A Forest Bank for Southeast Minnesota

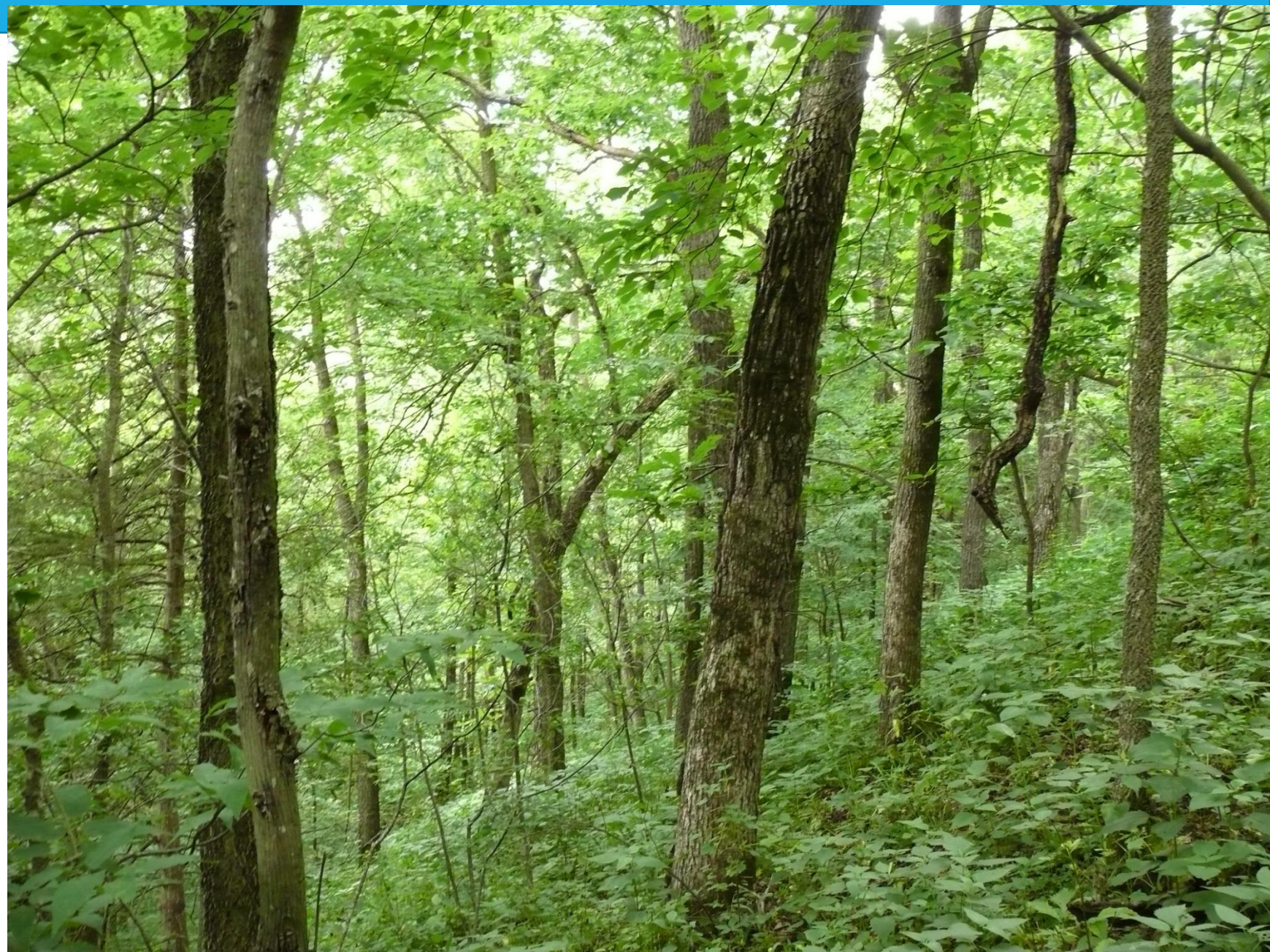
Sustainable Forestry

Working Forest Protection

Private Forest Conservation

Forestland in Southeast Minnesota

- Over 724,000 acres of forestland in the Southeast Region
  - Over 150,000 ac in Winona County and 88,000 in Wabasha County
- High quality sawtimber species
- High species diversity
  - Important for biodiversity
  - Makes management more complex



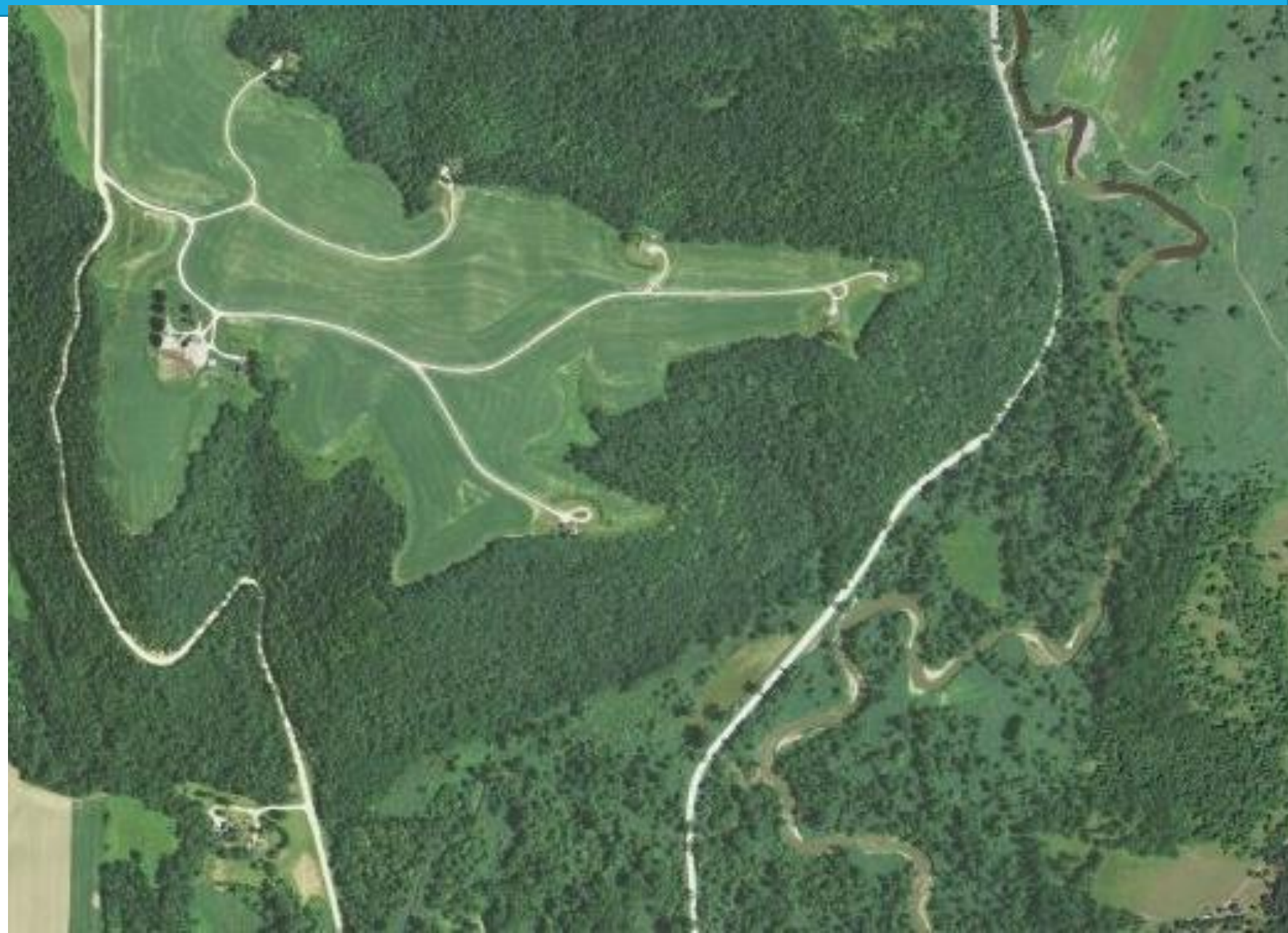
Forestland in Southeast Minnesota

- Long ribbons of connected forestland which trace steep hillsides
- Predominantly privately owned (85% timberland in SE MN)
  - Forest management is a secondary concern for many landowners
- Forest management is more opportunistic than planned
  - Irregular harvests and uneven timber quality

Forestland in Southeast Minnesota

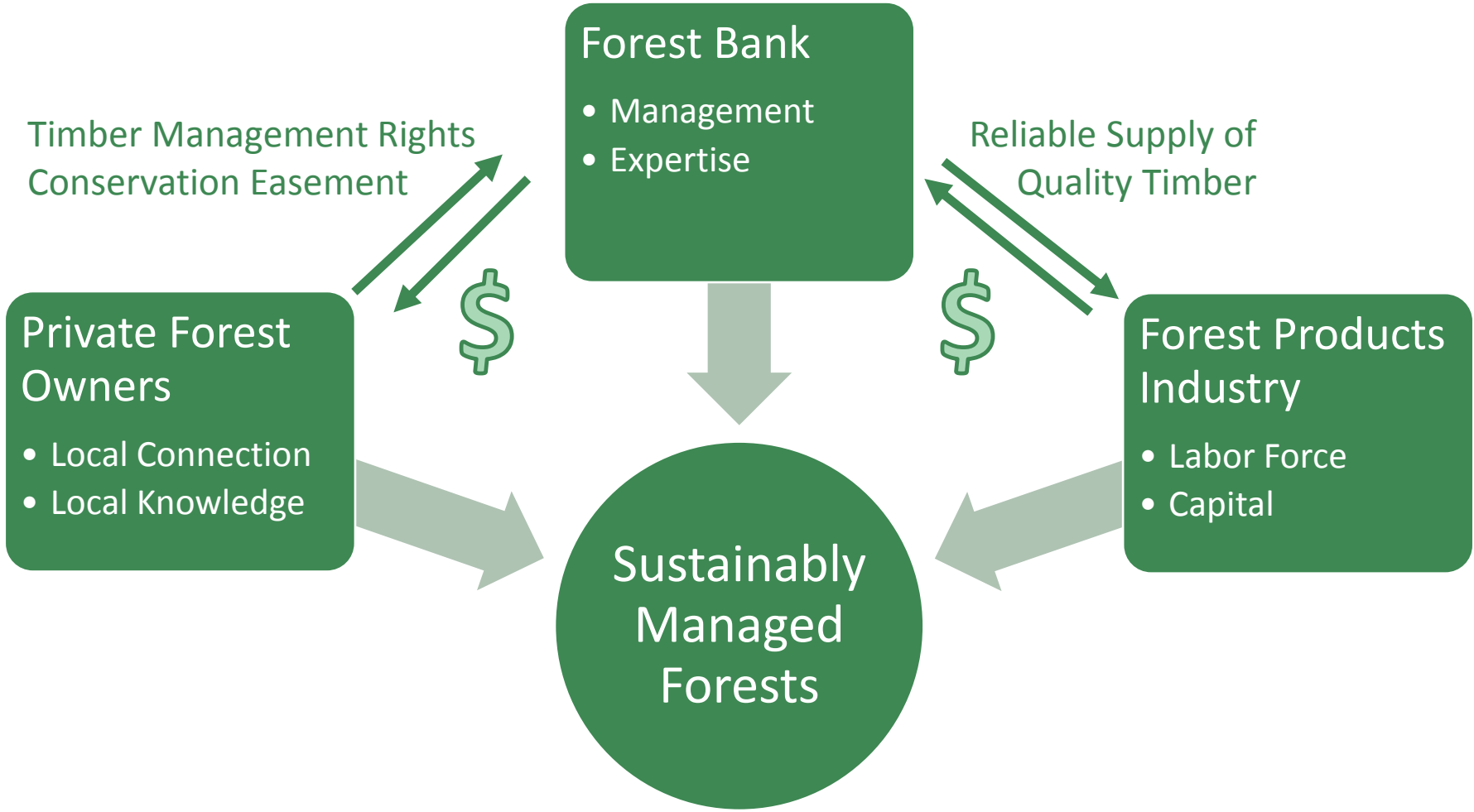
Threats:

- Development/land conversion
- Fragmentation/ Parcellization
- Poor management
- Invasive species



What is a Forest Bank?

- Private – Non-Profit partnership
  - Forest Bank purchases working forest easements on private lands
  - Manages the landowner's forestlands according to agreed upon management plan
  - Uses harvest revenues to fund annual payments to enrolled landowners



Outcomes

- Protect working forests
- Prevent parcellization and forest conversion
- Improve forest management practices
- Increase availability of high-quality timber products
- Protect water quality and forest habitat
- Preserve scenic beauty of landscape

Project History

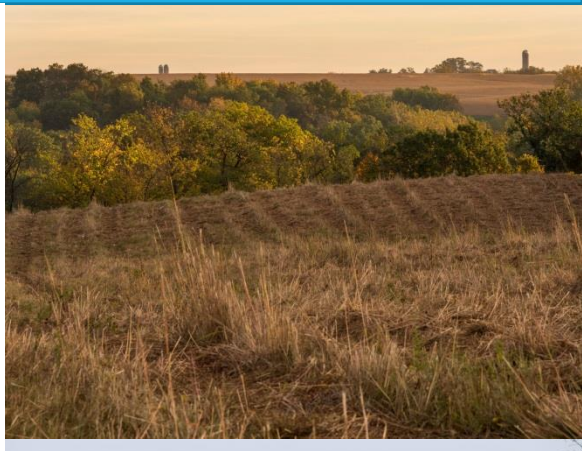
- Idea inspired by a landowner
- US Forest Service grant funded exploratory work
  - Pilot landowners contacted
  - Management plans written
  - Stand projections produced to predict timber flows (Wilson and Ek, 2013)
  - Financial cash flow projection

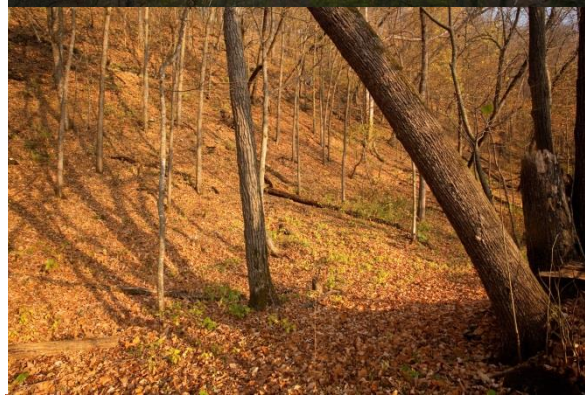
Feasibility

- Management plans for 7 landowners in the region found an average standing timber value of $1,577 per acre
  - Management according to the prepared plans is projected to generate between $13 and $21 thousand per year net average income ($25 to $42 per acre per year)

- Utilize public funds
  - Use a mix of public and private funds for initial purchase of easements
  - Cost share for non-commercial management work

- Explore Private funding options
  - Donors
  - Voluntary carbon market
  - Impact capital





Challenges

- Uneven cash flows
- High up-front costs
- Substantial organizational capacity required
  - Monitor and enforce easements
  - Manage finances
  - Oversee forest operations
  - Complicated forest management planning
  - Social challenges of gaining trust and adoption of a new program

Next Steps

- Gain cooperation of a land trust with an established easement program.
- Engage with the forest industry in the region
- Purchase easements for pilot properties.
- Develop long-term forest management plans for their properties
- Build relationships with landowners and find opportunities for expansion.
- Explore other sources of early credit

Questions?

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