



# Environment and Natural Resources Trust Fund

2027 Request for Proposal

## General Information

**Proposal ID:** 2027-334

**Proposal Title:** Expanding Minnesota Grazing for Resilient Landscapes

## Project Manager Information

**Name:** Megan Lennon

**Organization:** Minnesota Department of Agriculture

**Office Telephone:** (651) 201-6238

**Email:** megan.lennon@state.mn.us

## Project Basic Information

**Project Summary:** This project accelerates adoption of managed grazing practices and expands perennial forage planting in Minnesota to improve water quality, soil health, wildlife habitat, landscape resilience, and farm diversification.

**ENRTF Funds Requested:** \$4,143,000

**Proposed Project Completion:** June 30, 2032

**LCCMR Funding Category:** Land (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.**

The Climate Action Framework (CAF) and the Minnesota Nutrient Reduction Strategy (NRS) call for more perennial forages and rotational grazing on the landscape to improve soil health, water quality and build climate resilient landscapes. Well-managed grazing operations reduce agricultural greenhouse gas emissions, provide habitat and increase biodiversity, and diversify farm income that supports rural economies. Despite these wide-ranging benefits, farmers face hurdles when trying to transition to regenerative and climate-smart practices like managed grazing.

The primary challenge to increasing perennial forage and adopting managed grazing practices is the upfront costs of converting land to perennial pasture and installing grazing system infrastructure. Costs are often more than \$30,000 for a 20-acre pasture; this poses significant barriers and disproportionately impacts small farming operations and emerging farmers, preventing many motivated farmers from adopting a practice they know would benefit both their operation and the surrounding landscape. While federal financial programs support grazing practices, these programs vary considerably by county and are difficult to implement in a timely manner. To meet statewide goals in the CAF and NRS, and support small Minnesota farms, the state must provide additional financial incentives to help farmers transition to regenerative and climate-smart practices like managed grazing.

### **What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.**

This proposal removes two barriers faced by farmers that are motivated to establish perennial pasture and transition to a managed/rotational grazing system: financial support and technical assistance. MDA will develop a managed grazing pilot program that provides grants to Minnesota farmers to establish perennial forages for grazing or to implement a new managed grazing system. The program provides technical assistance by connecting grazing specialists with farmers to develop customized grazing plans. By pairing financial support with technical assistance, the program goes beyond simply covering costs — it equips farmers with the knowledge and infrastructure needed to permanently shift management practices.

This initiative fills gaps left by federal programs, through timely Minnesota-specific grants and support. It will accelerate the adoption of managed grazing and perennial forages, improving pasture productivity, soil health, water quality, habitat diversity, and climate mitigation. The program's benefits will extend beyond individual farms, helping advance statewide nutrient reduction and climate goals. Farmers are facing a down farm economy; it is difficult to adopt conservation practices requiring upfront investments in infrastructure/equipment. These costs are prohibitive when profit margins are tight, and farmers cannot independently finance the transition to managed grazing. Minnesota urgently needs funding to expand climate-smart, managed

### **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 MDA anticipates awarding approximately 150 grant awards covering approximately 6,000 to 10,000 additional acres under perennial forage and managed grazing systems in Minnesota. Additional outcomes include:

- Improved surface water and groundwater quality
- Increased soil health and reduced nutrient loss
- Increased climate resiliency and soil carbon storage
- Improved wildlife and pollinator habitat
- Reduced drinking water treatment costs

A 2022 case study from Green Lands Blue Waters documents that for every \$1 invested in perennial forage and managed grazing, the social and environmental return is \$3.38. These benefits extend to the local community, tax payers, and all Minnesotans.



## Activities and Milestones

### Activity 1: Publish RFP, Project Selection, Pre-award Risk Assessment, Grant Agreements, and Grant Management

**Activity Budget:** \$561,000

**Activity Description:**

The MDA will develop a pilot program to award grants for adaptive management practices, based on state policy and best practices for grants administration. The MDA will hire a temporary grant administrator to conduct all aspects of RFP development, review committee coordination, project selection, pre-award risk assessments, grant agreement contracts execution, monitoring, reimbursements, and other grant management tasks. Promotion and outreach for the grant opportunity will be done using existing outreach strategies (website, GovDelivry, media, and stakeholder engagement).

The MDA and a panel of external review committee members will review all grant applications and make funding recommendations to the Commissioner for final approval. Established criteria will be used to score, rank, and select proposals.

The MDA Agricultural Marketing and Development Division is ready to begin work and stand up the new pilot grant program as soon as ENTRF funding becomes available.

**Activity Milestones:**

Description	Approximate Completion Date
First RFP published	November 30, 2027
Grant recipients selected from first RFP and grant contracts initiated	May 31, 2028
Second RFP published	August 31, 2028
Grant recipients selected from second RFP and grant contracts initiated	March 31, 2029
Third RFP published	August 31, 2029
Grant recipients selected from third RFP and grant contracts initiated	March 31, 2030

### Activity 2: Grant funding to recipients (subawardees)

**Activity Budget:** \$3,000,000

**Activity Description:**

Grant funding provided to projects selected through the competitive RFP process. The MDA anticipates completing three RFP cycles with available funding. Eligible costs would include perennial pasture improvement or establishment, fencing, water supply systems, and other equipment and infrastructure needed to manage livestock movement for multiple environmental benefits. Grant funds will be leveraged by requiring a match from recipients.

Funds distributed through this pilot grant program will meaningfully support farm profitability, long-term viability, and the continuation of working agricultural lands in the state. The on-farm benefits of managed grazing have cascading impacts that benefit taxpayers, the local community, and all Minnesotans.

**Activity Milestones:**

Description	Approximate Completion Date
RFP 1 – first progress report and invoice received	January 31, 2029
RFP 1 – final progress report received, and final payment made	January 31, 2030
RFP 2 - first progress report and invoice received	January 31, 2030

RFP 2 – final progress report received, and final payment made	January 31, 2031
RFP 2 – final progress report received, and final payment made	January 31, 2031
RFP 3 - first progress	
RFP 3 – final progress report received, and final payment made	January 31, 2032

### Activity 3: Technical Assistance for Grazing Plans

**Activity Budget:** \$582,000

**Activity Description:**

Effective implementation of managed grazing practices requires more than fencing and watering systems — it requires support and guidance from a grazing specialist. Currently in Minnesota, there are not enough technical service providers to meet the demand for managed grazing plans this program will generate. To alleviate this bottleneck, the MDA will hire a temporary grazing specialist to work with farmers and grant recipients to develop grazing plans and provide support throughout the program. Grazing plans are required for grant eligibility.

Technical assistance will be available to farmers at key stages of the process — from planning through post-installation management. This includes helping farmers think through paddock layout, water access points, and fencing design before purchasing materials, as well as providing follow-up support as farmers begin actively rotating livestock through their new system. By embedding technical assistance directly into the program, funded equipment will be installed thoughtfully and used effectively to enhance benefits. Grazing plans developed through this pilot program will serve as long-term management tools, guiding farmers well beyond the grant period and maximizing the off-farm benefits and conservation impact of each investment.

**Activity Milestones:**

Description	Approximate Completion Date
TA provided to potential grantees that do not have a current grazing plan	November 30, 2027
TA provided to round 1 grantees	December 31, 2028
TA provided to round 2 grantees	December 31, 2029
TA provided to round 3 grantees	December 31, 2030
TA provider works with grantees, completes follow-up site visits and modifies grazing plans if needed	June 30, 2032

## Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
Ariel Kagan	Minnesota Farmers Union	Project Advisor	No
Kelly Anderson	Minnesota Department of Agriculture	Program co-lead	No
Megan Lennon	Minnesota Department of Agriculture	Program manager	No
Courtney VanderMey	Minnesota Department of Agriculture	Grant management oversight	No
Logan Shoup	Ducks Unlimited	Participate in quarterly grazing meetings on project progress	No
Dean Thomas	Minnesota Grazing Lands Conservation Association	Participate in quarterly grazing meetings on project progress	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.**

The final report will summarize all work completed under the grant and it will be made available on MDA’s website. In addition, MDA staff may present project progress and findings through conference presentations, field days, regional grazing working group meetings, and MDA’s social media. Signs with the ENRTF logo will be shared with grantees to showcase their managed grazing systems and environmental stewardship, and the MDA will ensure the ENRTF acknowledgement is included on the website, social media posts, and in all communication materials.

This project will run concurrently with a Ducks Unlimited (DU) public lands grazing program and a Minnesota Grazing Lands Conservation Association (MNGLCA) outreach and education program. The MDA will coordinate with DU, the MNGLCA, and the Minnesota Farmers Union to share knowledge and leverage expertise to accelerate the adoption of perennial forage plantings and managed grazing.

## 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 work be funded?**

Managed grazing equipment is a long-term investment — once installed, fencing and water systems remain functional for decades with routine maintenance. Participating farmers will own and maintain their equipment ensuring ongoing implementation without additional program funding. When done properly, managed grazing creates more productive and resilient systems. Farmers will continue building on knowledge gained each year they participate, guiding land management well beyond the grant period. Farmers who complete the program will serve as mentors and local champions demonstrating techniques for neighboring landowners considering similar transitions. If the program is successful, the MDA may consider a legislative request for ongoing funding.

## Project Manager and Organization Qualifications

**Project Manager Name:** Megan Lennon

**Job Title:** Energy and Environment Section Supervisor

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

Megan Lennon directs the Energy and Environment Section at the Minnesota Department of Agriculture, and her portfolio includes agricultural and economic development policymaking, and developing and implementing novel climate-smart initiatives to decarbonize the agricultural sector. Over the past 17 years, she has worked at the nexus of working lands, sustainability, and climate in Minnesota's executive and legislative branches. Megan builds strategic relationships with farmers, agribusiness, NGOs, and academic institutions to ensure the health of our environment and the strength of Minnesota's agricultural economy.

The MDA's Agricultural Marketing and Development Division (AMDD), which includes the Energy and Environment Section, is home to the department's premiere grantmaking team. The grants team in AMDD administers over \$35 million in state and federal grant dollars annually and are experts in standing up new grant programs efficiently that meet the needs of Minnesota farmers. The MDA is proud of its grantmaking performance and takes seriously the role of stewarding taxpayer dollars. In 2024, the Office of the Legislative Auditor conducted a performance audit of the Agricultural Growth, Research, and Innovation Bioincentive Program. Megan directs and oversees the implementation of this incentive program. Despite the program's complexity, the MDA is proud of the fact that we processed more than \$12.1 million in program payments during the period covered by the audit without a single finding by the OLA.

**Organization:** Minnesota Department of Agriculture

**Organization Description:**

The Minnesota Department of Agriculture's mission is to enhance all Minnesotans' quality of life by equitably ensuring the integrity of our food supply, the health of our environment, and the strength and resilience of our agricultural economy. The Agricultural Marketing and Development Division assists farmers, ranchers, and agribusinesses in adopting practices and technologies to address current challenges and global issues. Activities include the development, marketing, and promotion of local foods, organics, livestock, sustainable agriculture, and renewable fuels as well as the development of domestic and international market opportunities for agricultural products. The division administers the Agricultural Growth, Research, and Innovation (AGRI) Program which includes grant and cost-share programs that support the agricultural and renewable energy industries. The division fosters research on the use and protection of ag land and related natural resources and identifies and demonstrates sustainable agriculture practices and systems.

## Budget Summary

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
<b>Personnel</b>								
Grant Specialist Senior		This staff person will be responsible for all facets of grant administration, including program design, outreach, request for proposals, proposal evaluation, contracts, payments, and monitoring. The MDA will hire a temporary unclassified staff for this position. This position is supplemental to MDA's existing staffing. 0.75 FTE over 5 years of project.			54%	3.75		\$518,500
Grazing Specialist and Technical Assistance Provider		This staff person will be responsible for providing technical assistance to grantees and writing managed grazing plans. The MDA will hire a temporary unclassified staff for this position. This position is supplemental to MDA's existing staffing. 0.75 FTE over 5 years of the project.			52%	3.75		\$542,500
							<b>Sub Total</b>	<b>\$1,061,000</b>
<b>Contracts and Services</b>								
TBD Grant Contract Agreements with Farmers	Subaward	Grant contract agreements to farmers. Approximately 150 grant contract agreements will be competitively awarded to Minnesota farmers to establish perennial forage and/or the purchase of equipment necessary to adopt managed grazing practices.				0		\$3,000,000
TBD Grant Proposal Reviewers	Service Contract	The MDA relies on external evaluators to review, score, and rank proposals, typically using at least five per review session. Reviewers are offered stipends for their time to review and score applications, and make funding recommendations. This stipend is consistent with other competitive MDA grant programs.				0		\$9,000
							<b>Sub Total</b>	<b>\$3,009,000</b>
<b>Equipment, Tools, and Supplies</b>								

							<b>Sub Total</b>	-
<b>Capital Equipment</b>								
							<b>Sub Total</b>	-
<b>Acquisitions and Stewardship</b>								
							<b>Sub Total</b>	-
<b>Travel In Minnesota</b>								
	Miles/ Meals/ Lodging	Technical Assistance and Grant Monitoring Visits for 150 grants	The MDA grants staff conduct site visits on grants to verify outcomes included in the grant award agreement. Multiple site visits will be combined into single trips whenever practicable. The MDA grazing staff will meet with farmers and grantees to evaluate on-farm conditions and current management practices. These on-farm visits are essential to providing technical assistance and writing customized grazing plans for grantees. This estimate includes mileage, lodging, and meals for an estimated 150 site visits.					\$30,000
							<b>Sub Total</b>	<b>\$30,000</b>
<b>Travel Outside Minnesota</b>								
							<b>Sub Total</b>	-
<b>Printing and Publication</b>								
	Printing	Signage	Signage for grantee farms to showcase their managed grazing and environmental stewardship. Approximately 150 signs at a cost of \$50 each.					\$7,500

	Printing	Outreach materials (postcards)	The MDA typically prints a few outreach materials (e.g., postcards) for each grant program. These will be used at events to promote the program.					\$1,500
							<b>Sub Total</b>	<b>\$9,000</b>
<b>Other Expenses</b>								
		Direct and Necessary Support Costs	These costs are directly tied to program objectives and apply to the temporary staff hired to conduct work outlined in the proposal workplan. These costs include MNIT network services and computer lease (\$2,427), MNIT phone (\$944) for two temporary staff over the five year project. The MDA is working with LCCMR staff to document and justify these direct and necessary costs. These costs are direct expenses at the MDA. Budget line amount is rounded to \$34,000 to accommodate the online application portal.	X				\$34,000
							<b>Sub Total</b>	<b>\$34,000</b>
							<b>Grand Total</b>	<b>\$4,143,000</b>

Classified Staff or Generally Ineligible Expenses

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
<b>Other Expenses</b>		Direct and Necessary Support Costs	These costs are directly tied to program objectives and apply to the temporary staff hired to conduct work outlined in the proposal workplan. These costs are calculated using a standardized tool and is consistent with how MDA calculates direct costs in legislative fiscal notes. The MDA is working with LCCMR staff to document and justify these direct and necessary costs

## Non ENRTF Funds

Category	Specific Source	Use	Status	Amount
<b>State</b>				
In-Kind	General Fund	Kelly Anderson, Grazing Program Specialist, salary and fringe benefits, 0.1 FTE per year, over five years of grant	Secured	\$81,425
In-Kind	General Fund	Megan Lennon, Energy & Environment Section Supervisor, salary and fringe benefits, 0.05 FTE per year, over five years of grant.	Secured	\$45,345
In-Kind	General Fund	Courtney VanderMey, Grants Supervisor, salary and fringe benefits, 0.05 FTE per year, over five years of grant.	Secured	\$45,345
			<b>State Sub Total</b>	<b>\$172,115</b>
<b>Non-State</b>				
Cash	Grantee Match	The MDA intends to setup the grazing pilot program match requirements to mirror the matching requirements in the Livestock Investment Grant Program. This grant reimburses 50% of the first \$20,000 in expenses, and then 25% of eligible expenses up to the maximum grant of \$25,000. Assuming an average grant award of \$20,000, each grantee would contribute \$40,000 of their own funds on a \$60,000 project.	Pending	\$6,000,000
			<b>Non State Sub Total</b>	<b>\$6,000,000</b>
			<b>Funds Total</b>	<b>\$6,172,115</b>

**Total Project Cost: \$10,315,115**

**This amount accurately reflects total project cost?**

Yes

## Attachments

### Required Attachments

#### *Visual Component*

File: [bfbed8ca-e5e.pdf](#)

#### *Alternate Text for Visual Component*

Minnesota infographic showing that perennial forage and managed grazing deliver a \$3.38 social-environmental ROI per \$1 invested. 150 grants awards and 6,000–10,000 new acres. Managed grazing improves farm economics, soil health, climate resilience, habitat, and water quality, benefiting farmers, taxpayers, and local communities....

### Supplemental Attachments

#### *Capital Project Questionnaire, Budget Supplements, Support Letter, Photos, Media, Other*

Title	File
Letters of Support - Expanding Minnesota Grazing for Resilient Landscapes	<a href="#">a77782fd-34b.pdf</a>

## Administrative Use

**Does your project include restoration or acquisition of land rights?**

No

**Do you understand that travel expenses are only approved if they 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 understand the Commissioner's Plan applies.

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

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

**Does your project include the pre-design, design, construction, or renovation of a building, trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration?**

No

**Do you propose using an appropriation from the Environment and Natural Resources Trust Fund to conduct a project that provides children's services (as defined in Minnesota Statutes section 299C.61 Subd.7 as "the provision of care,**

treatment, education, training, instruction, or recreation to children")?

No

**Provide the name(s) and organization(s) of additional individuals assisting in the completion of this proposal:**

Ariel Kagan, Minnesota Farmers Union, Director of Climate and Working Lands

**Do you understand that a named service contract does not constitute a funder-designated subrecipient or approval of a sole-source contract? In other words, a service contract entity is only approved if it has been selected according to the contracting rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state organizations. These rules may include competitive bidding and prevailing wage requirements**

Yes, I understand