



## Minnesota's Environment and Natural Resources Trust Fund

*Minnesota Constitution Art. XI, Sec.14: "The assets of the fund shall be appropriated by law for the public purpose of protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources."*

## SUMMARY

The Legislative-Citizen Commission on Minnesota Resources (LCCMR) welcomes proposals for projects of all sizes that address the priorities and requirements described within this RFP and that aim to protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, and other natural resources. The LCCMR reviews applications and makes funding recommendations to the Minnesota Legislature from the Environment and Natural Resources Trust Fund (ENRTF). Approximately \$70 million is anticipated to be available from the Trust Fund through this RFP for projects beginning July 1, 2021. Most projects funded are 2-3 years in duration. Proposals must be submitted online at [www.lccmr.leg.mn](http://www.lccmr.leg.mn) by TBD.

## Funding Available

Approximately \$70 million is anticipated to be available through this RFP for projects beginning July 1, 2021. The LCCMR makes funding recommendations to the Minnesota Legislature from the Environment and Natural Resources Trust Fund. Recommended projects must be approved by the 2021 Legislature through an appropriation, signed into law by the Governor, and have a work plan approved by LCCMR before funds can be spent. For non-state entities, payment is made by reimbursement for expenses incurred and fiscal oversight is provided through a grant agreement with the Minnesota Department of Natural Resources. Most projects are 2-3 years, however more or less time can be requested.

## Amount of Request

There is no minimum or maximum request amount. All proposals should strive to maximize efficiency and return on investment for the proposed expenditures.

## Applicant Eligibility

The RFP is open to all who want to apply and who have demonstrated fiscal capacity. Applicants must be available to make a formal presentation to LCCMR if selected and to be available for staff or commission member questions.

## New Online System

LCCMR has launched a new online proposal submission system. All proposals will be submitted online at [www.lccmr.leg.mn](http://www.lccmr.leg.mn).

## Deadline for Submission

Final proposals must be submitted online by TBD.

Information from this document may be copied and distributed to others. This publication can be made available in alternate formats, such as large print or audio format, upon request.

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# Proposal and Appropriation Timeline

## LCCMR MEMBERS

(as of 12/31/19)

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## LCCMR STAFF

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*Senior Project Analyst*

Corrie Layfield

*Senior Project Analyst*

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*Project Analyst and*

*Communications Specialist*

Diana Griffith

*Commission Assistant*

Up-to-date information on deadlines and meetings can be found on [our website](#).

TBD	Funding priorities determined and 2021 RFP adopted
TBD	2021 RFP issued
TBD	<b>Final submission deadline for proposals responding to 2021 RFP</b>
TBD	All submitted proposals distributed to LCCMR members for review, evaluation, and ranking
TBD	A subset of high-ranking proposals selected for further consideration and invited to give presentations before the LCCMR
TBD	<b>Selected proposals present before the LCCMR</b>
TBD	Subset of proposals selected for recommendation to the Legislature for funding
TBD	Projects recommended for funding begin submitting work plans for LCCMR staff review and research projects recommended for funding undergo peer review
TBD	Funding recommendations are adopted by the LCCMR in legislative bill format, as they will be presented to the Legislature
TBD	-LCCMR recommendations presented to the Legislature for consideration via introduction as an appropriations bill -Bill is considered and acted upon by the Minnesota House and Senate -Upon passage, the bill goes before the governor to be signed into law
TBD	LCCMR approves work plans for projects funded
TBD	Minnesota DNR sends grant agreements to non- state agencies receiving ENRTF funds
July 1, 2021	Money from the Environment and Natural Resources Trust Fund becomes available for expenditure and approved projects can begin

## About LCCMR

The LCCMR is made up of 17 members: 5 Senators, 5 Representatives, 5 citizens appointed by the governor, 1 citizen appointed by the Senate, and 1 citizen appointed by the House. The function of the LCCMR is to make funding recommendations to the Legislature for special environment and natural resource projects, primarily from the Environment and Natural Resources Trust Fund.

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# 2021 Funding Priorities

All proposals must meet the constitutional aim to protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, and other natural resources, especially those that may be substantially impaired or destroyed in any area of the state.

Proposals are strongly encouraged that address prevention strategies for protecting natural resources, that include citizen and community involvement in scientific efforts, and that implement or identify clear strategies for implementing research results.

Proposals should also address one or more of the priorities described in the categories below, however proposals pertaining to new or emerging environmental or natural resource issues not directly addressed below may also be eligible for consideration. Priorities are listed by category and not in order of importance.

## A. Foundational Natural Resource Data and Information

1. Data acquisition, information management, research, or analysis to develop foundational natural resource, wildlife, pollinator, or plant data and information.
2. Coordination, facilitation, or training pertaining to statewide sharing, distribution, or innovative application of natural resource data (e.g., maps, inventories, and surveys) and information tools (e.g., Geographic Information Systems (GIS), Light Detection and Ranging (LiDAR), and other remote sensing techniques).
3. Quantification and analysis pertaining to the economic value of services provided by natural resources and conservation, including analysis that quantifies public savings and costs of water or air pollution prevention.

## B. Water Resources

1. Research, monitoring, or evaluation to increase protection, conservation, and sustainability of the quality, quantity, or function of water resources. This includes, but is not limited to, efforts pertaining to:
  - I. Ground and surface water interaction, including stream flow and groundwater flow;
  - II. Aquifer recharge;
  - III. Wetland, river, and lake ecosystems, including Lake Superior;
  - IV. Mitigation of impacts resulting from artificial hydrological modifications in both urban and agricultural areas;
  - V. Effects of climate change on water resources;
  - VI. Drinking Water.
2. Research, evaluation, technology development, or engineering design pertaining to regulated, unregulated, or emerging water contaminants, including sources, fates, movements, or effects of these contaminants within ground or surface waters or across ecological communities. Contaminants of interest include, but are not limited to, nitrates, phosphates, estrogenic compounds, pharmaceuticals, personal care products, chlorides, PAHs (polycyclic aromatic hydrocarbons), and pesticides. Efforts pertaining to the following are of particular interest:
  - I. Understanding the impacts of contaminants on the health of humans or terrestrial or aquatic species;
  - II. Preventing or reducing levels of contaminants in ground and surface waters;
  - III. Advancing development or implementation of standards for contaminants.

## 2021 Funding Priorities (Continued)

### C. Environmental Education

Proposals must address education, information dissemination, and training efforts that will increase the knowledge and skills of students or the public to cultivate a sustainable lifestyle, improve and maintain water quality, reduce and monitor energy and water consumption, or restore and maintain a healthy and biodiverse natural environment. Funding for capital projects (e.g., buildings or building infrastructure) will not be considered in this category. Of particular interest are projects that address one or more of the following:

1. Efforts that involve broad-based partnerships, engage diverse and changing demographics, provide outdoor experiences, or are committed to building a long-lasting and action-based conservation ethic in a community.
2. Efforts that deliver and implement existing curriculum, especially integration of environmental education into school curriculum. Proposals to develop new curriculum will not be considered.

### D. Aquatic and Terrestrial Invasive Species

"Invasive species" includes any plants, animals, worms, insects, microbes, and diseases that are non-native, introduced species in the state and that are currently having, or pose a threat to have, significant adverse impacts on Minnesota's native ecosystems and biodiversity. All research proposals related to invasive species research must consider the research priorities established by the University of Minnesota's (UMN) Minnesota Invasive Terrestrial Plants and Pests Center or Minnesota Aquatic Invasive Species Center. All UMN proposals and others should apply to the Centers when applicable. The Centers will keep the LCCMR updated on the status of proposals received. Projects must propose to do one or more of the following:

1. Prevent introduction or provide early detection of new invasive species.
2. Reduce the spread of invasive species with best management practices along streams, rivers, land transportation routes, and other vectors.
3. Develop or demonstrate alternative control techniques—particularly involving biocontrol, integrated pest management, or minimization of non-target effects including pollinators—for containing or suppressing invasive species already present in Minnesota. Standard control, removal, and maintenance activities of invasive species will not be considered.
4. Restore lands with native vegetation as practicable following implementation of invasive species control techniques on disturbed lands where a native seed bank no longer exists.
5. Inform and educate landowners about all invasive species threats to their land and offer actions they can take in response.

### E. Air Quality, Climate Change, and Renewable Energy

Funding for capital projects (e.g., buildings or building infrastructure) will not be considered in this category.

1. Innovative approaches to air quality improvement that reduce impacts on human health, the environment, or natural resources, such as by preventing, reducing, or mitigating airborne contaminants including PAHs (polycyclic aromatic hydrocarbons).
2. Acquisition of data at a scale appropriate to assess natural resource changes attributable to climate change.
3. Research to help understand how to mitigate, adapt, or make Minnesota's ecosystems more resilient to climate change impacts, including drought and extreme weather events.
4. Implementation of innovative efforts aimed at mitigating, adapting, or making Minnesota's ecosystems more resilient to climate change impacts, including drought and extreme weather events.
5. Reduction of greenhouse gas emissions through new and innovative approaches to waste reduction or energy efficiency. Standard, required, and ongoing efforts will not be considered.

## 2021 Funding Priorities (Continued)

### F. Methods to Protect or Restore Land, Water, and Habitat

Please review “Additional Requirements for Land Acquisition, Easements, and Restoration Projects.” (see page 6)

1. Innovative protection or restoration of lands with high-quality natural resources, ecological value, water protection value, or habitat, particularly for pollinators.
2. Long term preservation of native forest, wetland, or prairie plant genetics and viability.
3. Technical assistance for stewardship of prairies, forests, wetlands, or other habitat, or technical assistance for agricultural land management in order to protect water quality and aquatic habitat or to improve pollinator habitat.
4. Planning and implementation of community-based efforts to permanently conserve natural resources and reduce habitat fragmentation impacts on natural resources, including the impacts of transportation and other infrastructure.

### G. Land Acquisition, Habitat, and Recreation

Please review “Additional Requirements for Land Acquisition, Easements, and Restoration Projects.” (see page 6)

1. The Reinvest in Minnesota program as provided in M.S. section 84.95, subdivision 2.
2. Acquisition or development of strategic lands with high quality natural resources, ecological value, recreational value, water protection value, or habitat, particularly for pollinators.
3. Acquisition or development of lands that have the greatest capacity to contribute multiple conservation benefits to wildlife, humans, and ground and surface water quality.
4. Efforts based on precision conservation methods and analysis that quantifiably identify the lands most critical to acquire. Precision conservation is a practice that considers lands in terms of the interconnected systems of which they are a part. As a practice, precision conservation compiles and integrates multiple types of available data layers and analysis (e.g., terrain analysis, soil productivity, habitat potential, economic analysis, erosion potential, proximity to surface water) to identify and guide efforts that will maximize conservation benefits.
5. Efforts involving Scientific and Natural Areas (SNA) or other areas that aim to protect unique ecosystems, such as native prairie as defined in M.S. 84.02, Subd. 5, or rare, endangered, or threatened species. Areas of these types that may not presently qualify as a priority for other State of Minnesota funds directed toward land acquisition for habitat or recreation are of particular interest.
6. Efforts that enhance habitat connectivity, benefit ground or surface water quality, improve access for natural resource management, or increase public access for recreation, particularly in areas of the state with limited protected public lands.
7. Efforts expanding outdoor recreational opportunities through additions and connections to state, regional, or local parks and trails.

### H. Small Projects

The LCCMR encourages proposals under \$200,000, especially from local government units and non-profits, to quickly and efficiently provide environment and natural resource benefits in Minnesota. Proposals should address one or more of the priorities listed in the above categories A through G.

### **Funding May Be Available Through Other Programs**

Projects eligible for established, topic-specific state agency grant programs - such as for renewable energy, sustainable agriculture, clean water implementation, regional and local parks and trails, and habitat acquisition and restoration - are encouraged to apply directly to the particular state agency grant program as funds may be available in a timelier manner.

# Requirements

## Project Requirements

All projects must comply with [Article XI, Section 14 of the Minnesota Constitution](#), [Minnesota Statute 116P](#), and other requirements provided in the following summary document:

- Environment and Natural Resources Trust Fund (ENRTF) [Project Requirements](#)

## Professional, Technical, and Services Contracts

- State contracting and competitive bidding requirements apply.

## Financial Capacity

To help us evaluate financial capacity, non-profit organizations and for-profit businesses with an annual income:

- over \$750,000 should submit their most recent certified financial audit
- between \$50,000 and \$750,000 must provide their most recent IRS Form 990.
- under \$50,000 or that have not been in existence long enough to have completed IRS Form 990 or an audit must submit their most recent board-reviewed financial statements

## Work Plan and Progress Reports

Project managers of recommended projects must submit a work plan. Successfully funded projects must have an approved work plan and the project manager must submit annual or semiannual progress reports. Modifications to the approved work plan and budget expenditures must be made through the LCCMR amendment process.

## Additional Requirements for Land Acquisitions, Easements, and Restorations

All fee title and conservation easement acquisition proposals must include funding for development and implementation of a management and restoration plan. If no funding is requested, your proposal must address why funding for this work is not needed to achieve a high quality restoration.

All acquisition and restoration applicants must read and understand the following summary documents:

- Environment and Natural Resources Trust Fund (ENRTF) [Fee Title Acquisition Project Requirements](#)
- Environment and Natural Resources Trust Fund (ENRTF) [Conservation Easement Acquisition Project Requirements](#)
- Environment and Natural Resources Trust Fund (ENRTF) [Restoration Project Requirements](#)

A map must be submitted with your proposal that shows the site specific location of your proposed fee title or conservation easement acquisition or restorations within the city, county, region, and/or state. The map must be legible as black and white and include a north arrow and scale.

A parcel list must be provided with your proposal that identifies proposed fee title and conservation easement acquisitions and restorations by parcel name, estimated cost, county, ecological significance, activity description, proposed number of acres, proposed shoreline or trail miles, type of landowner, and proposed title/easement holder (if applicable).

Additional information for acquisitions, easements, and restorations must be provided with your proposal that describes, among other things, how restoration, future management, and easement enforcement requirements will be met.

# Guidance on Allowable Expenses

## Eligible Expenses

Eligible expenses are those expenses solely incurred through project activities that are directly related to and necessary for producing the project outcomes described in the proposal. All proposed expenses must be specified in the proposal submitted. Please note that for non-state entities all funds are awarded on a reimbursement basis, unless otherwise authorized, and all eligible expenses will need to be documented. Eligible expenses may include:

- a. Eligible expenditures incurred only after the effective date as approved by LCCMR.
- b. Wages and expenses of salaried Recipient employees if specified, documented, and approved. For State Agencies: use of unclassified staff only OR request approval for the use of classified staff accompanied by an explanation of how the agency will backfill that part of the classified staff salary proposed to be paid for with these funds. This is subject to specific discussion and approval by LCCMR.
- c. Fringe benefit expenses, such as FICA/Medicare, retirement, and health insurance of Recipient's employees, if specified.
- d. Professional and technical services specified in the approved Work Plan that are rendered by individuals or organizations not a part of the Recipient;
- e. Equipment, tools, materials, and supplies specific to the project and incoming freight charges for them.
- f. Capital expenditures for facilities, equipment, and other capital assets as expressly approved. For expenditures greater than \$5,000, the Recipient must provide an explanation as to how all the equipment purchased with the appropriation will continue to be used for the same program through its useful life, or, if the use changes, a commitment to pay back to the Environment and Natural Resources Trust Fund an amount equal to either the cash value received or a residual value approved by the director of the LCCMR if it is not sold.
- g. Publication and printing/copying expenses necessary for contract administration, work products production, and semi-annual reports relating to accomplishments.
- h. In-state transportation and travel expenses such as lodging, meals, and mileage of personnel directly involved in the Project in the same manner and in no greater amount than provided for in the current "[Commissioner's Plan](#)" promulgated by the Commissioner of Management of Budget and as provided by LCCMR or, for University of Minnesota projects, the [University of Minnesota plan](#). Allowable meal and lodging expenses are for employees only. Purchasing meals or providing lodging for others is not an allowable expense.

## Generally Ineligible Expenses—Unless Explicitly Approved

Generally ineligible expenses for reimbursement mean all expenses not defined as eligible expenses, but for which an explicit exception can be sought from LCCMR if the expenses can be clearly justified and individually documented as directly related to and necessary for a project. No broad allocations for costs in either dollars or percentages are allowed. In deciding whether to seek exception for these costs consider that cash and in-kind leverage are criteria considered in proposal evaluation. Generally ineligible expenses include but are not limited to:

- a. General operations, overhead, and other indirect expenses, including office maintenance, office utility expenses, and office materials and supplies.
- b. Office rental fees (including storage space rental).
- c. Communication expenses incurred for telephone calls, web access, postage, and similar services.
- d. Insurance, except title insurance.
- e. Attorney fees, except to acquire and clear title to land.
- f. Purchase of communication devices such as pagers, cell phones, or smart phones.
- g. Purchase of computers, tablets, or audiovisual equipment.
- h. Generally available food and refreshments, except if explicitly approved for certain types of events.
- i. Conference attendance and associated costs and fees, except if to participate in formal presentation of project findings.
- j. Out of state transportation and travel expenses.
- k. Single-source contracts. Justification for an exception must also include the specific entity by name, why the single source is needed, and how the recipient is ensuring a competitive price for the contracted work.

## Prohibited Expenses

Prohibited expenses for reimbursement mean all expenses indicated below, including but not limited to:

- a. Any expenses incurred before the project is authorized, before July 1, 2021, or before LCCMR work plan approval—whichever is latest.
- b. Fundraising.
- c. Taxes, except sales tax on goods and services.
- d. Lobbyists or political contributions.
- e. Advertising and marketing expenses.
- f. Loans, grants, or subsidies to persons or entities for development.
- g. Bad debts, late payment fees, finance charges, or contingency funds.
- h. Interest or investment management fees.
- i. Directors or officers salary.
- j. Merit awards and bonuses.
- k. Memberships (including subscriptions and dues).
- l. Publications, periodicals, and subscriptions.
- m. Employee workplace parking.
- n. Entertainment, decorations, gifts, and prizes.

# Environment and Natural Resources Trust Fund: MN Constitution and Statutory Expenditures

## Minnesota Constitution Art. XI, Sec.14: Environment and Natural Resources Trust Fund Established

A permanent environment and natural resources trust fund is established in the state treasury. Loans may be made of up to five percent of the principal of the fund for water system improvements as provided by law. The assets of the fund shall be appropriated by law for the public purpose of protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. The amount appropriated each year of a biennium, commencing on July 1 in each odd-numbered year and ending on and including June 30 in the next odd-numbered year, may be up to 5-1/2 percent of the market value of the fund on June 30 one year before the start of the biennium. Not less than 40 percent of the net proceeds from any state-operated lottery must be credited to the fund until the year 2025. [Adopted, November 8, 1988; Amended, November 6, 1990; November 3, 1998]

## M.S. 116P.08 Environment and Natural Resources Trust Fund Expenditures and Exceptions

Subdivision 1. **Expenditures.** (a) Money in the trust fund may be spent ONLY for:

- (1) the reinvest in Minnesota program as provided in section 84.95, subd. 2;
- (2) research that contributes to increasing the effectiveness of protecting or managing the state's environment or natural resources;
- (3) collection and analysis of information that assists in developing the state's environmental and natural resources policies;
- (4) enhancement of public education, awareness, and understanding necessary for the protection, conservation, restoration, and enhancement of air, land, water, forests, fish, wildlife, and other natural resources;
- (5) capital projects for the preservation and protection of unique natural resources;
- (6) activities that preserve or enhance fish, wildlife, land, air, water, and other natural resources that otherwise may be substantially impaired or destroyed in any area of the state;
- (7) administrative and investment expenses incurred by the state board of investment in investing deposits to the trust fund; and
- (8) administrative expenses subject to the limits in section 116P.09.

(b) In making recommendations for expenditures from the trust fund, the commission shall give priority to funding programs and projects under paragraph (a), clause (1) and (6). Any request for proposals issued by the commission shall clearly indicate these priorities.

Subdivision 2. **Exceptions.** Money from the trust fund may not be spent for:

- (1) purposes of environmental compensation and liability under chapter 115B and response action under chapter 115C;
- (2) purposes of municipal water pollution control in municipalities with a population of 5,000 or more under the authority of chapters 115 and 116;
- (3) costs associated with the decommissioning of nuclear power plants;
- (4) hazardous waste disposal facilities;
- (5) solid waste disposal facilities; or
- (6) projects or purposes inconsistent with the strategic plan.



# Evaluation Criteria

The following criteria, as applicable, will be considered in evaluating proposals:

- **Funding Priorities:** Responds to RFP funding priorities.
- **Multiple Benefits:** Delivers multiple benefits to Minnesota’s environment and natural resources.
- **Outcomes:** Identifies clear objectives likely to result in measurable, demonstrated, and meaningful outcomes.
- **Knowledge Base:** Contributes to the knowledge base or disseminates information that will benefit other efforts.
- **Extent of Impact:** Results in broad, long-term impacts of statewide, regional, or local significance.
- **Innovation:** Employs or demonstrates innovative approaches to more effectively and efficiently solve specific environment and natural resources issues.
- **Scientific/Technical Basis:** Reflects current scientific and technical knowledge, standards, and best practices.
- **Urgency:** Addresses an issue for which immediate future action is urgent and critical to avoid undesirable consequences.
- **Capacity and Readiness:** Demonstrates capacity and readiness for efforts to be managed and completed in timely, accountable, and effective manner.
- **Leverage:** Leverages collaborative partnerships and additional efforts, resources, and non-state funds.

## How To Apply

### Proposals due by **TBD**

1. Register for an account on the LCCMR Proposal System at [www.lccmr.leg.mn](http://www.lccmr.leg.mn).
2. Login and click “Create a New Proposal.”
3. Follow instructions for completing your proposal.  
If you would like to view a sample proposal, visit [www.lccmr.leg.mn](http://www.lccmr.leg.mn).
4. Upload your completed attachments as required:
  - A. Visual component or map (1 page limit)
  - B. Letter or resolution from your governing board authorizing submission of the proposal (non-profits, tribes, and local units of government only)
  - C. 990 tax information, certified audit, or board-reviewed financial statements as required
5. Review all information and attachments.
6. Click “Submit.” (Note: state and federal agencies, colleges, and universities must have an authorized representative submit the proposal).
7. Save or print the confirmation email. Please check your junk mail folder if the confirmation email does not appear in your inbox. Contact LCCMR if you did not receive a confirmation email or if your proposal status does not appear as “Final Submitted” on your dashboard.