

Forest Management Leasing

DNR - Forestry

Rev 17Sep10 (DS)

Background

Previous legislation – legislation (MS 88.795) was passed in 2009 requiring the DNR to enter into a pilot forest management leasing project under very strict limitation of acres (3000 acre max/lease)

2010 legislation - legislation passed in 2010 repealing the 2009 legislation (88.795) and adding provisions to existing statute (89.17) to increase the leasing timeframe to 21 years and removing the requirement to follow chapter 90 timber permit procedures.

Why? – To provide the Department with another tool to accomplish forest management by:

- Exploring management and staffing efficiencies
- Providing the opportunity for industry to secure a long-term sustained fiber supply

Proposal

Identify 10,000 to 200,000 acre blocks of land that meet most of the following criteria for a forest management lease:

- Economically viable forest products
- Proximity to market
- Checkerboard ownership of state land with other single large owner / or discrete block of land
- Locations with staffing shortages
- Other suggestions – think outside the box.

Conceptual Lease Ideas

- An Isolated State Forest
- Area Approach – All state lands in a forestry work area.
- Trust Fund Land – All of the trust fund land in an administrative area.
- Checkerboard Approach.

Lease Terms

As potential lease areas are identified, lease rates and terms will be developed to distribute workload between the DNR and Lessee and provide for a fair and equitable lease rate into the future.

Status

NE Region:

- Aitkin - 3378 acre - managing spruce tops - over the next 15 years. 581 acres is Trust land.
- Hibbing - 2110 acre area - managing for balsam boughs - over the next 10 years. All is Trust land.
- Additional proposals are expected from areas by Oct 1, 2010.

NW Region:

- Meeting with areas in October proposals due by December.
- One or two projects will be piloted through a Request for Proposal starting in February 2010.