A Summary of Major Restrictions in the McCloud Dogwood Butte Working Forest Conservation Easement with Hancock Timber Resource Group:

- **No subdivision** other than potentially splitting the 12,646 acre property into 2 parcels no smaller than 5,000 acres; the existing 80 parcels will otherwise be merged together.

- **No residential or agricultural development** or uses, although limited grazing is permitted as a vegetation management tool consistent with the other easement terms; and temporary housing for seasonal workers is permitted with limits.

- **No industrial uses or structures** are permitted, with the exception of portable forest products processing equipment with limits on location and clearing.

- Permitted **commercial uses** are forest management, non-motorized recreation, outdoor education or other compatible uses. The cumulative extent of any commercial or non-residential structures or improvements, including communications towers or powerlines, is limited to 40 acres or .3% of the property. Power generating facilities are not permitted.

- **Public recreation:** Non-motorized, non-consumptive public recreation will be allowed across the whole property. Grantor retains the right to restrict access during timber harvest, periods of fire or weather danger, hunting season.

- **Road construction** will be limited on steep or unstable slopes and in Special Habitat Management Zones (SHMZs), and generally conducted pursuant to a road management plan encompassing DFW approved Best Management Practices.

- **Special Habitat Management Zones (SHMZs):** In addition to Riparian Management Zones (described below), approximately 8% of the property (1044 acres) will be managed exclusively as for conservation and restoration of sensitive and/or rare habitat types, such as the wet meadows, aspen groves, oak stands, and mature forest (with "late seral" or "old growth" characteristics). Habitat enhancement plans for each SHMZ will be developed by Hancock with advice from the California Dept. of Fish and Wildlife.

- **Riparian Management Zones (RMZs):** An additional 5% of the property is in stream zones with buffer widths wider than required by state forest practice rules: 150’ for Class I, 10’ for Class II and 50’ for Class III. These are to be managed for riparian vegetation, including large conifer and hardwood trees in multi-storied stands.
  - Canopy cover for Class I and II of 65% will be recruited and maintained and at least 50% of BA in trees 10”+ DBH will be retained, with half of that 24”+ DBH.
  - For Class III, 50% of pre-harvest over-story and 50% of understory will be retained.
A Forest Management Plan will be required in conformance with the Easement’s Performance Goals for the managed forest area, which include standards for recruiting and retaining a balanced and resilient species composition for the site, a range of stand ages, and a more complex forest structure that will benefit a wide variety of special status species. In particular, the Performance Goals include targets for maintaining/achieving across the forest landscape:

- **“Large Trees”:** At least 10 square feet of basal area (BA) on average of trees >= 30” diameter at breast height (DBH) (Currently 5.3 SF)
- **“Multi-Storied Stands”:** At least 20% of the forest area characterized as at least two-storied, with an overstory of trees averaging at least 24” DBH (Currently at 13%)
- Large and small snags and down wood, early seral openings

Specific timber harvests are restricted as follows to conserve and restore habitat and watershed values over time:

- In all harvests (outside of SHMZs and Riparian Management Zones) must retain at least 15% of the harvested area in forest, with priority for retention of trees with high habitat value. This ensures greater structural diversity and habitat value throughout the forest than is otherwise permitted. (*Today, under state regulations clear cuts typically retain 1 – 2% of trees for wildlife values.*)
- No more than 5% of the forest area can be clearcut in any decade.
- The same basal area of Large Trees will be at least maintained and Grantor will increase these to meet the Performance Goal over time. (*There are no restrictions on cutting large trees in the state forestry rules.*)
- Harvest cannot exceed 30% of “net merchantable inventory” in any decade. This level is about 25% less than growth and will yield higher stocking levels on this property over time including in SHMZs and RMZs, and more Large Trees. (*There are no decadal rate of harvest restrictions in state rules.*)
- To provide early seral habitat in this commercially managed forest, for twenty years after a regeneration harvest, 10% of the ground area will be managed for native shrubs and herbaceous plants. (*There are no similar requirements in state rules.*)
- Snags will in general be retained for wildlife habitat benefits.

- **Catastrophic events:** In the event of a wildlife, insect infestation, windstorm or other similar disruptions, the landowner may salvage timber as part of a restoration effort and to protect the surrounding forest; and may exceed the harvest limits as necessary.