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Dear Members of the Tongass Futures Roundtable:

The Tongass Futures Roundtable (TFR), the Forest Service and many in Southeast Alaska have been working to chart a path forward in the region that provides economic opportunities to communities while conserving the Tongass National Forest. The Forest Service believes that it is possible to provide economic opportunity and jobs to local residents and to sustain a viable timber industry while at the same time transitioning from timber harvesting in roadless areas and old-growth forests to long-term stewardship contracts and young growth management. Our overarching goal is to work with members of the communities to create jobs in Southeast Alaska.

This letter outlines steps that the agency believes can accomplish this goal. Most of the ideas in this letter are drawn from people and organizations in Southeast Alaska and will require continued input and support from TFR and local communities to be successful. This letter first outlines the results of our efforts to collect ideas from local residents through listening sessions, outlines the steps to develop an economic transition framework for Southeast Alaska, and then focuses on a new vision for forest management in the Tongass that builds from the existing Tongass Land Management Plan.

### **Regional Economic Development Opportunities**

Last fall, USDA Forest Service and Rural Development representatives held a series of listening sessions throughout Southeast Alaska to hear from communities on how we could help improve the economic situation in the region.

As a result of those sessions, USDA is working to develop a “Transition Framework” program. The program will help communities transition to a more diversified economy by providing jobs around renewable energy, forest restoration, timber, tourism, subsistence, and fisheries and mariculture. USDA is initiating steps to work with the Department of Commerce’s Economic Development Administration to create the Transition Framework and a project implementation team. The team will work closely with communities and community members, as well as other federal agencies, state and local governments, tribes and tribal corporations, and the for-profit and non-profit sectors.

Our goal is to develop a region-wide job creation platform, with an emphasis on building upon current assets (e.g. workforce and natural resources) and current key economic sectors. We will also look realistically at emerging assets (e.g. through workforce training) and emerging economic clusters (e.g. mariculture). We will take a detailed account of the region’s assets and resources and identify ways to promote economic development.

During the listening sessions, we compiled a list of project ideas brought forward by Southeast Alaska communities. The enclosed project idea list is an unfiltered record of those ideas. The



Transition Framework project implementation team will use this list as a starting point; the team will evaluate these and other projects for potential implementation based on an assessment of feasibility, agency authority, community and partner support, and potential funding availability. The agencies expect to work with community members to identify and begin some “low-hanging fruit” projects this year.

Within the Transition Framework, we hope to:

- promote small business creation, expansion and retention;
- improve access to capital;
- create quality jobs and sustainable economic growth;
- promote job training and educational opportunities; and
- maximize a forest restoration economy and by-product use.

### **Forest Management on the Tongass**

We believe we can use the forest restoration vision espoused by Secretary of Agriculture Tom Vilsack and USFS Chief Tom Tidwell on the Tongass National Forest to help put people to work. We hope to work with communities to build jobs around a fuller suite of goods and services to provide diversified jobs and community stability.

As part of the broader transition framework, the USFS will work with its USDA counterpart, Rural Development, to facilitate a transition of the forest sector to young growth management. Moving towards a forest industry that relies on young growth timber will require retooling of current infrastructure and a steady supply of timber as the industry makes the transition. This can be accomplished by bridging the transition with long-term stewardship contracts in young growth areas to create investment certainty for forest operator business owners. We believe this transition can be made without entering into roadless areas. To demonstrate this in the near-term, the agency is currently working on a package of stewardship contracts. We expect the first such contract to be offered in early 2011. In the long-term, as young growth stands mature, the expectation is that all timber harvests will be sustained in young growth stands.

The Alaska Region has implemented a host of changes to facilitate the transition to young growth, including:

- Hiring a young growth coordinator and initiating a young growth survey on the Tongass to expedite the Forest Service’s ability to offer economic projects in young growth areas;
- Assigning stewardship contract coordinator duties at the regional level to spearhead bringing training and new expertise to the region and increase the ability of the Forest Service to use long-term stewardship contracts to achieve restoration objectives; and
- Initiating plans for three stewardship contracts to be developed and offered over the next three years.

Building from the existing Tongass Land Management Plan, the Forest Service will continue to offer a limited number of old-growth sales in the near-term in roaded forest areas, in order to ensure that a bridge exists for the remaining forest industry infrastructure to make the transition. Ensuring that these sales and the proposed stewardship contracts move forward expeditiously is critically important to maintaining a robust forest industry while we transition to young growth management.

Additionally, the Forest Service will focus on a broader suite of opportunities the Tongass can provide to support a diversified economy in Southeast Alaska, as described in the transition framework program above. Efforts will focus on creating restoration based jobs, restoring fish and deer habitat to support the fishing industry and subsistence users, and examining energy projects, including small hydroelectric projects and bioenergy, to provide lower cost energy and bring down the costs of doing business in Southeast Alaska. We will also invest in facilities, trails, and other activities to attract increased recreation and tourism use and jobs.

The Forest Service, Rural Development, and the Economic Development Administration look forward to working with the people and businesses of Southeast Alaska, and the local, State, Federal and Tribal governments and corporations that have a stake in the region's economy. We believe we can create a vital, sustainable economy that will provide jobs into the future.

Please take a look at these projects and consider the opportunities they provide. If you have ideas you would like to share concerning the Transition Framework, please don't hesitate to speak to your Forest Service District Ranger, or Acting Deputy Regional Forester, Becky Nourse, at 907-228-6326.

Sincerely,

*/s/ Beth G. Pendleton*  
BETH G. PENDLETON  
Regional Forester

Enclosure

cc: Rebecca Nourse