

**Environment and Natural Resources Trust Fund**

# M.L. 2021 Final Work Plan

## **General Information**

**ID Number:** 2021-402

**Staff Lead:** Michael Varien

**Date this document submitted to LCCMR:** August 16, 2021

**Project Title:** Strengthening Minnesota's Reuse Economy To Conserve Natural Resources

**Project Budget:** $334,000

## **Project Manager Information**

**Name:** Jennifer Kedward

**Organization:** ReUse Minnesota

**Office Telephone:** (612) 352-9119

**Email:** president@reusemn.org

**Web Address:** https://www.reusemn.org/

## **Project Reporting**

**Date Work Plan Approved by LCCMR:**

**Reporting Schedule:** December 1 / June 1 of each year.

**Project Completion:** July 31, 2023

**Final Report Due Date:** September 14, 2023

## **Legal Information**

**Legal Citation:** M.L. 2021, First Special Session, Chp. 6, Art. 6, Sec. 2, Subd. 07f

**Appropriation Language:** $334,000 the first year is from the trust fund to the commissioner of natural resources for an agreement with ReUSE Minnesota to provide outreach and technical assistance to communities and small businesses to increase reuse, rental, and repair of consumer goods as an alternative to using new materials; to reduce solid-waste disposal impacts; and to create more local reuse jobs. A fiscal management and staffing plan must be approved in the work plan before any trust fund dollars are spent.

**Appropriation End Date:** June 30, 2024

## **Narrative**

**Project Summary:** This project will conserve the State’s natural resources by bolstering the reuse business network, providing individual business assistance and influencing consumer behavior to prioritize reuse, repair and rental.

**Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.**

The pandemic of 2020 disrupted supply chains across the globe and brought to light the tenuous nature of American access to key products - from medical equipment, to food, to oil and gas. With more than 90% of our rare earth materials coming from outside the United States and this potentially unreliable supply chain, Americans and Minnesotans will look to rebuild more local supply chains, bringing the use of natural resources to create new products much closer to home. The pandemic advances the urgency to re-imagine, redesign, and rebuild American supply chains; from the status quo linear, single use of precious natural resources to a circular, regenerative economy where new products using natural resources and energy are designed with reuse and regeneration in mind. This new supply chain is one where producers and consumers look first to reuse before purchasing and consuming new products. ReUSE Minnesota is the only organization in Minnesota building the professional and business network needed to advance this regenerative reuse business sector.

**What is your proposed solution to the problem or opportunity discussed above? i.e. What are you seeking funding to do? You will be asked to expand on this in Activities and Milestones.**

The overarching goal for this project is to strengthen the state's reuse, rental, and repair businesses by creating a more robust economy and resulting in reduced reliance on natural resources for production of new products, reduced solid waste, decrease in pollution related to manufacturing, and a more talented and trained workforce. Protecting our natural resources must come through supporting strong reuse practices and a collaborative network of consumers, government representatives and business leaders. Over two years, ReUSE MN proposes to expand partnerships, create a funding pool for reuse business incubators (any direct funding to businesses will not be using ENTRF funds), and host educational events including a national conference and professional development sessions across the state. Additional strategies include influencing government policies and practices that decrease use of natural resources by creating robust reuse alternatives for consumers and businesses; testing and implementing social marketing techniques to drive consumer behavior; and measuring the impact of reuse across the state through tested, pre-defined tools to prove growth in the reuse, repair and rental sector and environmental, economic and social impacts.

**What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state’s natural resources?**

ReUSE MN will establish tested tools that change consumer behavior to shop with the environment in mind thereby decreasing the harmful effects of material production. Reuse businesses, who are vital to our circular economy, will be supported with training, network services, and market analysis to ensure they can be successful now and for the next generation of skilled workers. We will advocate to increase incentives and alter/remove known barriers to reuse efforts. Research will be conducted two years after the first study to show trends of reuse businesses and the effect of new networks and consumer behavior.

## **Project Location**

**What is the best scale for describing where your work will take place?** Statewide

**What is the best scale to describe the area impacted by your work?** Statewide

**When will the work impact occur?** During the Project

## **Activities and Milestones**

### **Activity 1: Protect resources through strong reuse, repair, and rental businesses**

**Activity Budget:** $131,300

**Activity Description:**Expand and support a financially sustainable statewide network of reuse, repair and rental businesses and organizations. Build ReUSE MN organizational capacity by hiring staff and consultants. Deliver essential professional and business development assistance to that network, connecting industry leaders, government representatives, and emerging innovators to build capacity, address common barriers to progress and growth, and pilot new practices. The needs of various-sized reuse businesses will be assessed through research lead by a Business Needs Consultant. Professional development sessions will empower small business owners and staff to understand the unique opportunities and challenges of reuse businesses while providing resources to support them. Because trainings take time away from operating a business, stipends or other assistance might be provided as an incentive to attend business trainings . Depending on the business needs assessment, the trainings and stipends might be directed towards a more apprentice-like program to train a new reuse workforce. The certificate program works as an in-depth class(es) for business staff as and volunteers to build dedicated reuse advocates. In addition to regular member meetings and trainings, ReUSE MN will host a national conference to bring in innovations from around the country and to share Minnesota business projects with others.

**Activity Milestones:**

|  |  |
| --- | --- |
| **Description** | **Completion Date** |
| Hire Executive Director to lead projects | July 31, 2021 |
| Hire Administrative & Communications Assistant to support business projects. | November 30, 2021 |
| Build strategic partnerships in Greater MN to provide business planning, networking expertise | March 31, 2022 |
| Create a license/certificate program to foster a base of knowledgeable and empowered workforce | March 31, 2022 |
| Nurture talent and reuse workforce through targeted professional development training sessions (e.g apprenticeships) | June 30, 2022 |
| Develop tangible support services based on needs assessment (e.g. central marketing, inventory software). | June 30, 2022 |
| Build robust network website with resources based on member needs assessment | October 31, 2022 |
| Host national conference for 250 attendees to share innovative reuse activities. | December 31, 2022 |
| Host 8 business development/networking sessions in person or online throughout Minnesota | May 31, 2023 |
| Grow membership to 250 members by offering benefits that meet member needs | June 30, 2023 |

### **Activity 2: Expand methods and tools for measuring the environmental, economic and social impacts of reuse, repair, and rental**

**Activity Budget:** $111,000

**Activity Description:**With funding from LCCMR, ReUSE MN successfully illustrated the positive impact that reuse, rental and repair businesses have on Minnesota's economy, environment, and communities. With this new funding, the same research will be conducted, with additional depth, two years after the first study to show trends of reuse businesses and the effect of new networks and consumer habits. ReUSE MN will also pilot different social marketing techniques to identify the tools and approaches most successful in driving consumer behavior changes. Social marketing combines ideas from commercial marketing and the social sciences to influence a behavior in a sustainable and cost-effective way. To change a behavior (e.g., get consumers to shop secondhand or repair instead of buy new), research must be conducted to understand audience motivations and barriers to the behavior. A chosen strategy based on the audience research will increase incentives and lower barriers to the behavior. This strategy is tested as a pilot and the ability to measure. If successful, the pilot is increase to the general audience. The audience, chosen behavior, strategy, pilot and measurement will all be determined with help from a professional consultant.

**Activity Milestones:**

|  |  |
| --- | --- |
| **Description** | **Completion Date** |
| Hire consultant to lead behavior change analysis. | December 31, 2021 |
| Determine audience, chosen behavior(s), strategy, pilot and measurement with consultant for social marketing activities. | June 30, 2022 |
| Utilize and refine the pre-defined tool for measuring impacts of reuse businesses statewide. | December 31, 2022 |
| Test social marketing techniques to reduce purchasing of new products and switch to reuse strategies | December 31, 2022 |
| Create plan and start implementation of behavior change strategies. | June 30, 2023 |

### **Activity 3: Create a landscape for a successful reuse economy through policy change, advocacy and consumer support**

**Activity Budget:** $91,700

**Activity Description:**To complement a strong business engagement effort, ReUSE MN will identify barriers to businesses working to expand access to quality used goods and services and deterrents to residents wanting to reduce their consumption. Based on findings, ReUSE MN will develop and share policy alternatives to increase incentives or remove known barriers to reuse efforts. ReUSE MN will also continue raising consumer awareness and encouraging behavior changes, by connecting individuals with the right reuse businesses to address their needs, and implementing ongoing social marketing campaigns (complements Activity 2).

**Activity Milestones:**

|  |  |
| --- | --- |
| **Description** | **Completion Date** |
| Identify 5 government entities (municipal, county, state) that are willing to adopt new policies | December 31, 2021 |
| Develop and share internal policy options to invest used government-purchased items into communities. | June 30, 2022 |
| Implement social marketing campaign designed to change consumer behaviors to reduce consumption of national resources | December 31, 2022 |
| Assist government entities to update practices aimed at increasing internal reuse. | June 30, 2023 |
| Use data and examples of successful business models to inform changes in policy and practices | June 30, 2023 |

## **Project Partners and Collaborators**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name** | **Organization** | **Role** | **Receiving Funds** |
| Annika Bergen | Minnesota Pollution Control Agency | ReUSE MN Board SecretaryMPCA collaboration of resources, expertise, guidance | No |
| Julie Kearns | ninthstreetlife LLC | Create and lead reuse business certificate program. Give professional expertise about reuse businesses. | Yes |
| Steve Jameson | Bridging Inc. | Professional expertise on reuse businesses. Board of Directors | No |
| Steve Thomas | Better Futures | Professional expertise on reuse businesses, Board of Directors. | No |
| Miriam Holsinger | Eureka Recycling | Professional expertise on reuse businesses, Vice President and Treasurer of ReUSE MN. | No |

## **Dissemination**

**Describe your plans for dissemination, presentation, documentation, or sharing of data, results, samples, physical collections, and other products and how they will follow ENRTF Acknowledgement Requirements and Guidelines.**We share all information with our members and network routinely through e-news, social media, website and webinars. We plan to activity share grant findings and best practices with peers and business owners and leaders locally and nationally. The planned national conference will be one effort of information dissemination. The Minnesota Environmental and Natural Resources Trust Fund (ENRTF) will be acknowledged through use of the trust fund logo or attribution language on project print and electronic media, publications, signage, and other communications per the ENRTF Acknowledgement Guidelances.

## **Long-Term Implementation and Funding**

**Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this be funded?**Creating a sustainable circular economy is a long-term process that includes all stakeholders. Trainings, educational resources, results of the social marketing and business impact studies will be shared with government and professional networks and policy markers to show the influence reuse businesses have on the environmental and economy. The updated website and directory will continue to be used and supported after the grant ends. Funding will come from memberships, sponsorships, and grants. Part of the Executive Director's time (not covered by ENRTF funds) is allocated for long-term financial development.

## **Other ENRTF Appropriations Awarded in the Last Six Years**

|  |  |  |
| --- | --- | --- |
| **Name** | **Appropriation** | **Amount Awarded** |
| Expanding the State’s Reuse Economy to Conserve Natural Resources | M.L. 2018, Chp. 214, Art. 4, Sec. 2, Subd. 05j | $275,000 |

## **Budget Summary**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Category / Name** | **Subcategory or Type** | **Description** | **Purpose** | **Gen. Ineli gible** | **% Bene fits** | **# FTE** | **Class ified Staff?** | **$ Amount** |
| **Personnel** |  |  |  |  |  |  |  |  |
| Executive Director/Project Manager |  | Operational management specific to the grant, administration and communications lead for grant, fiscal management, LCCMR project lead |  |  | 20% | 1.6 |  | $134,400 |
| Administrative and Communications Assistant |  | Support for trainings, webinars and workshops; social media support; phone and email support related to grant activities. |  |  | 20% | 1 |  | $43,200 |
|  |  |  |  |  |  |  | **Sub Total** | **$177,600** |
| **Contracts and Services** |  |  |  |  |  |  |  |  |
| TBD | Professional or Technical Service Contract | Additional economic, environmental and social impact research of reuse, repair and rental businesses across the state. Brio is former LCCMR grant partner but another contractor might be needed. Hiring of person or contractor will adhere to state contracting guidelines and a competitive bid process (Activity 2b) |  |  |  | 0.25 |  | $20,000 |
| TBD | Professional or Technical Service Contract | Consultant to test social marketing techniques to change consumer behavior and implement statewide social marketing campaign resulting in replacement of new purchases with reuse, repair, and/or rental activities. Hiring of person or contractor will adhere to state contracting guidelines and a competitive bid process. (Activity 2a, 3b) |  |  |  | 0.5 |  | $50,000 |
| ninthstreetlife LLC, Julie Kearns Principal | Sub award | Certificate training facilitator: create certificate program, facilitate classes. (Activity 1a)Julie Kearns has extensive experience in owning a small reuse business and measuring waste impacts. The proposed training course is a project no other organization in Minnesota has created (sole source) therefore a request for proposals was not conducted. |  |  |  | 0.5 |  | $16,000 |
| TBD | Professional or Technical Service Contract | Business network needs assessment. Hiring of person or contractor will adhere to state contracting guidelines and a competitive bid process. (Activity 1c) |  |  |  | 0.3 |  | $15,000 |
| TBD | Professional or Technical Service Contract | Events and conference vendor. Hiring of person or contractor will adhere to state contracting guidelines and a competitive bid process (Activity 1c) |  |  |  | 0.24 |  | $7,000 |
| TBD | Professional or Technical Service Contract | Accountant: grant financial management. Hiring of person or contractor will adhere to state contracting guidelines and a competitive bid process. These functions are handled by a volunteer treasurer normally. To satisfy grant accountability and fiscal management, an accountant is necessary for this ENRTF grant period. |  |  |  | 0.08 |  | $10,000 |
|  |  |  |  |  |  |  | **Sub Total** | **$118,000** |
| **Equipment, Tools, and Supplies** |  |  |  |  |  |  |  |  |
|  | Equipment | Computers used for project (Used or refurbished laptops for 2 staff) | New staff for grant project - equipment may not be necessary | X |  |  |  | $1,900 |
|  | Equipment | Office printer used for project | For new staff - equipment may not be necessary | X |  |  |  | $500 |
|  | Equipment | Zoom Videoconferencing | Electronic meeting and webinar service to connect with businesses across the state. (Activity 1d, 1e) |  |  |  |  | $1,500 |
|  | Equipment | Mailchimp | Manage electronic communications with members, prospective members (including reuse, repair and rental businesses across the state) and community and government supporters. |  |  |  |  | $2,500 |
|  | Equipment | Website and directory | Technology to maintain network membership, public-facing website, and event registration. (Activity 1b.) |  |  |  |  | $12,000 |
|  |  |  |  |  |  |  | **Sub Total** | **$18,400** |
| **Capital Expenditures** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **Sub Total** | **-** |
| **Acquisitions and Stewardship** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **Sub Total** | **-** |
| **Travel In Minnesota** |  |  |  |  |  |  |  |  |
|  | Miles/ Meals/ Lodging | Car travel for Greater Minnesota outreach: 4,000 miles X .575 cents/mile = $2,300 and food and lodging = $2,500 | Outreach and education for reuse businesses across Minnesota |  |  |  |  | $4,800 |
|  |  |  |  |  |  |  | **Sub Total** | **$4,800** |
| **Travel Outside Minnesota** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | **Sub Total** | **-** |
| **Printing and Publication** |  |  |  |  |  |  |  |  |
|  | Printing | Promotional materials and signage | Marketing of educational and networking events. ReUSE MN limits printing as much as possible, using reusable signage and electronic communication whenever possible. |  |  |  |  | $4,200 |
|  |  |  |  |  |  |  | **Sub Total** | **$4,200** |
| **Other Expenses** |  |  |  |  |  |  |  |  |
|  |  | Stipends for professional development to expand reuse businesses | Stipends for travel, training costs, professional development dependent on business needs assessment. Business representatives that need incentives to get training to open or expand their reuse businesses would be eligible. | X |  |  |  | $5,000 |
|  |  | Dun & Bradstreet | Purchase of statewide economic and business data of reuse, repair and rental business data to validate research model.(Activity 2b) |  |  |  |  | $6,000 |
|  |  |  |  |  |  |  | **Sub Total** | **$11,000** |
|  |  |  |  |  |  |  | **Grand Total** | **$334,000** |

### **Classified Staff or Generally Ineligible Expenses**

|  |  |  |  |
| --- | --- | --- | --- |
| **Category/Name** | **Subcategory or Type** | **Description** | **Justification Ineligible Expense or Classified Staff Request** |
| **Equipment, Tools, and Supplies** |  | Computers used for project (Used or refurbished laptops for 2 staff) | The project focuses a lot of work on data and communications for which a computer is needed. Equipment purchases may not be needed depending on what the new hire has available. If equipment is needed, the purchased item(s) will continue to be used for ReUSE MN's efforts after the grant and will benefit the reuse network. If the use changes, ReUSE MN will payback the costs for this equipment to ENRTF. |
| **Equipment, Tools, and Supplies** |  | Office printer used for project | The project focuses a lot of work on data and communications for which a computer is needed. Equipment purchases may not be needed depending on what the new hire has available. If equipment is needed, the purchased item(s) will continue to be used for ReUSE MN's efforts after the grant and will benefit the reuse network. If the use changes, ReUSE MN will payback the costs for this equipment to ENRTF. |
| **Other Expenses** |  | Stipends for professional development to expand reuse businesses | This may end up being a different incentive for businesses development depending on research. (Activity 1e) We do not know specifically how these funds will be used until we know what is needed. After needs assessment, we will consult with LCCMR staff to verify use of funds appropriately. |

### **Non ENRTF Funds**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Category** | **Specific Source** | **Use** | **Status** | **Amount** |
| **State** |  |  |  |  |
|  |  |  | **State Sub Total** | **-** |
| **Non-State** |  |  |  |  |
| Cash | Network membership revenue (125-175 members @ $100 average membership renewal) | General operating expenses and membership renewal | Potential | $30,000 |
|  |  |  | **Non State Sub Total** | **$30,000** |
|  |  |  | **Funds Total** | **$30,000** |

## **Attachments**

### **Required Attachments**

#### ***Visual Component***

File: [b266023c-e22.pdf](https://lccmrprojectmgmt.leg.mn/media/map/b266023c-e22.pdf)

#### ***Alternate Text for Visual Component***

Board Resolution in support of LCCMR Proposal...

#### ***Financial Capacity***

File: [560b2e35-436.pdf](https://lccmrprojectmgmt.leg.mn/media/financial_capacity/560b2e35-436.pdf)

#### ***Board Resolution or Letter***

|  |  |
| --- | --- |
| **Title** | **File** |
| LCCMR Board Resolution\_ReUSE MN | [0fb22f44-1b4.pdf](https://lccmrprojectmgmt.leg.mn/media/attachments/0fb22f44-1b4.pdf) |

### **Optional Attachments**

#### ***Support Letter or Other***

|  |  |
| --- | --- |
| **Title** | **File** |
| Fiscal Management Plan\_July 2021 | [d01f6d4e-24a.pdf](https://lccmrprojectmgmt.leg.mn/media/attachments/d01f6d4e-24a.pdf) |
| Staffing Plan\_July 2021 | [b6549383-4d3.docx](https://lccmrprojectmgmt.leg.mn/media/attachments/b6549383-4d3.docx) |
| Employee Handbook | [04592fae-108.pdf](https://lccmrprojectmgmt.leg.mn/media/attachments/04592fae-108.pdf) |
| Background Check Form | [459f36cd-dda.pdf](https://lccmrprojectmgmt.leg.mn/media/attachments/459f36cd-dda.pdf) |

## **Difference between Proposal and Work Plan**

#### ***Describe changes from Proposal to Work Plan Stage***

Work plan activities did not change. Budget had major shifts to replace management company with staff and contractors.

## **Additional Acknowledgements and Conditions:**

The following are acknowledgements and conditions beyond those already included in the above workplan:

**Do you understand and acknowledge the ENRTF repayment requirements if the use of capital equipment changes?**
 N/A

**Do you agree travel expenses must follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?**
 Yes, I agree to the Commissioner's Plan.

**Does your project have potential for royalties, copyrights, patents, or sale of products and assets?**
 No

**Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?**
 N/A

**Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?**
 N/A

**Does your project include original, hypothesis-driven research?**
 No

**Does the organization have a fiscal agent for this project?**
 No