

News Release

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**BLANDIN FOUNDATION COMMITS \$7 MILLION
TO THE CONSERVATION FUND
FOR UPPER MISSISSIPPI FOREST PROJECT**

**Donation Supports a Broad Effort to Keep Significant Expanse of Forest Intact;
R.K. Mellon Foundation Also Commits \$2 Million**

Grand Rapids (April 1, 2009) – Demonstrating its commitment to strengthening Minnesota communities, the board of trustees of the Grand Rapids-based Blandin Foundation has approved a \$7 million grant for the Upper Mississippi Forest project.

The grant will be made to The Conservation Fund, which is helping facilitate the transaction between Minnesota Department of Natural Resources (DNR) and the landowner, UPM/Blandin Paper Company. If the Minnesota Legislature approves the Lessard Outdoor Heritage Council's recommendations to fund the balance of the costs, the Upper Mississippi Forest conservation easement will become the largest public access recreational area in the state of Minnesota, protecting the land against forest fragmentation.

“The Upper Mississippi Forest conservation easement will help protect the jobs of more than 3,200 families who rely upon this land remaining a working forest for their livelihoods, and hundreds of others who make a living in related businesses,” said Jim Hoolihan, Blandin Foundation president.

“Plus, the conservation easement will keep nearly 188,000 acres of Minnesota's North Woods open for enjoyment by all and permanently protect forest habitats, creating a legacy that will live forever. By helping to secure this forest heritage project, the Blandin Foundation underscores its roots and invests in a natural asset that will contribute to our region and our state forever.”

Earlier this month, the Lessard Outdoor Heritage Council recommended \$20 million for the Upper Mississippi Forest as the first of two years' allocations of funds that will be generated under the Clean Water, Land and Legacy constitutional amendment, which was overwhelmingly approved by Minnesota voters in November 2008. The Minnesota Legislature is now considering the recommendations of the Council.

In addition to the Blandin Foundation gift, The Conservation Fund, which is helping negotiate the working forest easement, also announced a \$2 million gift from the R. K. Mellon Foundation, bringing the total private contributions to \$9 million.

“The Blandin Foundation’s commitment to the Upper Mississippi Forest project is the largest private donation for a conservation project ever made in this state,” said Tom Duffus, Upper Midwest Director of The Conservation Fund. “The Blandin Foundation and R.K. Mellon Foundation gifts create a true public-private funding base for this project that will significantly stretch public dollars and enable the Outdoor Heritage Fund to complete this purchase in a timely way and fund other worthy projects around the state.”

The Conservation Fund intends to re-grant the foundations’ contributions to the Minnesota Department of Natural Resources when the DNR closes on the transaction with UPM, Duffus said. The DNR’s Lessard Outdoor Heritage Council application indicated some \$48 million are needed for the Upper Mississippi Forest project.

At 187,277 acres, the Upper Mississippi Forest lands combine with adjacent county, state and federal lands to create more than 4,000 square miles of uninterrupted forest habitat. The forestlands lie primarily in Itasca, Aitkin, St. Louis, Koochiching, Cass and Beltrami counties.

Owned and managed by UPM/Blandin Paper Company (unrelated to the foundation by a similar name), the forest project includes 60,000 acres of wetlands and more than 280 miles of lake and stream frontage. The proposed working forest conservation easement would be held and monitored by the DNR and would permit sustainable forest management and timber harvesting; public access for hiking, hunting, fishing and other recreational activities; and provide wildlife habitat protection. The project also will protect wetlands and water quality in the upper watershed and primary tributaries to the Mississippi River.

“The Conservation Fund’s work to bring private dollars to the table to move this project forward signifies the importance of conserving these forestlands for all to enjoy while maintaining the economic viability of the region,” said DNR Commissioner Mark Holsten. “The substantial gift by the Blandin Foundation demonstrates the foresight by local community leadership to leave this North Woods legacy for future generations.”

The Upper Mississippi Forest project is supported by statewide conservation, recreational and environmental organizations; and in the Grand Rapids area, some 20 business, local government and conservation entities have endorsed the Forest Legacy Program.

UPM Blandin Paper issued this statement about progress on the negotiations:

“UPM Blandin Paper is in serious discussions with the Minnesota Department of Natural Resources regarding a conservation easement project on UPM’s 188,000 acres of forest land in Minnesota. A successful project is one in which the parties can reach agreement on an acceptable easement, price and a schedule for timely closing. UPM Blandin Paper is committed to working on a solution that would require sustainable management of the property as it is today, regardless of who may own the property in the future.”

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About the Blandin Foundation

Based in Grand Rapids, Minn., the Blandin Foundation works to strengthen rural Minnesota communities, especially the Grand Rapids area, through grants, leadership development programs and public policy initiatives. www.blandinfoundation.org

About The Conservation Fund

The Conservation Fund is dedicated to advancing America's land and water legacy. With our partners, we conserve land, train leaders and invest in conservation at home. Since 1985, we have helped protect more than 6 million acres, sustaining wild havens, working lands and vibrant communities. We're a top-ranked conservation organization, effective and efficient.

<http://www.conservationfund.org>