



Sustainable Forestry Council

580 Taylor Avenue – E-1 • Annapolis, Maryland 21401 • 410-260-8531

Tuesday, June 7, 2016

12-4:30 pm

Urbana Library, Frederick, MD and Conference Call 1-888-450-5996

Eric Sprague
American Forests,
Washington, DC

Donald Outen
Natural Resource
Manager
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Towson, Maryland 21204

Gary Allen
Center for Chesapeake
Communities
Annapolis, MD 21401

Kirk Rodgers
Private landowner
Woolford, MD 21677

Kim Finch
MNCPPC,
Prince George's Co.
Planning Dept.
Upper Marlboro, MD
20772

Kenneth Roberts
Verso Corporation
Westernport, MD 21562

Alberto Goetzl, chair
Dream Catcher Farm,
LLC
Adamstown, MD 21710

Bryan Seipp
Center for Watershed
Protection
Ellicott City, MD 21043

Minutes

Attendees:

Al Goetzl
Kirk Rodgers
Ken Roberts
Don Outen
Gary Allen
Kim Finch

DNR:

Donald VanHassent
Anne Hairston-Strang
Dan Rider
Rob Feldt

Guests:

Tom Johnson and Joe Hinson
Mike Wilkins, Frederick Co.
Christine Cadigan
David Etter

Action items:

Request Chesapeake Conservancy present on forest cover data products due this summer.
Identify Treasurers office methods for assigning tax revenue from wooded parcels

Minutes:

Following a morning field tour of silviculture at the Frederick City Watershed led by Mike Kay and Sean Weaver, Al Goetzl called the meeting to order at 12:20pm at the Urbana Library in Frederick, MD. Introductions were made. Draft minutes from the March call were reviewed, Gary Allen moved to approve, Ken Roberts seconded, and all

approved.

Rob Feldt presented the current status of tree canopy tracking in Maryland, including the University of MD product from the NASA-funded Carbon Monitoring System project from 2011 imagery, a Chesapeake Conservancy project from 2013 imagery, and a University of Vermont tree canopy loss in Prince George's and Montgomery Counties. The mapping is available at a useful 1m scale. The current estimate for Maryland forest cover is 39%, based on the USDA Forest Service Forest Inventory and Analysis (FIA) data. Maryland has averaged 7,000 acres per year of forest loss, a continuing downward trend over the past several decades. The pilot urban FIA inventory for Baltimore City was discussed, noting that it will be several years before the panels are complete and estimates available for the city. MD DNR is using the UMD data to estimate tree canopy by jurisdiction, and ongoing quality control steps are expected to take 6 months to complete. Gary Allen asked about the dates of the imagery, and Rob replied that most of it is from 2011. The SFC raised the issue of aligning tree cover imagery dates with the 2013 no-net-loss of forest policy, how to close the time gap in analyzing data, and assuring appropriate data in the future. They requested that the Chesapeake Conservancy do a future presentation on their forest/tree cover data.

SFC members discussed the effects of imagery and the new modeling and crediting approaches for urban tree canopy in the Chesapeake Bay, which will become effective in 2017 with the new Bay

model structure. They noted that urban tree canopy planting and new policies about forest loss will have water quality implications, and potential to mitigate higher pollutant loadings in urban areas.

Joe Hinson (Northwood Natural Resources Group) and Tom Johnson (Eastern Shore Forest Products) spoke about forest products markets for sustainable forestry. They reviewed the experience of Eastern Shore Forest Products, which is now selling throughout the Northeast, expanding west and south. They produce mulch, wood shavings, and guard rail posts, going from 60 employees in 2006 to 150 in 2015. During the economic downturn in 2009/2010, they ran short on wood supply, so discontinued guard rail posts to be able to expand other products, an example of the need to keep innovating to avoid decline. They noted the importance of the legacy of a good forest products industry in MD and the associated good-paying jobs. Maryland has 2/3 of forest in their source area, but only supplies 1/3 of wood used, with Delaware and Virginia supplying disproportionately more. Their business would like to consider State land exchanges for woods near mill, and trade small nearby parcels that would form larger contiguous forest blocks for the State. Average tract size harvested in 2000 was 60 acres, and is now 20 acres. They raised questions about State forest land management on the Eastern Shore, including 1) whether it is possible to increase acreage of final clearcut harvests while maintaining sustainable forest certification, 2) whether silvicultural goals could reflect the emergence of new fiber-based industry and markets for smaller products (e.g., a rotation age of 35 years vs 70, with product sizes of 8-14 inches), and 3) whether smaller isolated pine tracts can be managed more intensively for shorter rotations while maintaining environmental values on the overall land management unit. Kirk Rodgers cited loss of markets as disincentive to keeping forestland, in addition to sea level rise affecting some coastal pine stands, and said that a switch in silvicultural approach to manage for a 30-yr rotation could give greater value than the commonly used 70+year rotation for pulpwood thinnings and sawtimber final harvest. Committee members suggested that industry or others could do a better job of educating landowners and foresters on new opportunities, and the ecological/financial implications, and encouraged commenting on the Chesapeake/Pocomoke Annual Work Plan during public review. The majority of fiber source is from private lands, and outreach could motivate other landowners to produce the desired products.

Gary Allen pointed out the fundamental challenge of forest loss and use of easements to keep forest rather than developed land uses. Dan Rider brought up the challenge of availability of timber, and changing values of landowners who may not want to harvest, and increasing number of landowner with smaller parcels, and future strategic role of public lands as a steady supplier that will continue to be harvested at sustainable rates even in market downturns. Ken Roberts said that a forest management plan was just the start, and success with private landowners is one on one, assisting with the harvest process, in the woods with a forester, and a network of neighbor contacts.

Dan Rider reviewed the role of public land certification and commitment to Delmarva Fox Squirrel habitat protection (50% sawtimber goals) and delisting, reducing regulatory restrictions on private lands. He provided an update on the new harvesting best management practices that become effective in July, with less slope expansion for buffer widths, similar buffering for blue-line mapped streams, and required protection for waters of the state, which has greater uncertainty and scope for interpretation. There is a potential avenue for general permits for waters of the state crossings with designated BMPs. Ken stated that good data on BMP effectiveness was needed, as in VA and WV. Anne noted that a study is underway now and should be available next year. The SFC discussed potential steps of encouraging MDE to address forestry issues, and could consider future legislation to address forestry and stream crossing permits.

Mike Wilkins with Frederick County Dept. of Planning and Development Review administers Frederick County Forest Resource Ordinance and gave a brief summary of the county's approach. Frederick County briefly had a no-net-loss approach to FCA, but not long enough to assess effects; county regulations were changed to not exceed state requirements, with forest banking only on agricultural lands. They reviewed 24,000 acres of development since 1991 that had 6,300 acres of forest, with break-even calculations allowing 870 acres of forests cleared, requiring planting 235 acres through fee-in-lieu payments, resulting in a loss of 544 acres over 25 years. This doesn't include family lots. Frederick County requires perpetual forest conservation easements, and spring can bring clearing. The more stringent specimen tree language in recent FCA law changes has required more Council approval beyond staff review, but penalties are not clear, and should reflect the value and difficulty of replacing larger trees. When asked about illegal timber harvesting, Mike noted that he rarely sees it.

David Etter with MD Dept. of Assessments explained the office's role for Forest Conservation Management Agreements (FCMA) and Woodland Assessment Program (WAP). David explained that the office calculating the rollback tax is a strong incentive for landowners to continue the FCMA, since departure from the program requires paying back all tax abatements from the initial signup, including renewals after 15 years. Properties have to be at market rates of tax assessment for 4 years before they qualify for a new agreement. He explained that the DNR Forester for Frederick County now uses a stewardship agreement or Woodland Assessment that do not contain the rollback provisions. Statewide rates are \$187.50/acre for WAP and \$125/acre FCMA. He noted that woodland also can qualify under agricultural use (20% use) up to 75% wooded, with ag use tax of \$500/acre if they never had received ag use before. Ag transfer taxes are due only if not continuing a woodland assessment program. If a 10 acre property sold for \$100,000 and had no well, it would be taxed 4%, \$4,000 plus a 25% surtax to get out of the plan. For properties that are continuing to receive preferential rates under a forest management plan, they need a declaration of intent to keep the plan/forest or pay tax to get the deed stamped or recorded. Discussion included wooded status if it is under a forest management plan/program, and status if the entire property is wooded vs. multiple land covers. The Treasurers office identifies status, assigns the split between county and state, and whether the tax goes to MALPF, or WIF. Tax rates are 3% with a well completion certificate + 25% surtax under 20 acres, 4% rate with no well completion certificate + 25% surtax under 20 acres, and 5% over 20 acres. Landowners can set out a 1-acre minimum home site, and retain a plan on the remainder. SFC members suggested following up through the Woodland Incentive Fund Task Force to determine how ag transfer taxes are assigned in different counties, and possibly Forestry Boards.

Don VanHassent provided a DNR Forest Service update, stating that the Forest Service is ending the FY16 budget in the black, and future funding is essentially flat for next fiscal year. He thanked Al and Gary for testifying during the budget hearing and identifying the impacts of SB862, and explained that DNR and DBM are pursuing solutions to try to keep stable funding for the unit. Members were interested in identifying ways to inform the MFS budgets, and discussion included letters to the secretary to express keen interest in outcomes, hearings, and approaching their members of the legislators, particularly budget and appropriation committees.

Gary Allen gave an update on Woodland Incentive Fund Task Force, which is in the process of being extended. The future meeting date of Sep. 27 was proposed. Al Goetzl adjourned the meeting at 4:40pm.

Respectfully Submitted,
Anne Hairston-Strang
MD DNR Forest Service