



Environment and Natural Resources Trust Fund

2021 Request for Proposal

General Information

Proposal ID: 2021-117

Proposal Title: Water, Wildlife and Weather Friendly Labeling Pilot Program

Project Manager Information

Name: Carrie Jennings

Organization: Freshwater Society

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Project Basic Information

Project Summary: Funds derived from product-labeling fees that surcharge companies to promote Water, Wildlife and Weather Friendly products are used to permanently convert lands to protect water, provide habitat and sequester carbon.

Funds Requested: \$195,000

Proposed Project Completion: 2023-06-30

LCCMR Funding Category: Small Projects (H)

Secondary Category: Methods to Protect, Restore, and Enhance Land, Water, and Habitat (F)

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 and In the Future

Narrative

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

Despite significant spending on conservation, intensification of row cropping, continues to degrade Minnesota's water quality and wildlife habitat. Attempts to solve these problems have achieved limited success because they tend to be temporary and focus on one issue at a time. The premise of Water, Wildlife and Weather Friendly (W3F) is that multiple, long-lasting rural environmental and quality of life improvements can be achieved but only if cropland is converted to perennial vegetation/crops, that this conversion is permanent, and that placement is paramount; that is, the conversion of lands closest to surface waters will yield the greatest benefits for the least cost – the 3Ps.

The successful implementation of the 3Ps would yield multiple benefits. Both urban and rural residents would enjoy the environmental improvements of W3F but rural populations would benefit more because of their proximity. Agricultural communities are under great stress due to low commodity prices and climate changes that are increasing the uncertainty of successful growing seasons. W3F would supplement farm incomes by paying farmers to retire lands that are least profitable because of their difficult shapes, sizes and configurations and thereby enable farmers to direct more attention to their most productive acres.

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.

W3F envisions accomplishing the 3Ps of permanently converting cropland to perennial vegetation/crops through the targeted selection of lands closest to surface waters via the following:

- Companies pay for the privilege of labeling their products with the “Water, Wildlife and Weather Friendly” logo. Products so labeled do not have to be produced according to certain specifications. Rather, the labeling indicates that the purchase of labeled products makes funds available to repurpose croplands according to the 3Ps.
- Consumers associate products with the W3F label as ones that are good for the environment (i.e. enable funding for the permanent conversion of cropland to perennial vegetation for the benefit of water, wildlife and climate change mitigation).
- The funds raised through W3F labeling agreements are used to permanently convert cropland to perennials in locations that maximize water quality benefits, either through the purchase of easements or outright purchases of land.

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?

The Freshwater Society would create the foundation of the W3Friendly program, demonstrate its success with pilot projects, thus laying the groundwork for the eventual nationwide scaling of the program. Working with a coalition of conservation and ag organizations, we would develop example accreditation to assure consumers that quantifiable wildlife habitat, water quality, and climate protection goals are being achieved. Freshwater also would establish a W3F logo and trademark, to promote and manage the W3F program, conduct a cost-environmental benefit analysis and engage with at least two corporations to test pilot a product labeling-land protection program.

Activities and Milestones

Activity 1: Create the framework for the W3Friendly program and demonstrate its cost effectiveness as a water quality, habitat and carbon storage paradigm.

Activity Budget: \$157,000

Activity Description:

The premise of the W3Friendly program is that manufacturers and retailers will pay for the privilege to label products as W3Friendly because consumers prefer them and will pay more when inspired by products that provide environmental benefits. These include protecting pollinators, drinking water, lakes, ducks, monarchs, and providing carbon storage. Freshwater will convene a coalition of conservation and agricultural groups (e.g. The Nature Conservancy, Audubon, Land Stewardship Project, Fresh Energy and Corn Growers Association) to help define the operational standards for delivering W3Friendly consumer promotion and labeling. Together, they will draft implementation directives to achieve meaningful and lasting environmental value. In time, a coalition like this would serve as fiscal and administrative agent for the W3Friendly program, receive the funds from manufacturers and retailers using the W3Friendly label and implement the program in priority areas.

Freshwater will then create the foundation for the program by enlisting, two Minnesota-based companies to demonstrate how promotional labeling can be used to fund environmental conservation goals and create promotional materials to inspire consumers to buy W3Friendly labeled products. By project end, we everything will be in place to implement the program and we will have enlisted at least two companies to pilot it.

Activity Milestones:

| Description | Completion Date |
|--|-----------------|
| Define the W3Friendly paradigm and market the concept to conservation groups | 2022-01-31 |
| Organize a coalition of conservation and farm groups to promote and administer the program | 2022-03-31 |
| Define operational standards, participation requirement and directives for incorporating the 3Ps | 2022-11-30 |
| Enlist two corporations/manufactures/retailers to pilot test the program | 2023-06-30 |
| Create promotional materials for distribution to coalition members and marketing firms. | 2023-06-30 |

Activity 2: Conduct Cost-Environmental Benefit Analysis and Create Program Roadmap to reaching Environmental Milestones

Activity Budget: \$38,000

Activity Description:

This Activity will demonstrate how, if the W3Friendly paradigm is adopted by corporations and supported by consumers, the funds generated can convert significant row-cropped areas to perennials, resulting in meaningful environmental benefits. Environmental benefits consist of water quality, habitat and carbon storage components defined as reductions of nutrient (nitrogen, phosphorus) and sediment loads in surface and drinking water resources, increases in grassland critical for bird, butterfly, and pollinator species, and increases in soil carbon sequestration, respectively.

We will conduct cost-environmental benefit analyses of implementing land conversions in three case study areas in agricultural regions of Minnesota. The case studies will consist of (1) a high value recreational lake, (2) a drinking water supply management area (DWSMA) or wellhead protection area, and (3) an agricultural river. Case studies will adhere to the 3 Ps criteria (defined previously), map potential conversion locations, and estimate costs and environmental benefits. Results will be synthesized into a Program Roadmap, which can be used for planning purposes to estimate program costs and benefits at different watershed scales. The Program Roadmap will also help answer: How much consumer participation and buy-in would be needed to reach different goals for environmental benefits?

Activity Milestones:

| Description | Completion Date |
|--|-----------------|
| Conduct cost-environmental benefit analysis on a high value recreational lake | 2022-01-31 |
| Conduct cost-environmental benefit analysis on a drinking water supply management area (DWSMA) or wellhead protectio | 2022-06-30 |
| Conduct cost-environmental benefit analysis on a HUC-12 (as defined by USGS) agricultural river/watershed | 2022-08-31 |
| Synthesize results and create Program Roadmap to reach environmental milestones | 2023-06-30 |

Project Partners and Collaborators

| Name | Organization | Role | Receiving Funds |
|-----------------|--------------------------------------|--|-----------------|
| Jason Ulrich | St. Croix Watershed Research Station | Jason Ulrich, as an assistant scientist at the St. Croix Research Station, will conduct water quality and habitat modeling/evaluations and cost-benefit analyses in the three case study watersheds, and synthesize results for use in the program roadmap to outline environmental milestones over time. | Yes |
| Shawn Schottler | Research Fellow | Dr. Schottler will work with the project manager to coordinate and supervise all aspects of the project including creating the operational structure of the W3Friendly program, organizing the governing coalition, promoting the program to consumers, recruiting corporations/retailers to participate in a pilot test, and summarizing the cost-benefit implementation roadmap. | Yes |

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?

The goal will be that W3F is self-sustaining when this project concludes on June 30, 2023. By then, Freshwater envisions that one or more companies will be paying to place the W3F logo on their products, that the logo will be sufficiently recognizable by consumers that they will in aggregate show a preference for products with the label compared to comparable products without. And as a result of the above, sufficient funds will have been collected to begin purchasing and converting cropland according to the 3Ps - perennial vegetation/crops, permanent conversion, and placement on lands closest to surface waters.

Project Manager and Organization Qualifications

Project Manager Name: Carrie Jennings

Job Title: Research and Policy Director

Provide description of the project manager's qualifications to manage the proposed project.

Dr. Carrie Jennings Research and Policy Director for Freshwater was formerly a field geologist for 24 years, 22 of those with the Minnesota Geological Survey and two with the DNR, Division of Lands and Minerals. She subsequently served as the science reports lead for the County Geologic Atlas program at the DNR. In her current position at Freshwater, she applies her understanding of glacial geology and landscape evolution to shape policy and technical approaches for managing surface water and groundwater, avoiding hazards, and using resources wisely. She does this through building teams to tackle applied research challenges; promoting the results of these studies in white papers, journal publications, maps, fact sheets and talks; implementing solutions as directly as possible in communities to achieve results; interacting with the legislative branch to shape laws where necessary; working with executive branch agencies to shape rules derived from laws; and supervising Freshwater's intern program and mentoring students who are interested in science and policy. For this project she will coordinate the stakeholder and corporate partner recruitment and engagement and marketing of the branding. She will also advise on placement of permanent, perennials for optimal groundwater protection.

Organization: Freshwater Society

Organization Description:

The mission of Freshwater is to inspire and empower people to value and preserve our freshwater resources. Since 1968, Freshwater has been a leading public nonprofit organization dedicated to preserving freshwater resources and their surrounding watersheds. To that end, we 1) recognize the vital role of freshwater to all living things and the impending

crisis in the quantity and quality of accessible freshwater; 2) dedicate our experience and resources to activities that lead to understanding, protection, enhancement, and restoration of freshwater resources, and 3) invite the participation and support of individuals, associations, business and industry, institutions, educators, and government in these activities. We see this proposed work as fulfilling our commitment to protect freshwater resources in a novel and strategic way by taking advantage of the public's interest in water protection, generating revenue from across the country to protect the headwaters of three continental watersheds while saving on state spending.

Budget Summary

| Category / Name | Subcategory or Type | Description | Purpose | Gen. Ineligible | % Benefits | # FTE | Classified Staff? | \$ Amount |
|---------------------------------------|--|--|---------|-----------------|------------|-------|-------------------|------------------|
| Personnel | | | | | | | | |
| Project Manager | | Oversee all aspects of the Water, Wildlife and Weather Friendly Project | | | 26% | 0.8 | | \$59,000 |
| Research Fellow | | Coordinate and promote W3 Friendly paradigm, organize coalition, define operational standards | | | 26% | 0.8 | | \$59,000 |
| | | | | | | | Sub Total | \$118,000 |
| Contracts and Services | | | | | | | | |
| St. Croix Watershed Research Station | Professional or Technical Service Contract | Estimate environmental benefits versus cost for three watershed case studies, and use results to create a long-term roadmap for applying the 3P's to achieve desired water and habitat milestones. | | | | 0.66 | | \$38,000 |
| Marketing Specialist | Professional or Technical Service Contract | Create promotional materials, assist with marketing and outreach to corporations | | | | 0 | | \$32,000 |
| | | | | | | | Sub Total | \$70,000 |
| Equipment, Tools, and Supplies | | | | | | | | |
| | | | | | | | Sub Total | - |
| Capital Expenditures | | | | | | | | |
| | | | | | | | Sub Total | - |
| Acquisitions and Stewardship | | | | | | | | |
| | | | | | | | Sub Total | - |
| Travel In Minnesota | | | | | | | | |

| | | | | | | | | |
|---|--------------------------|--|---|--|--|--|------------------------|------------------|
| | Miles/ Meals/ Lodging | Mileage reimbursement and meals for hosting and organization W3Friendly coalition | Meetings at Freshwater and travel offsite to create W3Friendly coalition | | | | | \$3,000 |
| | | | | | | | Sub Total | \$3,000 |
| Travel Outside Minnesota | | | | | | | | |
| | | | | | | | Sub Total | - |
| Printing and Publication | | | | | | | | |
| | Printing | Printing of W3Friendly promotional materials | Print materials to be used in promoting the program to the public and recruiting corporations | | | | | \$4,000 |
| | | | | | | | Sub Total | \$4,000 |
| Other Expenses | | | | | | | | |
| | | | | | | | Sub Total | - |
| | | | | | | | Grand Total | \$195,000 |

Classified Staff or Generally Ineligible Expenses

| Category/Name | Subcategory or Type | Description | Justification Ineligible Expense or Classified Staff Request |
|---------------|---------------------|-------------|--|
|---------------|---------------------|-------------|--|

Non ENRTF Funds

| Category | Specific Source | Use | Status | Amount |
|------------------|-----------------|-----|----------------------------|--------|
| State | | | | |
| | | | State Sub Total | - |
| Non-State | | | | |
| | | | Non State Sub Total | - |
| | | | Funds Total | - |

Attachments

Required Attachments

Visual Component

File: [ab5cb979-cab.pdf](#)

Alternate Text for Visual Component

A photo of a sign advertising the W3Friendly program and how it works is shown in the attached graphic. The concept of the W3Friendly marketing paradigm originated at St. Croix Valley Tree farm in 2019 as a way to get their customers to "fund" nearby conservation projects. The project proposed to LCCMR would take their concept and scale it to statewide significance. One of the signs used at St. Croix Valley Trees to promote W3Friendly products is shown in the photo.

Financial Capacity

File: [d22a9940-a3f.pdf](#)

Board Resolution or Letter

| Title | File |
|--------------------------|----------------------------------|
| W3Friendly Graphic | e60ddc37-b81.pdf |
| Freshwater Board Support | 0ab4d8ab-681.doc |

Optional Attachments

Support Letter or Other

| Title | File |
|---|----------------------------------|
| Support letter from Joe Duggan, OnPond Consulting | 842ffaf7-4f7.pdf |

Administrative Use

Does your project include restoration or acquisition of land rights?

No

Does your project have patent, royalties, or revenue potential?

Yes,

- Patent, Copyright, or Royalty Potential
- Potential revenue generated or net income from the sale of products or assets developed or acquired with ENRTF funding

Does your project include research?

No

Does the organization have a fiscal agent for this project?

No



NEW! We are offering hot dogs and brats that are “*Water, Wildlife and Weather Friendly*”

When you buy *W³Friendly* products, you are helping to save butterflies, bees, birds, and keep our drinking water clean. Thank you!

Proceeds from *Water Wildlife and Weather Friendly* Hot Dogs and Brats will fund projects like this prairie buffer strip on a neighboring farm.

Prairie Buffer
W³Friendly products: funding farmers to do good things on the land



Prairie Buffer:
Critical habitat for bees, pollinators, Monarchs, songbirds and pheasants - **filtering pollutants to protect drinking water and the St. Croix river!**



Sign At St. Croix Valley Tree Farm: 2019

W3Friendly, is an idea started at St. Croix Valley Christmas Tree farm in 2019 as a way to get their customers to fund nearby conservation projects. Maybe it's an idea that can work for a Nation?