



Department of Natural Resources Fact Sheet



2010-2011 BIENNIAL BUDGET FACT SHEET Forest Productivity for the Future \$250,000 FY 2010

It is needed because

Public-private partnerships can combine Minnesota's public expertise and private enterprise to enhance the state's natural resources, stimulate economic development, and position the Department of Natural Resources (DNR) to better respond to any challenges it will face in the future. This request supports a feasibility study for the formation and financing of a state-of-the-art research and tree seedling production facility.

A public-private partnership likely is the most cost effective way to meet the pressing challenges of climate change, forest health issues, and forest restoration needs.

Major program elements

The proposed study will assess the feasibility of a public-private partnership for: 1) nursery research, 2) the large-scale production of containerized tree seedlings for use in managing Minnesota's forest lands, and 3) the evaluation and development of state-of-the-art harvest equipment. This is important because:

- ◆ Demand for high-quality tree seedlings for conservation purposes and sustaining the state's forests already exceeds the state's current seedling production capacity and is increasing sharply.
- ◆ The role of forests in mitigating the effects of climate change by sequestering carbon and supplying biomass to replace fossil fuels is widely recognized. As part of the state's goals to reduce carbon emissions, the Minnesota Climate Change Advisory Group (MCCAG) recommended that one million acres of new forest land be established. In addition, MCCAG recommended that currently understocked forest land be brought to full stocking and productivity. In addition, increasing the use of woody biomass for energy will help substantially reduce carbon emissions.

Forest land also provides other ecosystem services by improving water quality, providing wildlife habitat, and supporting outdoor recreation. At the same time, however, invasive species (for example, emerald ash borer) threaten to severely reduce or eliminate some tree species from our forests.

- ◆ There is a need to develop the appropriate equipment that can be used to economically harvest small material such as biomass used for energy production.
- ◆ Minnesota nurseries lack the research support and investment capital for the upgrades needed to keep pace with current demands.

DNR will work with Minnesota's private nurseries to gain their support of this initiative.

Priority-setting

The first step in completing the study will be to convene a stakeholder roundtable to identify opportunities and prioritize needs. In the second step, working groups will recommend appropriate strategies. The final step will be to develop a plan that outlines actions that could be initiated in the FY 2012-13 biennium.

Project locations

The feasibility study will consider existing nursery facility locations in Eveleth, Badoura, and Willow River. Identifying the final project location(s) will be a charge to the stakeholder roundtable.

Key measures and outcomes

This study will provide an assessment of future tree seedling needs, including determination of the number, size, and species of seedlings that will be needed. It will also determine which type of equipment improvements will be critical for meeting our needs for increased conservation plantings and greenhouse gas reduction goals via woody biomass utilization.

The study will also provide a range of recommendations for increasing the tree seedling production capacity to meet future needs.

Finally, the study will present a plan for melding state-of-the-art research on tree seedling production and equipment design with private enterprise. The plan will identify and evaluate the implications of a joint venture from the perspective of both private and public entities.

Financial implications

This is a one-time request of \$250,000 from the Heritage Account in FY 2010.

Contact

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