

Mohawk Trail Woodlands Partnership (MTWP) Advisory Committee Meeting

October 20, 2015

Berkshire East Ski Lodge, 66 Thunder Mountain Road, Charlemont, MA

Staff: P. Sloan, A. Larose, T. Matuszko, B. O'Connor, D. Raimo, E. Coughlin

Members Attending: Dicken Crane, Larry Flaccus, Kyle Hanlon, Jay Healy, Fred Jajko, Jim Moore, Jim Niedbalski, Joe Nowak, Arthur Pantermehl, Jr., Charlie Thompson, Walt Quist, Whit Sanford, Art Schwenger, Scott Sylvester, Wendy Ferris

Others Attending: Paul Mark, State Representative 2nd Berkshire District

1. Introductions

T. Matuszko commenced the meeting at 6:05 PM and had members of the Advisory Committee introduce themselves.

T. Matuszko noted two Advisory Committee member changes. Jim Niedbalski has replaced Drew Jones of the Hoosic River Watershed Association and Charlie Thompson has replaced Jeff Hutchins of the Massachusetts Forest Alliance.

2. Review and approval of May 19, 2015 Meeting Notes:

Art Schwenger motioned to approve the meeting notes of May 19, 2015 and the motion was seconded by Jay Healy. Walt Quist and Kyle Hanlon abstained from voting. The Advisory Committee approved the meeting notes.

3. Request by Town of Peru to Join the MTWP Program

T. Matuszko notified the Committee that the Town of Peru had requested to join the MTWP study area, increasing the size from 20 to 21 towns.

Representative Paul Mark addressed the committee, stating that the Town of Peru's desire to join the MTWP study area was expressed by a vote of the Board of Selectmen. Rep. Mark also stated that an oversight early in the MTWP process left Peru out of the process. Jay Healy motioned to add the town to the MTPW. The motion was seconded by Whit Sanford. Discussion was then heard.

Question: Would there be any "detriment" caused by adding Peru to the study area?

Response: Peru definitely compliments the study area, and would add to the resource base in the MTWP. However, if other towns seek to join the MTWP at this point, this would impact the resource allocations, such as those found in the budget that was developed over the summer. Additionally, this would be especially difficult after any potential legislation is filed.

Comment: This has little downside. For communities that "are fearful of the feds," seeing that other towns want to join is a good indication for the project.

Question: How will this impact the existing report and 20-town study?

Response: Staff will not revise the plan due to lack of budget. However, an addendum to the plan, with included statistics about Peru will be included. Moving forward, the business plan, legislation and governance structure would include Peru.

Question: Have other towns expressed interest in joining? This might be a good time to include them.

Response: Some towns have expressed interest, but they are not contiguous to the study area.

The Committee voted to accept Peru into the MTWP study area. The motion passed unanimously. The Town of Peru will have to formally appoint a representative to the committee.

4. Review and Vote on Final Draft of Chapters 5-8

P. Sloan requested a final vote of endorsement of Chapters 5-8 before the Committee and RPA's presents this material on a regional basis.

Art Schwenger motioned to approve the chapters and Kyle Hanlon seconded. Discussion was heard.

Comment: Please revise "Shelburne Falls Area Business Association" to read "**Greater** Shelburne Falls Area Business Association" in Chapter 8, Page 1.

Response: Staff will revise.

The Committee voted to approve the chapters. The motion passed unanimously.

5. Presentation and Discussion on Draft Business Plan for MTWP

P. Sloan presented the draft business plan, stating that the intent is to create a long-term financial structure that will be sustainable after any initial state or federal appropriations. The business plan has a narrative, and a draft budget, where most of the detail is located.

The draft budget for the MTWP is located on page 3 of the handout. The draft federal appropriation request is \$5 million/year over a 4 year period, with a \$1.25 million yearly match over 4 years from the state. The bulk of these appropriations will create a trust fund that will be used to fund projects in the 5 programmatic priorities of the MTWP. These include forest-based economic development, natural resource-based tourism, municipal financial sustainability, sustainable forestry, and land conservation. A non-profit entity in partnership with the USFS and the state is proposed as well. It is assumed in the budget that the non-profit would have two staff members, an executive director and an administrative support staff member. Part of the budget is allocated toward staff salaries.

Four main budget items to be funded are included under the forest-based economic development program. These include a visitor/education/marketing center (that will also house staff members), a forest viability program, a revolving loan fund (RLF), and potential lease payments for the visitor's center.

Payments to towns under the Municipal Financial Sustainability aspect of the plan are based on a payment of \$25,000/year to each participating town for a total of \$500,000 to the region each year. This overall figure of \$500,000 would help to offset the shortfall in state PILOT payments to towns in the 20 town study region, which is approximately \$330,000. These funds could help with road maintenance or providing emergency services.

Question: Are more than two staff proposed?

Response: No, however, it is hoped that at least one high level U. S. Forest Service employee will be located at the multi-function center to help with coordination between the non-profit and the U. S. Forest Service. This employee would be funded by the U. S. Forest Service.

Question: Why does the RLF show up on the budget twice?

Response: This shows up twice due to the fact that loans from the RLF will be repaid; this is both a cost and source of funding. It is hoped that the RLF payments/repayments will balance out.

Comment: The multi-function center could also be used for tourism and to assist with marketing and promotion.

T. Matuszko stated that the budget emphasizes long term sustainability. It is hoped that it would bring in other organizations that would want to add value to the MTWP.

Comment: If we are going to sell this plan to the towns, only \$500,000 for all 20 towns is not a large amount. It seems like the towns are not a big winner in this scheme.

P. Sloan stated that the towns would also benefit from the economic development aspects of the plan as well as in preserving their rural character.

B. O'Connor stated that most of the money in the initial appropriation will go directly to the trust fund. The commitment to placing money in the trust fund under the proposed scheme, will lead to sustainable payments to towns, which is crucial.

T. Matuszko stated that there are additional economic benefits, beyond simple payments to towns. Loans to businesses and an improved market for wood products will benefit residents and town economies.

P. Sloan stated that in the proposed budget, municipal payments are the second highest expenditure after forest-based economic development.

Comment: I think many towns will welcome the municipal payments from the program. They could really use this amount of money.

Question: Would payments to towns have any conditions?

Response: Payments would be limited to certain activities related to the project objectives, such as switching to wood-based heat, road maintenance for tourism, and emergency response. There must be a relationship between municipal payments and the goals and objectives of the program.

Comment: Ecological services provided by our region are an argument we should use to sell this idea to the State. The State would not be as well-off without our natural resources in the Western portion of the state. For too long rural places have had to bear the brunt of the State owning all these lands, but not "sharing in the wealth" so to speak.

Question: How will the governance structure be sustained? There is no line item in the budget.

Response: It would be sustained by the two proposed staff members. They will help to coordinate meetings, etc. Potential staff from the USFS could also help with this.

Question: Are we going to build a new structure for the multi-use center, or will a building be re-used?

Response: This level of detail has not yet been reached. It could be either. Community meetings suggested multiple locations in Charlemont, Shelburne, and in Berkshire County, but these locations would need to be researched further to determine feasibility.

Question: The conservation restriction funds proposed in the budget are enough to conserve roughly 1,800 new acres over five years. This is a cost of about \$1,500/acre. This does not seem realistic.

Response: This is a ballpark figure for purchase of development rights and was arrived at after discussion with local land trusts. It has been suggested that 1,800 acres is not a high enough figure for land conservation.

Question: Will the non-profit be responsible for monitoring of Conservation Restrictions (CR)?

Response: No, this would likely be outsourced to local land trusts. The line item in the budget is to pay land trusts for their monitoring expenses.

P. Sloan asked for additional comments on the draft business plan from committee members to be sent to her via email or phone. Discussion moved to the draft governance structure.

6. Presentation and Discussion on Draft Governance Structure.

T. Matuszko introduced the draft governance structure for the MTWP. This initiative will need a way to make and implement decisions, obtain and manage funds, enter into contracts, and operate the programmatic activities. The proposal includes converting the Advisory Committee into the basic governance structure for the Partnership, but to expand that to include the U. S. Forest Service and the State. The day-to-day administration could be conducted by the proposed non-profit which would support the MTWP. The intent is to maintain strong local oversight by municipalities through the Partnership governance structure. Additionally, an executive committee of the Partnership is proposed. This would include a representative from the U. S. Forest Service, State, two municipal representatives, and a representative for other regional interests, perhaps from economic development or forestry. The executive committee would work closely with the executive director of the non-profit and the U. S. Forest Service staff person. The executive director would be employed by the non-profit. The non-profit would perform the necessary activities to administer the trust fund and would be the day to day coordinator of the MTWP, with the U. S. Forest Service staff, to implement the programmatic priorities. A set of bylaws would need to be developed as well.

Question: Are we trying to set up an RLF? Could this work be outsourced to local Community Development Corporations (CDCs) instead of trying to manage this ourselves?

Comment: Yes, this is the hope. The intent is to use existing groups and organizations to deliver certain programmatic services. The executive director and the advisory committee will have to make the decision regarding which organizations to work with.

Question: Can we include some of these ideas in a narrative form?

Response: Yes, a narrative about the governance structure will be developed.

Question: Will CRs be held by the proposed non-profit?

Response: No, CRs will be held by existing local land trusts, the town or the state. The proposed non-profit will only help to fund the purchase of CR's.

Question: Is this a new model? Which model special designation is closest to what we are proposing?

Response: The closest model is the Boston Harbor Islands National Recreation area, because of the partnership aspect of that project. The Valles Caldera Project is also similar because it had a trust fund.

Comment: The non-profit aspect is appealing as it maintains local control.

Comment: We need to make it clear where authorities lie. To satisfy the towns, they will have to know that local influence is maintained and that the U. S. Forest Service does not have some sort of veto power.

T. Matuszko stated that the intention is to maintain strong local oversight of the MTWP. However, a lot of work with the U. S. Forest Service is still required.

Question: Who manages the trust fund? The proposed 5% interest gained from the trust fund seems high. Similar environmental trusts make less than 1% in interest.

Response: Staff will research this. The non-profit would conduct the administrative responsibilities for the trust fund, such as filing reporting requirements, but the day-to-day investment decisions would be managed by a professional fund manager, such as a bank or an investment firm such as that hired by a retirement system. Details will have to be worked out to help gain as much investment income on this fund as possible. The intent is to maintain long-term viability for this program, and the trust fund is one of the ways to achieve this.

B. O'Connor stated that the group will have to carefully determine the role of the U. S. Forest Service. That will be a big selling point to the U. S. Forest Service. We have to determine how the U. S. Forest Service will add value in participation, beyond the funding we are requesting.

P. Sloan stated that a possible demonstration forest could be a way to integrate the U. S. Forest Service. P. Sloan called for other ideas to be sent to her via email on the role of the U. S. Forest Service.

D. Raimo stated that the U. S. Forest Service could help with planning for the area, to strategize how to make the MTWP's goals real.

Comment: We need to revisit the mission of the U. S. Forest Service.

Comment: Also, what the missions of the three branches of the U. S. Forest Service are.

Question: Is the U. S. Forest Service looking for non-traditional approaches to land conservation and forestry -particularly those that don't involve federal land acquisition?

Response: The U. S. Forest Service is intrigued by our work, but they will need to better understand our non-traditional approach to forest conservation and economic development.

Question: How does the wood processing pellet plant fit into the proposed structure?

Response: This will have to be coordinated by the Advisory Committee. The executive director of the non-profit will hopefully be a skilled grant writer. The feasibility study is a good start. The state could possibly work with the non-profit or other organizations to help implement the pellet plant if feasible. These decisions will need to be made by the MTWP in the future and cannot be answered now.

Comment: Another role for the USFS could be to understand how various grant programs could be made more appropriate to our region. An example is that some federal grant programs must spend 60% of its funds on livestock, which is not applicable to our region. The USFS could help to tweak federal grant programs to allow them to work better in our area.

Comment: Another role of the USFS could be education.

Comment: There is a bifurcation between forest management and the environmental community. A role of the USFS could help to make the connection between forestry and environmental benefits, such as water quality, carbon sequestration, etc. A demonstration forest could be part of this effort.

Comment: A segment of the population does not understand the value of forests and ecological services. This message must be made clear, and connected to how their quality of life is improved.

Comment: Research could be another aspect of the project, both in a proposed demonstration forest and in research on private land.

Comment: One aspect of research could be to compare federal vs. privately owned forests.

Comment: A role for the USFS could be to educate the “urban mindset,” sway minds in Boston, and act as a liaison to urban areas.

Comment: Perhaps there could be a regular presence of our group at the Boston Farmer’s Market?

7. Fall Forums, Next Meeting and Other Topics

T. Matuszko explained the fall schedule, and asked the group if it was ready to go “prime time” with the plan. The fall schedule will begin with sub-regional meetings in Franklin and Berkshire County, then in winter and early spring, the staff will go to Select Board meetings in each town. The objective is to present the final draft of the plan to towns, and to determine each town’s interest in crafting future special legislation.

Question: How does the timing of presenting to Select Boards match up with submitting final proposals to the USFS?

Response: We will be concurrently presenting this material to state and federal legislators. A meeting is scheduled for November with the heads of the three branches of the forest service in the northeast region.

Question: Can you prepare a synopsis of our work so far to help present this idea to towns?

Response: Yes, this will be developed.

Comment: The budget narrative needs to be revised to help sell this idea to the towns.

P. Sloan stated that staff will develop this new language and revise the business plan based on tonight's discussion.

Question: Will legislation be put into a rider, or some other bill?

Response: Authorizing legislation will need to be created. Funding will either come from an appropriation, or from the U. S. Forest Service budget.

Comment: It is my fear that interest in this project might dry up in the future at the federal level, which might make funding disappear.

D. Raimo stated that working with the U. S. Forest Service, rather than relying on legislators might help to alleviate this issue. If they are interested, then it might help to move this project forward. The best strategy is to get the people in the field interested and involved with this project at a grass roots level, and show them how unique this project is. The advantage is that we will be trying to show how the U. S. Forest Service and local communities can work together.

Question: What is the timetable to get funding and complete this project?

Response: Once buy-in is received from the towns, special legislation will need to be drafted. This could occur as early as June of 2016 at the state level, which could possibly lead to approval in late 2016, or early 2017. There are more unknowns with the federal level legislative process, 2017 is probably the most optimistic date that things might move forward at this level, probably later. However, we need to focus on local community interest right now. Additionally, this project will be better received if local Advisory Committee members take the lead on presenting this information to their Select Boards. Sub-regional meetings will take place on Nov. 17th (Berkshire County) and Nov. 18th (Franklin County). Advisory Committee members are urged to attend the sub-regional meetings in their county.

Comment: Another way to sell this project is to be able to show how the U. S. Forest Service can influence forest management across the U. S. without "taking control."

T. Matuszko stated that during talks with the U. S. Forest Service, they were surprised that local communities wanted to work with them. D. Raimo also stated that a mission of the U. S. Forest Service is to address "the nation's" forest, not just national forests. This project is a way to accomplish that.

B. O'Connor stated that the good, positive, and collaborative work of the WTWP has "made it easy" to apply for and get grants. The state has recently received \$837,000 in grant funds through NRCS for voluntary public access and habitat improvement. This builds on another grant that received funds to help landowners improve habitat for declining species. Additionally, EOEEA in partnership with DHCD has recently applied for the HUD National Disaster Resiliency Grant. This grant application has made it through the first round. A nexus was made between the work of this group and resilience of forests to storms, as well as economic development. Several million dollars have been applied for. The state will find out in February if they have been chosen for funding.

Additionally, B. O'Connor stated that the wood products lab in Wisconsin has been developing a nanotechnology process using wood. This could then be used to develop a non-petroleum based plastic.

The lab has been working with an endowment called “the endowment of forestry and communities.” The MTWP area may receive a commitment of \$1 million in funding from the endowment if the area receives the HUD disaster grant. Another grant hopes to plant trees in North Adams, but has not been received yet.

Comment: Please help get the word out to local communities about this project.

The meeting was adjourned at 8:09 pm.

Next Meetings:

November 17th, 2015 – 6-8pm, Location TBD – Berkshire County Sub-regional Meeting

November 18th, 2015 – 6-8pm, Location TBD - Franklin County Sub-regional Meeting

December 8th, 2015 – 6-8pm, Berkshire East Ski Lodge – Next Advisory Committee Meeting