means that 73% of Oregonians live in cities/communities that are intentionally managing their urban and community forests.

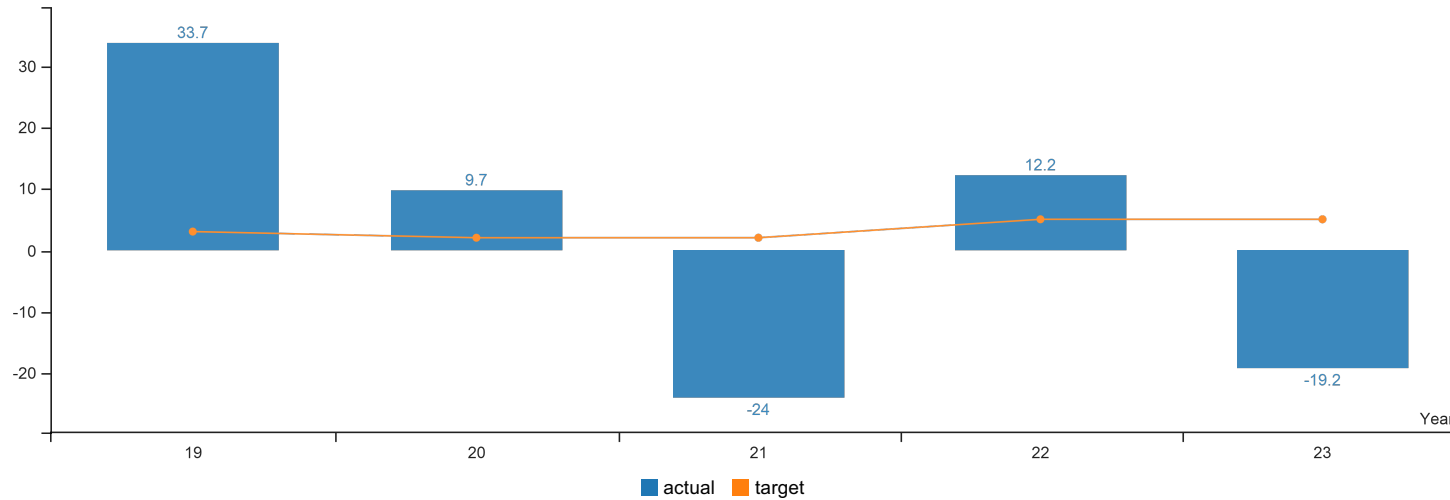
Factors Affecting Results

Over time, we expect to see fluctuations in cities' abilities to meet the 4 UCF management criteria listed above, based on changing budgets and economic conditions, staffing and volunteer capacity, and community priorities.

2022 was a year of transition for the UCF Program. Following the retirements of the team's two long-standing staff members, ODF successfully hired a new UCF Program Manager in June, and a new Community Assistance Forester in December. Two weeks after the new manager's start date, emerald ash borer (EAB), the most destructive and costly invasive forest pest in US history, was detected in Forest Grove. Since that time, at least 1/3 of the UCF team's efforts have been focused on coordinating an EAB response and recovery plan, aligning statewide partnerships, applying for and administering federal grants, and working to build awareness, financial support, and response capacity at the state level. With the assistance of temporary program staff, the UCF program was able to continue most of its "business as usual", and despite having staffing limitations throughout most of the year, the UCF Program still provided over 250 assists to private citizens, schools, colleges, and other public entities throughout the state.

KPM #5	STATE FORESTS TOTAL REVENUE - Percent increase in total revenue produced by State Forests
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Percent increase in revenue produced by State Forests compared to the previous year					
Actual	33.70%	9.70%	-24%	12.20%	-19.20%
Target	3%	2%	2%	5%	5%

How Are We Doing

The FY 2022 data show a 19.2 percent decrease in total revenues from the previous year, down to \$98,198,706. The amount of revenue distributed to counties decreased 13.5 percent from the previous year, \$71,454,915 to \$61,816,688. This KPM focuses on the percent change in total revenue produced from the sale of timber from State Forests. The Oregon Department of Forestry is committed to sustainable management of these lands. Harvest levels that contribute to the revenue flow for this measure are set annually by the Division at the direction of the State Forester.

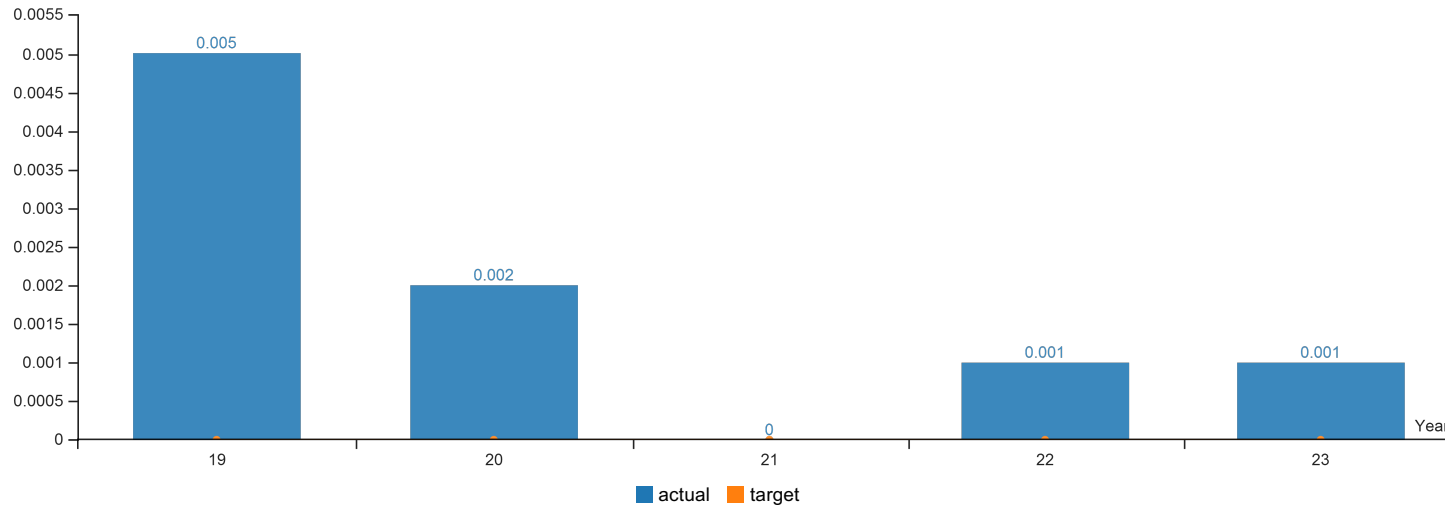
The KPM targets establish an objective for management activities to predictably generate revenue for the State.

Factors Affecting Results

The major factor affecting FY 2022 decrease in timber sale revenue was harvest volumes (208.7 MMBf) were 21% lower than FY 2021. Actual year-to-year harvest fluctuations are largely due to timber sale purchaser decisions on when to harvest during the contract period, which spans multiple years. FY2022 timber sale revenue was 6.1 percent lower than the 10-year average of \$104,596,213.

KPM #6	AIR QUALITY PROTECTION - Total number of smoke intrusions into designated areas per total number of units burned.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = negative result



Report Year	2019	2020	2021	2022	2023
Total number of smoke intrusions into designated areas per total number of units burned					
Actual	0.005	0.002	0	0.001	0.001
Target	0	0	0	0	0

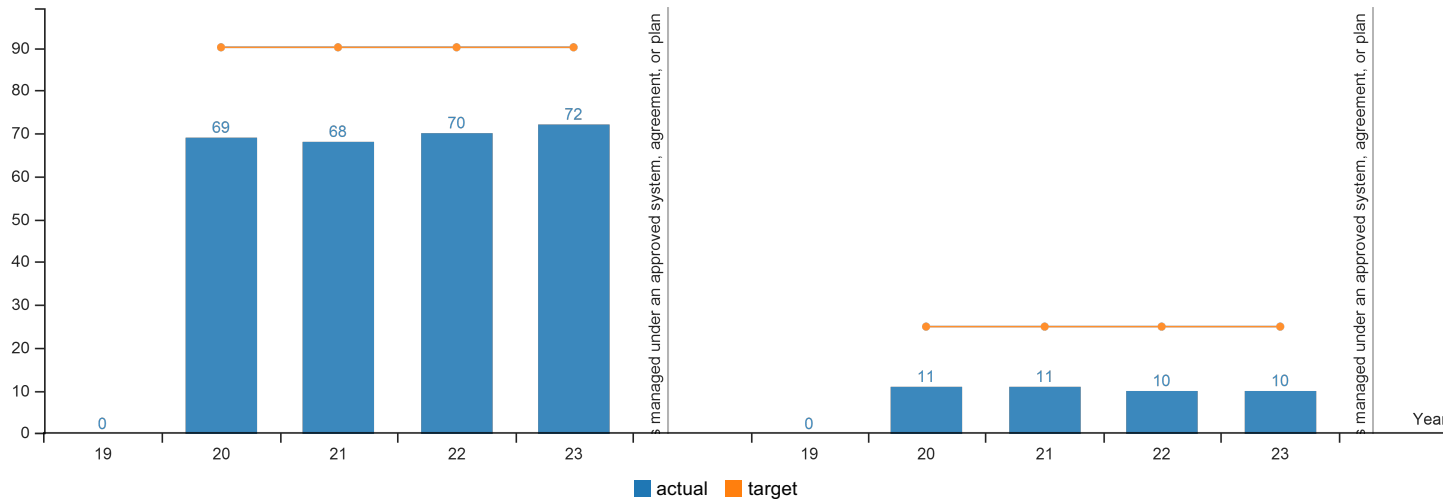
How Are We Doing

The Smoke Management Program is doing a good job of protecting Oregon's air quality while, at the same time, allowing forest landowners to dispose of unwanted accumulations of forest fuel. One intrusion occurred from 2148 units burned. The intrusion definition changed in 2019 to allow for some smoke to enter Smoke Sensitive Receptor Areas at a level that remained below 75 percent of the National Ambient Air Quality Standards. This change will allow for the increase in prescribed burning to eventually reduce the size and damage created by catastrophic wildfire.

Factors Affecting Results

In addition to restoration burning, hazard-fuel reduction, weather variations, and economic market conditions can also influence the outcome, by substantially increasing or decreasing the number of units available for burning. In 2022 heightened wildfire risk, due to persistent drought conditions, had a direct effect in reduction of the number of units burned, relative to the long-term average. The smoke intrusions that were recorded in 2022 was a result of burning done in the "Medford/Talent" area, that combined with an illegal private landowner burn producing smoke impacts to sections of the Medford, Talent, OR SSRA.

KPM #7	PERCENTAGE OF PRIVATE FORESTLAND MANAGED AT OR ABOVE FOREST PRACTICES ACT STANDARDS. - Percentage of industrial private forestlands managed under an approved certification system, stewardship agreement, or other approved management plan including wildlife habitat conservation and management plans
	Data Collection Period: Jul 01 - Jun 30



Report Year	2019	2020	2021	2022	2023
a. Percentage of total industrial private forestlands managed under an approved system, agreement, or plan					
Actual		69%	68%	70%	72%
Target		90%	90%	90%	90%
b. Percentage of non-industrial private forestlands managed under an approved system, agreement, or plan					
Actual		11%	11%	10%	10%
Target		25%	25%	25%	25%

How Are We Doing

Key Performance Measure #7 was modified during the 2019 Legislative Session to report as a percentage of forestland compared to previously reporting on acreage. With previously set legislative targets reporting by acres, prior year acreage data has been omitted from this report table. Results for the 2019 reporting year are reflected in the following narrative. The legislatively approved target for this measure in 2023 is 90 percent of industrial private forestlands and 25 percent of non-industrial private forestlands managed under an approved system, agreement, or plan.

a. Three certification systems operate in Oregon. The American Tree Farm System (ATFS) provides certification endorsed by the Programme for the Endorsement of Forest Certification schemes (PEFC). The PEFC is an international, independent, non-profit, non-governmental organization, founded in 1999, which promotes sustainably managed forests through independent third-party certification. Forest Stewardship Council (FSC) U.S. provides certification verified by Accreditation Services International, an independent accreditation body offering international, third-party accreditation for voluntary certification schemes. The Sustainable Forestry Initiative (SFI) provides certification endorsed by the PEFC.

The Department of Forestry (ODF) approves and monitors management plans, under the USDA-Forest Service's State and Private Forestry Program and enters into Stewardship Agreements (ORS 541.423) with forestland owners, who agree to manage beyond FPA standards.

ODF requested information on acres of industrial private forestland certified or approved under each system, and 72 percent (4.6 of the 6.5 million acres) of industrial private forestlands are managed under an approved certification system or stewardship agreement, as summarized below:

• Sustainable Forestry Initiative, Inc.	3,957,343 acres
• American Tree Farm System	508,315 acres
• Forest Stewardship Council U.S.	150,328 acres
• ODF Stewardship Agreements	29,395 acres
• Total	4,645,381 acres

b. ODF requested information on acres of non-industrial private forestland certified or approved under each system and 10 percent (0.4 of the 3.7 million acres) of non-industrial private forestlands are managed under an approved certification system, stewardship agreement, or forest management plan, as summarized below:

• ODF; USDA-FS Forest Stewardship Plan ^[1]	108,066 acres
• ODF Stewardship Agreements	3,131 acres
• American Tree Farm System	218,348 acres
• Forest Stewardship Council U.S.	28,634 acres
• Total	358,179 acres

[1] The Forest Stewardship Plan reported acres are down from last year's reporting. Although the program acres may fluctuate some due to various factors, this overall decline was predictable given the multi-year trend. The outlook is also for future reduction in the number of plans developed each year due to the steadily declining amount of funds that are awarded to the state from the USDA-FS through the FSP program. If the current planning level is to be maintained or increased over the next few years, it will need to be supported either through one-time funding or the leveraging of other federal programs.

Factors Affecting Results

a. Along with forestry-related agencies and organizations, the marketplace encourages forest certification. Forestland owners wanting to sell timber increasingly find that milling facilities are requiring their log supply come from certified forests. This market access requirement is motivating landowners to obtain certification from recognized third-party systems. Industrial forestland owners generally have the capacity to develop procedures to maintain certification.

Domestically and internationally, voluntary forest certification systems are used as a mechanism to recognize forest products originating from lands meeting specific management and harvesting requirements. Certification involves observation of management and harvesting requirements and is validated through third-party review. Costs are incurred by landowners to certify lands. In turn, certified forest products can access certain markets, which are otherwise closed and/or differentiated from uncertified competing goods. Regardless of certification status, all of Oregon's private and state forestlands are subject to the requirements of the Oregon Forest Practices Act and comprehensive land use plans and as such, are held to standards that in many respects are like those of certification systems.

In 2018, Oregon achieved certification with the American Society for Testing and Materials (ASTM standard on forest certification systems D7612-10 for wood grown and harvested under the Oregon Forest Practices Act and compliance of subject wood to the 2012 and 2015 International Code Council (ICC International Green Construction Code (IgCC). The recognition from ASTM will provide opportunities for private and state forestlands to access additional markets for their forest products.

In 2019, the KPM was modified to reflect the percentage of industrial and non-industrial acres whose land is under an approved certification or management system. The percentage is based upon the total acres of forestland in either the industrial or non-industrial classification. This revised reporting measure may improve understanding of the overall importance of this measure.

b. Along with forestry-related agencies and organizations, the marketplace encourages forest certification. Forestland owners wanting to sell timber increasingly find that milling facilities are requiring their log supply come from certified forests. This market access requirement is motivating landowners to develop management plans, since forest certification systems require forest management planning.

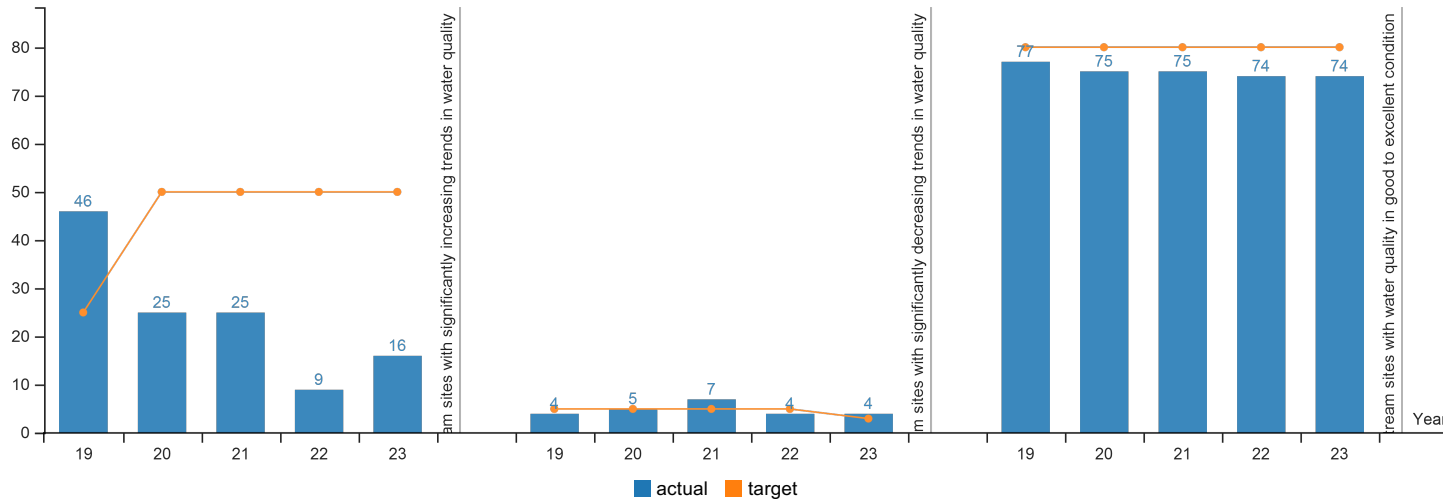
Non-industrial forestland owners often need assistance in developing inventory data and management documentation needed for certification. The cost of certification may represent a barrier for smaller ownerships. Approximately 133 thousand owners hold forestland between 1 and 9 acres in size, accounting for 328,000 acres of forests. Another 27 thousand owners have forestland holdings between 10 and 99 acres in size, accounting for 887,000 acres of family forests. The large number of owners with small holdings creates a significant challenge to achieving certification on all non-industrial forestlands.

To increase certification on non-industrial forestlands, ODF needs to provide additional technical and financial assistance to landowners for development of management plans and procedures. ODF does not receive any state support for this effort and relies solely on federal funding to conduct this work. ODF works with multiple organizations to promote the development of forest management plans and the mutual recognition of approved plans.

In 2019, the KPM was modified to reflect the percentage of industrial and non-industrial acres whose land is under an approved certification or management system. The percentage is based upon the total acres of forestland in either the industrial or non-industrial classification. This revised reporting measure may improve understanding of the overall importance of this measure. NOTE: Collection dates varied for KPM 7 as follows:

- SFI and America Tree Farm data collected - June 30, 2023
- FSC data collected - June 2023
- ODF; USDA-FS Forest Stewardship Plan data collected - June 2023

KPM #8	FOREST STREAM WATER QUALITY - Percent of monitored stream sites associated predominately with forestland with significantly increasing trends in water quality.
	Data Collection Period: Oct 01 - Sep 30



Report Year	2019	2020	2021	2022	2023
a. Percent of monitored forested stream sites with significantly increasing trends in water quality					
Actual	46%	25%	25%	9%	16%
Target	25%	50%	50%	50%	50%
b. Percent of monitored forested stream sites with significantly decreasing trends in water quality					
Actual	4%	5%	7%	4%	4%
Target	5%	5%	5%	5%	3%
c. Percent of monitored forested stream sites with water quality in good to excellent condition					
Actual	77%	75%	75%	74%	74%
Target	80%	80%	80%	80%	80%

How Are We Doing

a. In 2022, 16% percent of monitored forest stream sites showed increasing trends in water quality. While the percent of forested streams with increasing trends in water quality has remained higher than all other land uses (14% of all land uses show increasing trends in water quality) the target for monitored forest streams was not attained this year. However, most forested stream sites continue to remain in the good to excellent category (74%). The number of streams with good to excellent water quality remains steady for over the past 6 years. No increasing or decreasing trend was observed on 81 percent of monitored forest stream sites.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for agricultural lands in Oregon indicate 5 percent of monitored agricultural stream sites with increasing trends in water quality. Statewide data for 2022 for all land uses, including agricultural and forest lands, indicate 8 percent of monitored stream sites with increasing trends in water quality.

b. In 2022, two monitored sample points (4 percent) showed significantly decreasing trends in water quality. Compared to last year this is the same number of monitored sampled points that indicate significantly decreasing trends in water quality and represents no change in overall water quality trends. This year the target was met as it was in 2021. It is important to note that about half of the

ambient sites statewide, and a large majority (74%) of forest monitoring sites continue to have "good" or "excellent" water quality and that has remained consistent over the last eleven years. No increasing or decreasing trend was observed on nearly 81 percent of monitored forest stream sites.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for mixed land use in Oregon indicate 4 monitored stream sites showing a decreasing trend in water quality. Statewide, data for 2022 for all land uses, including agricultural and forest lands indicate 18 monitored stream sites (11 percent) with decreasing trends in water quality, which is overall no change in 2022 to overall stream water quality in Oregon.

c. In 2022, 74 percent of monitored forest stream sites showed "good" to "excellent" water quality, which is just slightly below the target of 80 percent. Except for the past 5 years, monitored sites on forestland met or exceeded the target (which increased in 2018) every year since 2009 when this measure was established. About half of the ambient sites statewide continue to have "good" to "excellent" water quality and that has remained consistent over the last ten years. 2022 is the first year that none of the monitored sites in forest land use have a status of very poor.

The performance is based on the Oregon Water Quality Index (OWQI). The OWQI describes general stream water quality status and trends. The OWQI also shows the general effectiveness of water quality management activities. No industry standards exist. However, 2022 data for agricultural lands in Oregon indicate about 24 percent of monitored agricultural stream sites with water quality in good to excellent condition. Statewide data for 2022 for all land uses, including agricultural and forest lands indicate about 49 percent of monitored stream sites with water quality in good to excellent condition. These comparisons demonstrate that maintaining forestlands in forest use is an effective and efficient way to maintain water quality.

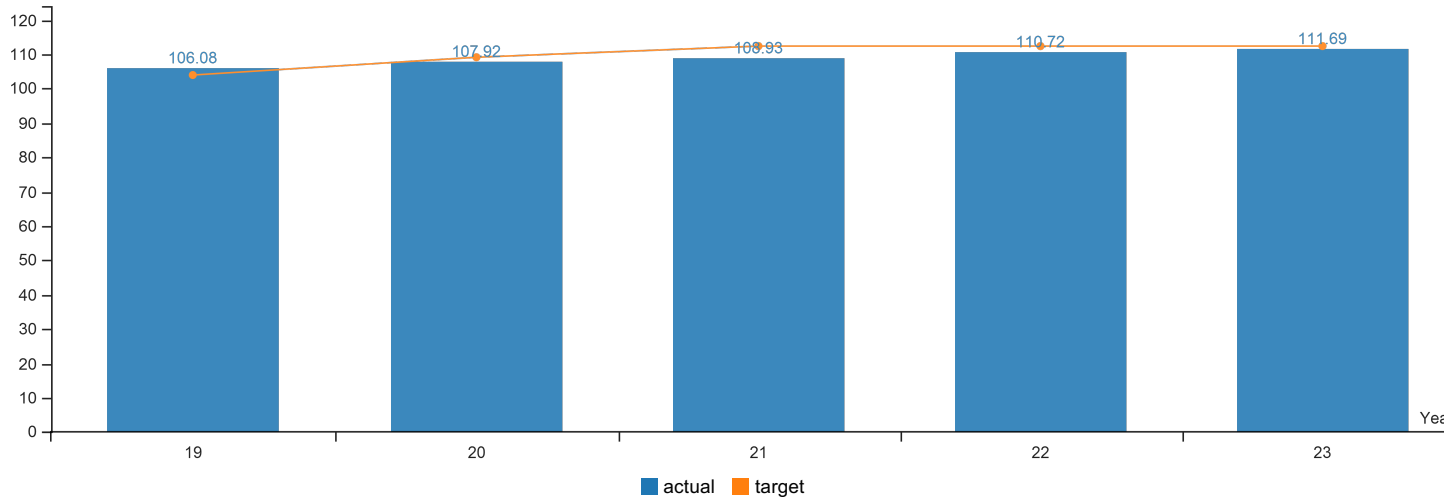
Factors Affecting Results

Additionally, statewide targets were revised in 2019. Where sites show significant improvement that is not affected by point source discharges, such improvements may be attributed to the following: reduced levels of non-point source activity, increased education about water quality impacts, and watershed restoration efforts. Underlying all these factors are stream flow conditions as Oregon transitions between drought and wet years, changes in stream flows may indirectly affect observed water quality. A variety of activities occurring on forestlands, including forest management (timber harvesting and road construction/use), fire suppression, recreation, and livestock grazing may impact soil and water resources. Disturbances that trigger large erosion events can produce important changes in aquatic conditions. These episodic changes are critical in maintaining aquatic habitat over time, even though they may temporarily decrease water quality.

Disclaimer: The OWQI used in this KPM is one of many tools to understand Oregon water quality conditions statewide. The ambient network is not a randomly selected, statistically valid sample of water quality conditions statewide. Sampling sites were selected to reflect the integrated effects of land use and point source discharges upstream of them. The data is representative of just the sampling site and does not represent the water quality conditions of other locations in the same basin or of the whole river (DEQ, 2019).

KPM #9	VOLUNTARY PUBLIC AND PRIVATE INVESTMENTS MADE TO CREATE HEALTHY FORESTS - Cumulative public and private forest landowner investments made in voluntary projects for the Oregon Plan for Salmon and Watersheds or for the Oregon Conservation Strategy.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Private forestland owner investment in Oregon Plan habitat restoration projects - \$ in millions					
Actual	\$106.08	\$107.92	\$108.93	\$110.72	\$111.69
Target	\$104.06	\$109.25	\$112.50	\$112.50	\$112.50

How Are We Doing

Private forestland owners have made significant investments in improving water quality and fish habitat. Reported cumulative investments for 2022 was \$111.69 million compared to a target of \$112.5 million. The 2022 accomplishment level represents the fourth year out of seven, that cumulative private investments in Oregon Plan for Salmon and Watersheds (Oregon Plan) did not meet the target. In 2022, private forestland owners invested \$0.97 million which continues to show the high level of contribution private forestland owners provide to improve water quality and fish habitat through voluntary restoration measures. The Department had expected the rate of expenditures to decline over time as more projects were completed and opportunities for restoration decreased. The great recession caused a steep drop in investment, corresponding with the decline in timber harvest during that time. However, during 2013-2022 period, restoration activities are increasing (compared to the 2003-2012 period) based on the reported average annual contributions of approximately \$1.6 million average investment per year for this period. Currently, data is not available for investments under the Conservation Strategy.

Private forestland owners are the major contributor to the Oregon Plan accomplishments, providing over 80 percent of reported private land accomplishments. Oregon is unique among western states in its focus on voluntary measures, which work in concert with regulatory approaches to achieve additional habitat protection and restoration.

Voluntary restoration activities by landowners, combined with continued regulatory compliance, provide a foundation for the success of the Oregon Plan in protecting and restoring water quality and fish habitat on forestland. The Oregon Conservation Strategy provides an analogous voluntary framework for restoration of all habitat types. The Conservation Strategy emphasizes proactively conserving declining species and habitats to reduce the possibility of future federal or state listings. The strategy presents issues and opportunities and recommends voluntary actions that will improve the efficiency and effectiveness of conservation in Oregon. The Department revised its stewardship agreement program to improve efficacy of encouraging forestland owners to self- regulate to meet

and exceed applicable regulatory requirements and achieve conservation, restoration and improvement of fish and wildlife habitat and water quality. The Department continues to implement a programmatic Safe Harbor Agreement for Northern Spotted Owls to provide regulatory certainty and encourage voluntary enhancement of owl habitat for landowners who choose to participate. In 2019, the stewardship agreement tool had increased interest and resulted in nearly 32,000 acres enrolled because of a new agreement with one large landowner in Northwest Oregon who focused on aquatic and terrestrial conservation strategies for listed threatened and endangered species.

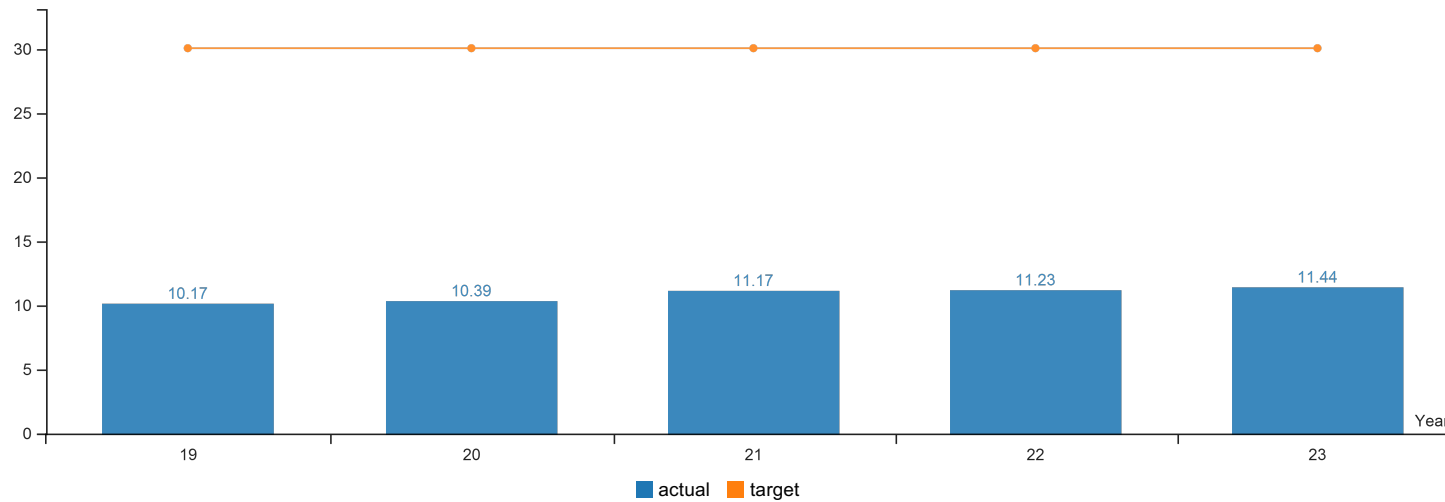
Factors Affecting Results

The Oregon Plan has been successful because of the strong forestland owner community who work with watershed councils and the Department to achieve restoration and protection goals for natural resources. There continues to be broad support for voluntary measures coupled with regulatory mandates. ODF Stewardship Foresters provide education and technical assistance to landowners in support of restoration activities. The previous economic downturn in the late 2000's significantly affected the housing market and corresponding demand for wood products. Economic conditions have improved since 2012 resulting in steady investments and contributions to watershed restoration efforts. Moving forward, the Department is implementing a revised regulatory and landowner assistance program associated with approved legislation and adoption of more protective administrative rules for forest operations near streams and other sensitive sites. This legislation will provide additional resources to help implement programs including the Oregon Plan. The Oregon Plan funding supports coordination with watershed councils and other groups that encourage restoration.

The Department is aware that reporting and implementation of voluntary restoration projects is not occurring at a high enough percentage to capture a comprehensive view or encourage additional investments by private forestland owners.

KPM #10	STATE FORESTS NORTH COAST HABITAT - Complex forest structure as a percent of the State Forests landscape.
	Data Collection Period: Jul 01 - Jun 30

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Complex structure as a percent of the State Forests landscape					
Actual	10.17%	10.39%	11.17%	11.23%	11.44%
Target	30%	30%	30%	30%	30%

How Are We Doing

The amount of complex structure on State Forests demonstrates a steady or slightly increasing trend since 2018. The decrease from 2017 to 2018 was largely a result of a change in how the amount of complex structure is estimated. When considered by District, the fiscal year 2022 data show that 17.00% of Astoria district, 10.12% of Forest Grove district, and 9.00% of Tillamook district are in complex forest structure.

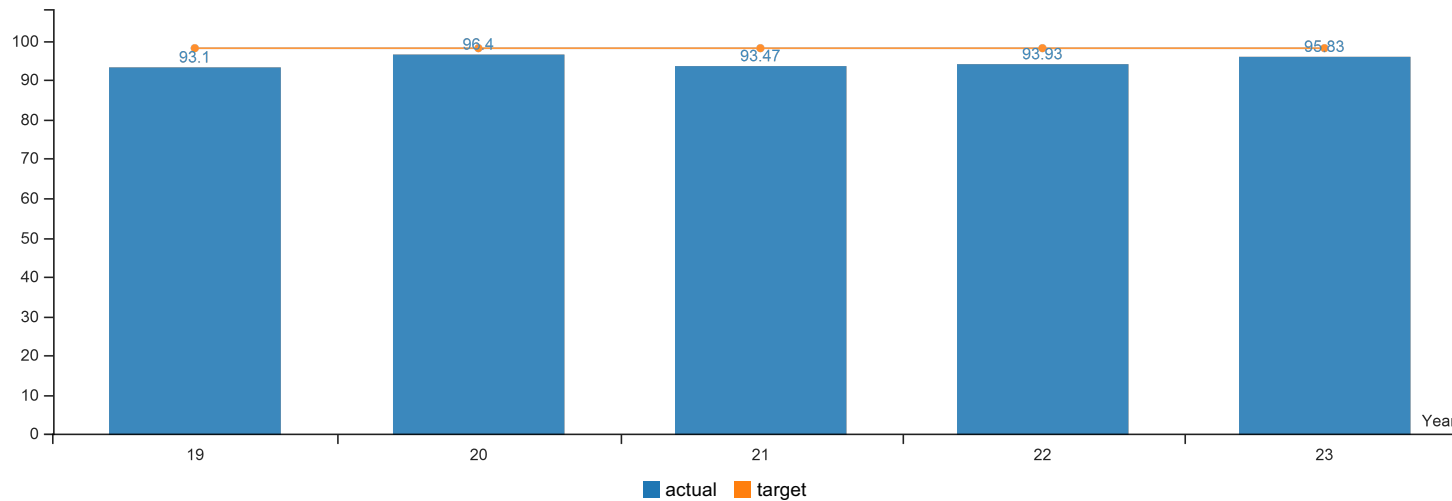
Factors Affecting Results

Complex forest structure develops very slowly, and it is anticipated to take decades to achieve the range of 30 to 50% complex structure now described in the forest management plans. ODF's Stand Level Inventory (SLI) system is not designed to report on year-to-year difference but rather reflect our updated understanding of the landscape.

The year-to-year changes in complex structure are the result of updates to SLI data as well as active management designed to enhance the development of complex forest structure over time.

KPM #11	FIRE SUPPRESSION EFFECTIVENESS - Percent of wildland forest fires under ODF jurisdiction controlled at 10 acres or less.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Percent of wildland forest fires controlled at 10 acres or less					
Actual	93.10%	96.40%	93.47%	93.93%	95.83%
Target	98%	98%	98%	98%	98%

How Are We Doing

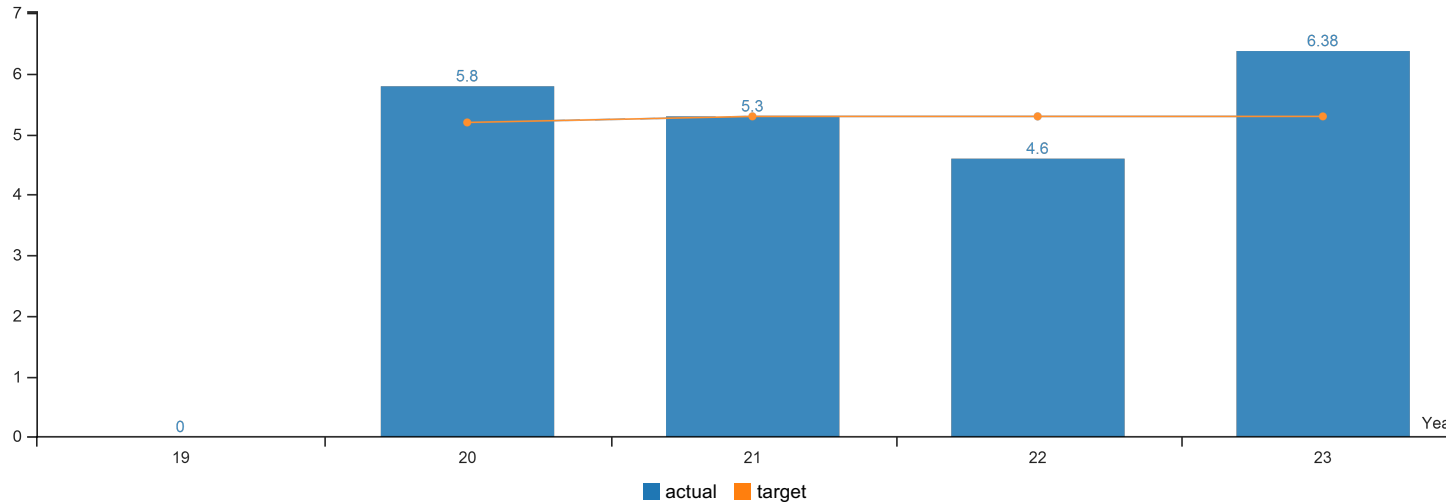
The Department was not able to meet the target of suppressing 98 percent of all wildfires at ten acres or less in size for the 2022 fire season. We were 2.17% under target at 95.83%.

Factors Affecting Results

Influencing factors: Early 2022 weather outlooks indicated an above average fire season in Oregon, requiring early preparation and heightened preparedness. Passage of landmark legislation in 2021, Senate Bill 762, allowed for seasonal firefighters to be hired earlier, and additional resources were activated to be at the ready for increased initial attack response and for the potential of large fires. Despite the early significant fire potential outlooks and continuing drought, spring rains covered much of the state into June, delaying the major onset of the fire season. In late June and into July, thunderstorms passed over Oregon, and trace but measurable precipitation temporarily relieved some areas under drought conditions. Fire activity in early 2022 was below average from April through July, and the actual start of fire season was delayed in several districts. However, August brought excessive heat warnings and thunderstorms and ODF braced for mass dry lightning ignitions. ODF recorded 159 lightning fires from a total of 11,337 strikes across the state. The first early August lightning storm rolled over southwest Oregon resulting in two complexes consisting of 43 and 23 separate fires during a five-day period. Early detection and aggressive initial attack kept all 66 fires from becoming large costly incidents. In mid-August, the Double Creek fire in northeast Oregon was detected at 1 acre by the ODF Multi-Mission Aircraft, and SB762-supported pre-positioned aircraft were deployed in a cost-share agreement with the USFS. The fire burned 171,532 acres, but only 9,986 acres, less than 6%, burned on ODF-protected lands. The Rum Creek fire in southwest Oregon was detected early by ODF detection cameras. The BLM Western Oregon Agreement/Operating Plan applied to this fire that burned 21,347 acres, with only 2,873 acres, or 13% burned on ODF-protected lands. In September, The Van Meter lightning fire burned 2,639 acres, with 1,162 acres, or 44% burned on ODF-protected lands. In the north Cascades foothills, the Milo McIver fire threatened the state park and 550 homes in the wildland urban interface and qualified for a FEMA Fire Management Assistance Grant. Fast dispatch and response with pre-positioned aircraft minimized damage to the state park and kept the fire to only 34 acres. Support from the Oregon Legislature, early detection with innovative tools such as detection cameras and multi-mission aircraft, and initial attack success kept 95.83% of ODF fires at less than 10 acres.

KPM #12	PREVENTION OF HUMAN-CAUSED WILDLAND FOREST FIRES - Number of Oregon residents per human-caused wildland forest fires. (population expressed in thousands of residents) This metric measures the ability to maintain or reduce the number of human-caused wildfires as the population of Oregon increases. An upward trend indicates a positive result.
	Data Collection Period: Jan 01 - Dec 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Number of Oregon residents per human-caused wildland fire					
Actual		5.800	5.300	4.600	6.380
Target		5.200	5.300	5.300	5.300

How Are We Doing

Key Performance Measure #12 was modified during the 2019 Legislative Session to report as a number of Oregon residents per human-caused wildfire compared to previously reporting the number of human-caused wildfires per 100,000 Oregon residents. With previously set legislative targets reporting on the number of fires, prior year data has been omitted from the report table. Results for the 2022 reporting year are reflected in the following narrative. The legislatively approved target for this measure in 2022 is 5.3 thousand Oregon residents per human-caused wildfire (population expressed in thousands of residents).

The fire prevention program continues to examine new and effective approaches to prevent human-caused wildland fires. There were 671 human-caused wildland fires in 2022. With Oregon's population in 2022 totaling 4,281,251 the resulting fire prevention rate of 6.38 thousand Oregon residents per human-caused wildland forest fire exceeded the target. The 10-year average of human-caused wildland fires is 768 fires annually.

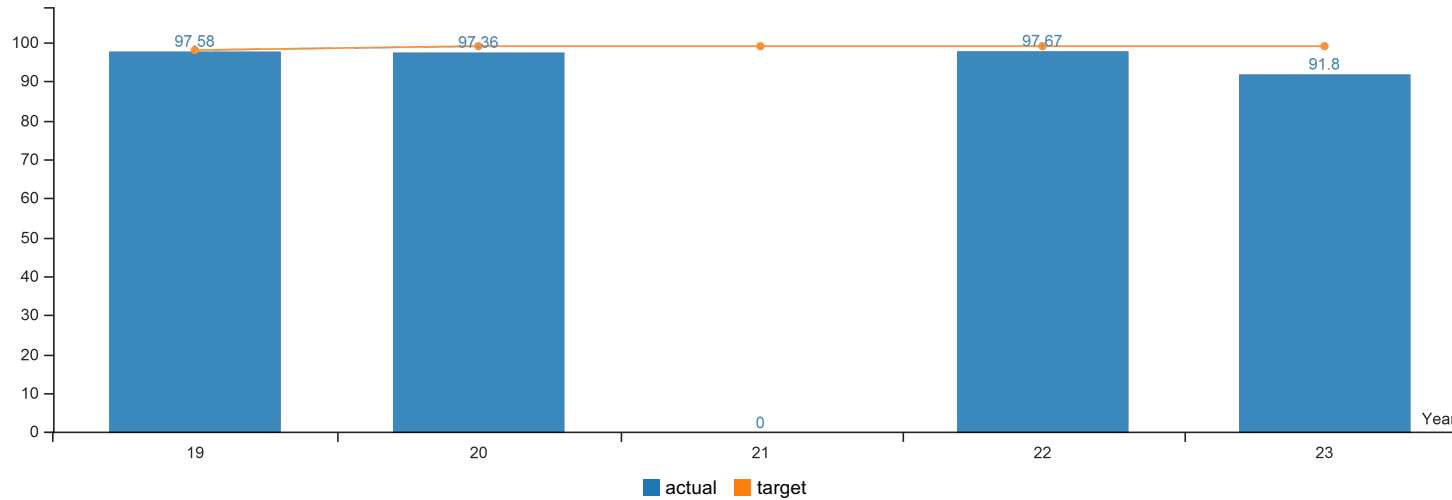
Factors Affecting Results

Steady increase in Oregon's population and the use of forestland for recreation as well as increasing rural residential home sites are key components for these results. Heavily populated areas of the state, where weather and fuel conditions are aided by public activities, such as debris burning, equipment use, and forest recreation, drive the data.

KPM #13 DAMAGE TO OREGON FORESTS FROM INSECTS, DISEASES, AND OTHER AGENTS - Percent of forest lands without significant damage mortality as assessed by aerial surveys.

Data Collection Period: May 01 - Oct 31

* Upward Trend = positive result



Report Year	2019	2020	2021	2022	2023
Percent of Oregon forestlands without significant damage from insects, diseases and other agents					
Actual	97.58%	97.36%		97.67%	91.80%
Target	98%	99%	99%	99%	99%

How Are We Doing

The percent of Oregon forestlands without significant damage from insects, diseases and other agents has held steady the last few years but is again below recent KPM targets, which have increased over the years. The ongoing statewide drought continues to reduce the resilience of our forests to additional stressors, and we will likely see the percent of Oregon forestlands without significant damage hold steady or decrease over time as our forestlands continue to be stressed by drought.

In 2022, despite aircraft and staffing shortages we completed the entirety of our annual statewide aerial survey. We conducted ground checks in known problem areas and areas damaged by disturbance events such as recent storms, wildfire and chronic drought. From aerial and ground surveys it was clear that the trend from the last decade continues, and most tree mortality detected has been due to a combination of climate change impacts and secondary attack by bark beetles. Most significant was the record breaking 1 million acres with true fir mortality from ongoing hot droughts and unmanaged root disease. The 2021 heat dome and continuing drought trend has contributed to reduced resilience and dieback for most of our tree species across the state, despite lower temperatures and higher precipitation in our final year of a La Niña cycle.

Cooperative statewide trapping surveys and monitoring for invasive spongy moth (previously gypsy moth) detected seven moths across several Willamette Valley and coastal counties which will be trapped again in 2023 to isolate proposed insecticidal eradication areas. Emerald ash borer was detected for the first time in a western state in June 2022 in Forest Grove. This detection initiated a multiagency effort on slowing the spread as outlined the Oregon Emerald Ash Borer Readiness & Response Plan.

Efforts to quarantine and slow the spread of Sudden Oak Death, an exotic disease affecting tanoak, have been ongoing along the southwestern coast of Oregon. In 2022, SOD monitoring included 60 stream bait sites, 469 acres of ground transect surveys, and interpretation of 379,000 acres of aerial imagery. The new clonal lineage of Sudden Oak Death (NA2) that was detected outside of Orford in 2021 was treated within 300-600 foot buffer areas.

Factors Affecting Results

Over the last decade, an average of over 1 million acres of forest lands have been designated as having been significantly affected by insects, diseases, and other damaging agents during aerial surveys. Thousands more acres are unhealthy and under-producing due to being overstocked, planted with off-site species, exposed to environmental stresses such as drought, and stagnating from the suppression of natural fire cycles. These acres are becoming increasingly susceptible to damage by environmental stressors, insects and diseases. While the statewide aerial survey data provides valuable information about key forest damaging agents, aerial surveys are just an estimate and are not able to evaluate the impact of many forest diseases, nor indicate the current or future risk of forests to damage by environmental stressors, insects and diseases. In Oregon, thousands of acres of forests need active management to reduce the risk of insect outbreaks and catastrophic wildfires to produce resilient and sustainable forests. A century of fire suppression and inconsistent forest management has resulted in thousands of acres of Oregon's forests becoming overstocked and unhealthy. In addition, changing climatic conditions that contribute to drought directly cause damage or increase susceptibility to insects and disease. Thinning stands to reduce competition, promote tree health and vigor, and increase age and species diversity, have been shown to reduce the risk associated with many damaging insects and diseases. Federal bark beetle mitigation grants, administered by the Department's stewardship foresters, provide cost share funds to landowners to implement activities to improve forest health and increase stand resistance to bark beetles. Federal National Fire Plan funds also provide cost-share to landowners to improve forest health and prevent damage within the wildland-urban interface. However, as limited funds are available each year, the total acres of private forest lands treated annually is relatively limited and is unlikely to affect overall statewide trends. Additionally, statewide targets were revised in 2020.