



Environment and Natural Resources Trust Fund

2022 Request for Proposal

General Information

Proposal ID: 2022-113

Proposal Title: Water, Wildlife and Weather Friendly Funds

Project Manager Information

Name: Carrie Jennings

Organization: Freshwater Society

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Project Basic Information

Project Summary: Research and stakeholder input to design program to target lands for perennials that provide co-benefits to water, habitat and carbon sequestration using funds from product-labeling, piloted by two Minnesota companies.

Funds Requested: \$195,000

Proposed Project Completion: July 31 2024

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.

Minnesota won't reach its current water-quality goals at the current rate of spending and improvement by relying exclusively on state money. Private funds, creatively raised, can be used to augment state funds in carefully targeted investments in on-the-ground projects.

Despite enormous government spending on conservation, the intensification and expansion of row cropping into previously forested acres continues to present Minnesota with the intractable environmental problems of declines in water quality and pollinator 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; pose irreconcilable dilemmas; mandate changes to farming practices, and meet with rural political resistance. At the same time public expenditure to incentivize farmers to protect the environment encounters urban taxpayer reluctance, widening the rural-urban divide. Agricultural communities are under great stress due to low commodity prices and climate changes that are increasing the uncertainty of successful growing seasons. A private source of money that could supplement farm incomes by paying farmers to retire lands that are least profitable because of their difficult shapes, sizes and configurations would 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.

This proposed pilot of the Water, Wildlife and Weather Friendly (W3Friendly) program is to demonstrate that multiple, long-lasting rural environmental and quality-of-life improvements can be achieved through permanent placement of perennial vegetation (the 3 Ps) through the targeted selection of lands that will yield the greatest benefits for the least cost. Revenue is generated from private companies that pay for the privilege of labeling their products with the "Water, Wildlife and Weather Friendly" logo. Labeled products do not have to be produced according to certain specifications. Rather, the labeling indicates that the purchase of labeled products makes funds available to protect the environment. Some consumers will favor these products even if the company chooses to pass the fee onto them (some companies may absorb it to sell more). The funds raised through W3Friendly labeling agreements will be used to permanently convert unproductive cropland to perennial vegetation or crops in locations that maximize water quality benefits, carbon storage and habitat creation either through the purchase of easements or outright purchases of land and the reseeding and management of these lands with perennial vegetation/crops. Both urban and rural residents would enjoy results of W3Friendly program and it would be completely voluntary.

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?

Freshwater would work with modeling results and stakeholders to create the framework for the W3Friendly program, demonstrate its cost effectiveness as a water quality, pollinator and wildlife habitat and carbon storage paradigm and by project end, have all of the marketing materials ready to launch the fund-raising mechanism and dedicate the funds raised:

- Define the W3Friendly paradigm: operational standards, participation requirements and directives.
- Organize a coalition of conservation and farm groups to frame and promote the program.
- Enlist at least two corporations/manufacturers/retailers to pilot test the program.
- Create promotional materials for use by coalition members and marketing firms.

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 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. Consumers are likely motivated to purchase products that help create safe drinking water, clean rivers/lakes and enhance imperiled species such as pollinators, monarchs, songbirds and ducks and that help mitigate climate change through carbon storage. Freshwater will convene a coalition of conservation and agricultural groups (e.g. The Nature Conservancy, Land Stewardship Project, Farmers Union, Corn Growers) to define the operational standards for delivering W3Friendly consumer 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 retailers using the W3Friendly label and implement the program in priority areas.

Freshwater will then enlist 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 everything will be in place to implement and we will have two companies to pilot it.

Activity Milestones:

Description	Completion Date
Define the W3Friendly paradigm and market the concept to conservation groups	January 31 2023
Organize a coalition of conservation and farm groups to promote and administer the program	March 31 2023
Define operational standards, participation requirement and directives	November 30 2023
Enlist two corporations/manufactures/retailers to pilot test the program	June 30 2024
Create promotional materials for distribution to coalition members and marketing firms.	June 30 2024

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 low-productivity 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	January 31 2023
Conduct cost-environmental benefit analysis on a drinking water supply management area (DWSMA) or wellhead protection	June 30 2023
Conduct cost-environmental benefit analysis on a HUC-12 (as defined by USGS) agricultural river/watershed	August 31 2023
Synthesize results and create Program Roadmap to reach environmental milestones	June 30 2024

Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
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
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

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 has a self-sustaining model in place when this project concludes. 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. As a result, sufficient funds will have been collected to begin purchasing easements or cropland according to perennial vegetation/crops, permanent conversion, and placement on lands that provide the most benefit as determined by the rubric developed.

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 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. She 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 where she subsequently served as the science reports lead for the County Geologic Atlas program at the DNR.

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
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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 and again in 2020 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: [31a1ef4d-9bc.pdf](#)

Board Resolution or Letter

Title	File
FWBoardSupportLetter	f0b2ebbd-32a.pdf
Duggan support (former Pres. of Pheasants Forever)	d5ecdd4e-8d8.pdf
Cargill support letter	5441da88-b96.pdf

Administrative Use

Does your project include restoration or acquisition of land rights?

No

Does your project have potential for royalties, copyrights, patents, or sale of products and assets?

Yes

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

Yes

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

No

Does your project include original, hypothesis-driven 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?