



## 2025 3M PFAS SETTLEMENT PRIORITY 2 GRANT PROGRAM REQUEST FOR PROPOSALS

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### **Minnesota Department of Natural Resources**

Division of Ecological and Water Resources

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<https://www.dnr.state.mn.us/grants/index.html>

### **GRANT OVERVIEW**

In February 2018, the State of Minnesota and the 3M Company (3M) announced an agreement to settle the State's natural resources damage lawsuit for environmental harm and losses due to PFAS contamination in the East Metropolitan Area. The settlement agreement's second priority is to fund projects that restore and enhance aquatic resources, wildlife, habitat, fishing, resource improvement, and outdoor recreational opportunities in the East Metropolitan Area and in downstream areas of the Mississippi and St. Croix Rivers.

Up to \$20 million is available in this Request for Proposals (RFP) grant opportunity.

## EXECUTIVE SUMMARY

**State Agency Name:** Minnesota Department of Natural Resources (DNR) and Minnesota Pollution Control Agency (MPCA)

**Funding Opportunity Title:** 3M PFAS Settlement Priority 2 Grant Program

**3M PFAS Settlement Funding:** The funding for this grant opportunity stems from the 2018 settlement with 3M, which provided compensation to the State of Minnesota for harm done to natural resources and lost natural resource services from the release of PFAS into the environment.

**Funding Opportunity Description:** The Department of Natural Resources (DNR) and the Minnesota Pollution Control Agency (MPCA) welcome proposals for projects that align with the [3M Settlement](#) Priority 2 goals and requirements described within this Request for Proposal (RFP). The settlement details that the grant funds shall be utilized on “projects that restore and enhance aquatic resources, wildlife, habitat, fishing, resource improvement, and outdoor recreational opportunities in the East Metropolitan Area and in downstream areas of the Mississippi and St. Croix Rivers.” Example projects “may include, but are not limited to, aquatic habitat and water resource protection and restoration, terrestrial and water trails, boat ramps and/or fishing piers, restoration of wildlife habitat, and other terrestrial conservation and recreation improvements.” Certainly, other projects beyond this list may be considered for funding.

**Funding Available:** Up to \$20 million dollars is available for eligible projects. The number of awards to be made will depend on the number of eligible applications received, the amount of funds requested, the ranking of the applications, and the funding available for each category.

Applicants can apply for no less than \$20,000 per project. No match is required. There are three primary approximate allocations for projects within this funding opportunity:

- Wildlife and habitat restoration (\$13 million)
- Recreational fishing related projects (\$1 million)
- Outdoor recreation (\$6 million)

**Due Dates:** Proposals will be reviewed through a two-phase process. First, project proposers will submit a Letter of Intent that describes activities and outcomes for a project. Next, projects that meet the passing threshold for the Letters of Intent will be invited to submit full grant applications. Interested applicants **must** submit a Letter of Intent for each project to be considered for funding. Note the following deadlines for the first grant cycle:

Request for Proposals Opens	February 5, 2025
Letters of Intent due	April 4, 2025, by 4:30 PM CST

This Request for Proposal provides the information needed to apply. Please read the entire RFP and materials on the [Priority 2 Grant Program webpage](#) before starting an application.

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## ELIGIBILITY

All projects must be consistent with the objectives of the 2018 3M Settlement for Priority 2, align with the settlement Priority 2 goals, and help fulfill the obligation of the DNR and MPCA who serve as Co-Trustees of natural resources to act on behalf of the public to implement the settlement. The [2018 3M PFAS Settlement](#) provides the basis for projects to restore and enhance aquatic resources, wildlife, habitat, fishing, resource improvement, and outdoor recreational opportunities in the East Metropolitan Area and in downstream areas of the Mississippi and St. Croix Rivers. The DNR and MPCA commissioners are authorized to determine the projects that best align with the objectives and goals of the settlement under State statutes [115B.52](#) and [115B.20](#).

To be eligible, a project must meet all three of the below conditions:

1. Help achieve a 3M PFAS Settlement Priority 2 settlement goal;
2. At least 50% of project activities take place within the Priority 2 Project Area (defined and exhibited in Appendix B below); and
3. Be submitted by an eligible organization.

### 3M PFAS Settlement Priority 2 Grant Program Goals and Eligible Projects

A wide range of project types are eligible for grant funding, provided they meet one of the settlement goals, which were developed by the DNR and MPCA with feedback from the Priority 2 3M/Government and Residential Work Groups. To be eligible, a project must help achieve one or more of these settlement goals:

**Goal 1** – Restore, protect, and enhance aquatic and terrestrial resources, wildlife, and habitats.

**Goal 2** – Increase understanding of fish tissue contamination, improve communication about PFAS-based fish consumption advisories, and identify and enhance alternative, non-contaminated fishing areas.

**Goal 3** – Improve and enhance outdoor recreational opportunities.

### Eligible Organizations

The following types of organizations are eligible to apply:

- Local units of government (e.g., city, township, county)
- Soil & water conservation, watershed, and lake improvement districts
- Area-wide agencies, including a county and/or regional planning agencies
- Nonprofit organizations
- Public school district and nonprofit schools
- Institutes of higher education (public and nonprofit)
- Port authorities
- Tribal governments
- Federal agencies
- State agencies (excludes direct funding to the DNR and MPCA; however, agencies may participate as collaborators)

Individuals and for-profit organizations may not apply.

## Ineligible Projects

Projects that would be ineligible for funding through this grant opportunity include:

- Any project that would be used to fulfill regulatory requirements
- Projects at wetland mitigation banks
- Sports and recreational facilities such as sports fields and play equipment, etc. and other recreation that is not focused on recreating in nature
- Groundwater and drinking water projects
- Large-scale hard structure erosion and flood control projects, such as revetment or riprap
- Infrastructure projects primarily related to road, drinking water, and sewer line construction
- Improvements to buildings for rental, lodging or private property
- Projects solely conducted as research, including those dedicated to understanding PFAS toxicity, remediation, destruction, migration and health impacts
- Projects consisting solely of project planning and design, unless implementation funding has been secured

## FUNDING

The DNR is the lead agency for letting grants from the 3M PFAS Settlement Priority 2 Grant Program funds. Up to \$20 million dollars in awards are available for projects. **A \$20,000 minimum project budget applies to all projects.** Funds are anticipated to be distributed as follows:

### \$13 million to restore wildlife and habitats.

- We do not have a targeted average cost per project in this category.

### \$7 million for outdoor recreation.

Note there are separate allocations for recreational fishing related projects and non-fishing related projects.

- \$1 million for fishing related recreation projects. In order to distribute the funds widely, we envision the average cost per project to be \$100,000. However, larger scale projects will be considered.
- \$6 million for non-fishing related outdoor recreation projects. In order to distribute the funds widely, we envision the average cost per project to be \$500,000. However, larger scale projects will be considered.

The number of awards to be made will depend on the number of eligible applications received, the amount of funds requested, the ranking of the applications, and the funding availability for each category. There may be multiple funding rounds. The first round of awards will be given to the highest scoring and highest priority projects. If funds remain, applicants will be given an opportunity to submit new or revised applications in subsequent rounds of funding.

## Match Requirements

No match is required. However, providing match, leveraged or in-kind funds will be evaluated more favorably as part of the full application. These other funding commitments must be demonstrated in an application.

## Eligible Expenses

This includes expenses incurred through project activities that are direct to and necessary for the project described in the application. All eligible expenses must have occurred after the effective date of the grant agreement.

- Expenditures incurred after the effective date of the grant agreement
- Administration. Wages for grant-related tasks – such as bill paying, submitting reimbursement requests, grant monitoring, and reporting (should not exceed 20% of total project costs)
- Design, engineering and construction observation (should not exceed 35% of total project costs)
- Professional and technical services (e.g. legal)
- Equipment, tools, materials and supplies specific to project
- Capital expenditures, including acquisition and/or construction of tangible fixed assets
- Publication and printing related to the project

## Generally Ineligible Expenses – Unless Explicitly Approved

- Office rental fees and conference attendance expenses
- Insurance
- Advertising and marketing expenses

## Ineligible Expenses

- Any expenses incurred before the effective date of the grant agreement
- Operations and maintenance expenses occurring after the closeout of the grant
- Indirect costs or other institutional overhead charges that are not directly related and necessary to the project
- Taxes, except sales tax on goods and services
- Entertainment, decorations, gifts and prizes

## APPLICATION AND PROCESS TIMELINE

Projects will be reviewed through a two-phase process. First, proposers will submit a Letter of Intent (LOI) that describes activities and outcomes for a project. If an LOI satisfies the eligibility requirements, the proposer will be invited to submit a full grant application. Applications will be scored by the DNR and MPCA Evaluation Team based on the Evaluation Criteria and ultimately selected by the DNR and MPCA Commissioners. The award decisions of DNR and MPCA will be final and not subject to appeal.

Request for Proposals opens	February 5, 2025
Questions about LOI due	March 28, 2025
LOIs due	April 4, 2025
Invitations sent to submit full application	June 2025 (estimated)
Grant workshop	Late June 2025 (estimated)
Questions about full application due	Early August 2025 (estimated)
Full applications due	August 2025 (estimated)
Notice of project selection	December 2025 (estimated)

## Letter of Intent Instructions

Project proposers **must** submit an LOI for each project to be considered for funding (link [here](#)). The purpose of the LOI is to give the proposers an opportunity to briefly explain the activities and outcomes of their proposed project. The LOI will also allow DNR and MPCA to assess whether the proposed project is eligible for Priority 2 funding, based on eight screening criteria, listed below:

1. Lead applicant is an eligible organization.
2. Addresses losses of natural resources and services.
3. Is technically and administratively feasible.
4. Would not jeopardize public health or safety.
5. Complies with applicable laws, regulations, and rules.
6. Unlikely to be completed without Priority 2 funding.
7. At least 50% of project activities are located within the Priority 2 Project Area. If located in a Limited Project Area, is consistent with the qualifying project activities (see Appendix B).
8. Not expected to be impacted by planned remediation actions.

Members of the DNR and MPCA Evaluation Team will evaluate LOIs to determine whether proposed projects meet each of the screening criteria. If an LOI passes all screening criteria, the DNR will invite proposers to complete a full grant application and provide feedback in preparation for the application process. An invitation to complete an application does not guarantee funding will be provided.

LOIs may be submitted electronically to the email address [3MPriority2@state.mn.us](mailto:3MPriority2@state.mn.us), and must be received by 4:30 p.m. CST on Friday, April 4, 2025. Applicants submitting multiple LOIs must use a unique project title for each LOI. LOIs received after the deadline will not be eligible for consideration.

Questions related to the LOI process must be directed to [3MPriority2@state.mn.us](mailto:3MPriority2@state.mn.us). The DNR will post summaries of questions received and responses weekly and will field questions until March 28, 2025, one week before the LOIs are due.

## Full Grant Application Instructions

Proposers that pass the LOI screening shall be invited to submit an application that consists of the following:

- Application form
- Budget table
- Letters of support (for applications involving multiple collaborators)
- Completed appraisal and DNR Property Information Summary (if project involves the purchase of property)
- Preliminary designs, as applicable
- Other supplemental information, as applicable

Application form and budget table will be provided to applicants at the time of invitation.

Questions related to the full grant application process must be directed to [3MPriority2@state.mn.us](mailto:3MPriority2@state.mn.us). The DNR will post summaries of questions received and responses weekly and will field questions until one week before applications are due.

## Grant Workshop Opportunity

A virtual workshop is planned for all potential grantees who have been invited to submit full grant applications. The purpose of the workshop is to support the development of a more clear, concise, comprehensive, and competitive application. The date and time for the workshop will be shared with applicants that have been invited to submit a full grant application.

## Evaluation Criteria

Below is a short description of each Evaluation Criteria along with information needed from the applicants to address in the application submittal. Criteria are numbered for reference only, not priority. It's possible that one or more criteria do not apply to a proposed project. In these cases, final scoring will be adjusted for these applications so as not to be penalized. The following criteria will be weighted more heavily than others in the scoring process: (1) Benefits to injured resources and services, (8) Demonstrates equity and environmental justice, (9) Provides public access, and (10) Provides self-sustaining benefits.

### 1. Benefits to injured resources and services

Delivers benefits to injured natural resources and/or services in the Priority 2 Project Area, demonstrating a central focus on those resources or services. Detail the proposed project activities and description of expected benefits. If proposing a habitat protection/conservation project, also provide information on how imminent the threat of development is to the parcel(s) in question.

### 2. Cost

Costs must be realistic and adequate for the project needs and timeframe. Please provide a detailed project budget and an associated budget justification.

### 3. Consistent with local, county, state, and regional planning

Demonstrates consistency with existing natural resource and recreational planning efforts. Include references to existing plans and explain how the project is identified in or would work synergistically with such plans.

### 4. Minimizes potential for additional wildlife injury or fish consumption related human health risks

Minimizes additional injury to natural resources and human health. Risks of non-PFAS related injury (e.g., habitat degradation, disturbance, pollution) will be assessed based on the project location, proposed project activities, and measures taken to mitigate injury. As applicable, risks of PFAS-related injury to wildlife and to human health will be assessed based on the project location and proposed project activities. Describe the specific measures the project will take to minimize potential harm to wildlife, habitat and people.

### 5. Minimizes adverse community impacts

Minimizes adverse impacts to human communities (e.g., nuisance/noise/pollution) due to both short-term and long-term actions. Provide information on anticipated adverse impacts, the location where those impacts would occur, and a list of planned mitigation measures.

### 6. Benefits multiple municipalities

Delivers substantial benefits to multiple municipalities. Projects benefiting multiple municipalities may physically cross municipality boundaries or may be located in areas used by residents from multiple municipalities. Please provide details on the potential project beneficiaries.



**7. Includes community engagement**

Includes a strong community outreach and engagement component and actively involves community members in multiple phases of the project (e.g., design, implementation, monitoring). Provide all plans for community outreach and engagement.

**8. Demonstrates equity and environmental justice**

Will ensure fairness, precision, equity, and consistency in grant awards, which includes implementing diversity and inclusion. Provide information for how your project will benefit under-served populations and areas of concern for environmental justice (communities with higher populations of low-income residents, or people of color, including tribal communities and those with physical or mental disabilities). The [Understanding Environmental Justice in MN](#) mapping tool can be referenced as a resource.

**9. Provides public access**

Provides the public with access to restored resources and services, unless such access would be detrimental to project goals. Provide information about current land ownership and use as well as a description of how public access would be provided.

**10. Provides self-sustaining benefits**

Yields expected benefits with little maintenance or management. Alternatively, demonstrates long-term support or funding for maintenance if maintenance is required. Describe all maintenance and management needs to sustain project benefits as well as available local support.

**11. Matching/leveraged funding**

Substantially leverages funding from other sources to achieve Priority 2 goals. While projects that would use Priority 2 funding to supplant existing funding are not allowed, Priority 2 funds can be used to expand upon or enhance activities that already have dedicated funding streams; in such cases, dedicated funding sources would be considered match. List all sources and amounts of additional project funding.

## **Collaboration**

Collaborative projects involving multiple communities or organizations are welcome. One eligible applicant must lead the partnership effort and assume program and financial responsibility and serve as the main program contact through implementation. Applications for collaborative projects will require a letter of support from each partner. Letters in any format will be acceptable. Individuals, for-profit organizations, the DNR, and MPCA may not apply, however, DNR and MPCA staff may participate as collaborators and resource specialists. Due to the requirements for deed restrictions (see Appendix A), any non-governmental organizations proposing the acquisition or betterment of real property will require a willing public entity to participate as a collaborator.

## **Project Selection and Awards**

Members of the DNR and MPCA Evaluation Team will conduct an independent review of each eligible application. If necessary, the Evaluation Team may contact applicants for additional information on project scope or scale. The DNR and MPCA commissioners will consider the Evaluation Team recommendations, availability of funding, and funding priorities, and will determine the final selection of projects to receive funding. The State reserves the right to offer grant amounts that differ than the applicant's request. If funds remain, there may be an opportunity for applicants to submit new or revised applications in a subsequent round of funding. The DNR and MPCA do not guarantee that grant funds will be available for all projects.

## **APPENDIX A: ADDITIONAL PROJECT REQUIREMENTS AND RESOURCES**

This grant program shall be in accordance with Minnesota Statutes [16B.97](#) and [16B.98](#), and shall be implemented in the greatest extent possible in accordance with the [Minnesota Department of Administration's Office of Grant Management, and their Grants Management Policies](#). Some of these requirements are detailed further below:

### **Requirements for Permanent Protections and Deed Restrictions**

All lands acquired or improved with grant funds must be maintained and managed long-term. Grantees will be responsible for recording deed restrictions for each parcel to guarantee these protections. Some projects may warrant permanent protections (such as acquisitions or restoration projects), while others (such as a fishing pier) may warrant guarantees for the useful life of the structure.

Although non-governmental organizations are eligible grantees, all recorded property interests (e.g. fee simple ownership, conservation easements, and/or deed restrictions) must be held by a unit of government. As such, all non-governmental applicants must secure the support of a public entity willing and able to accept responsibilities for the long-term maintenance and management of the site. The public entity should be identified as a collaborator in the application, which requires a letter of support. If there is no willing public entity, the project will not qualify for funding under this program.

At no point in the future will Grantees be allowed to convert any portion of the property to uses other than what is specified in the grant agreement without prior written approval from the State.

### **Requirements for Land Acquisitions**

Applications involving the purchase of property (fee title or easement) should include a letter of support from each private landowner who would be participating in the program. Applications should include an appraisal prepared by an independent appraiser, that satisfies the Uniform Standards of Professional Appraisal Practice (USPAP). Prior to the completion of the appraisal, applicants should complete a [DNR Grant Property Information Form](#) and share a copy with the appraiser. The negotiated price of the property or easement may not exceed the fair market value as established by the appraisal. Eligible costs include the purchase price of the property, surveys, recording fees, and legal fees (if applicable). The appraisal is not eligible for reimbursement.

### **Applications Made Public**

Responses to this RFP may be subject to a request for information. Per [Minn. Stat. § 13.599](#)

- Names and addresses of grant applicants will be public data once applications are opened (two business days after deadline).
- All remaining data in application responses (except trade secret data as defined and classified in [§13.37](#)) will be public data after the evaluation process is complete.
- All data created or maintained by the DNR as part of the evaluation process (except trade secret data as defined and classified in [§13.37](#)) will be public data after the evaluation process is complete.

### **State's Right to Cancel**

This Notice does not obligate the state to award a grant. The state reserves the right to cancel the Request for Proposal if it is in its best interest due to lack of funding, agency priorities, or other considerations.

## **Payment/Reimbursement**

The state will not advance funds to grantees, unless authorized. The DNR shall specify the method and schedule of payments for each grant in the grant contract agreement or grant award notification. Grant payments must be in the form of reimbursement and may not be issued until the grant agreement is fully executed. For certain projects, the State may retain up to 10% of the total grant award until it determines the conditions of the Agreement have been met.

Any expenses incurred prior to the effective date of the grant contract agreement will be ineligible for reimbursement.

## **Design Review**

The state reserves the right to review designs before project activities are carried out. Grantees will be expected to provide designs to the state before the bid letting process is undertaken.

## **Digital Accessibility Requirements**

Any materials and/or products provided to the state as part of this program that are intended to be shared publicly must be provided in an accessible electronic format per [Minnesota Statute 16E.03](#), State Information and Communications System, Subd. 9. Subdivision 9, Accessibility Standards, incorporates federal requirements under [Section 508 of the Rehabilitation Act of 1973](#) (Revised) and the [Web Content Accessibility Guidelines 2.1, level AA](#). For guidance on producing accessible electronic documents, see the Minnesota IT Services [accessibility website](#).

## **Data Collection**

Certain types of data collected or created using Priority 2 grant funds must be compatible for use with the state's data standards and guidelines (e.g. metadata or data management plans). This will be clarified further for in the grant agreement, as applicable.

## **Grantee Financial and Capacity Review**

Minn. Stat. §16B.981/[MN Laws of 2023, Chapter 62, Article 7, Section 11](#) requires that a pre-award risk assessment is conducted for grant awards of \$50,000 or more.

## **Prevailing Wage**

It is the responsibility of the grant recipient or contractor to pay prevailing wages on construction projects to which state prevailing wage laws apply ([MN Statutes 177.41 to 177.44](#) and corresponding [MN Rules 5200.1000 to 5200.1120](#)), as established by the Minnesota Department of Labor and Industry. Specifically, grantees must ensure that contractors and subcontractors pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties. For details, see DLI's page [Prevailing Wage Information](#).

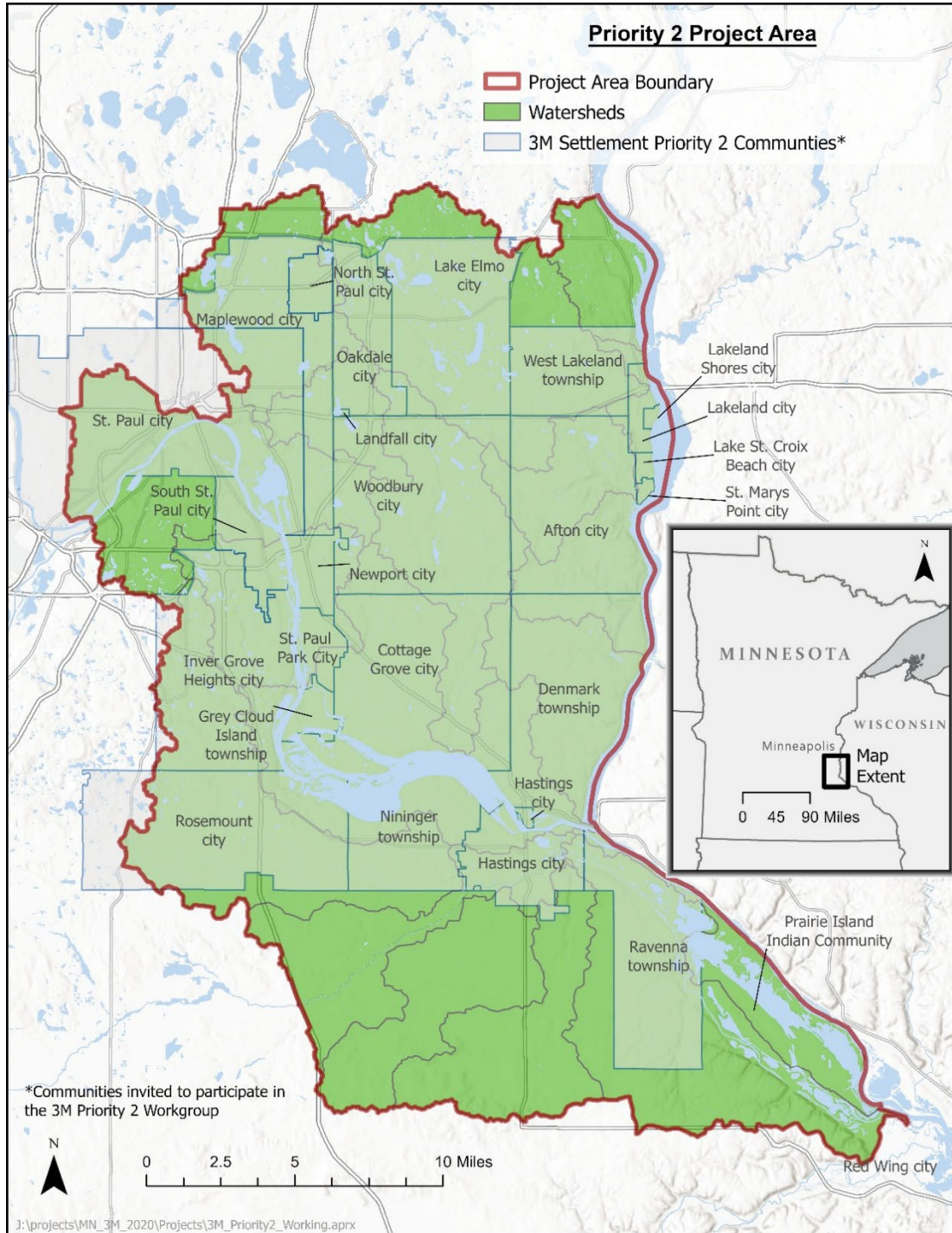
## **Permitting**

It is the applicant's responsibility to obtain all required approvals and permits. Applicants must coordinate with local governments, watershed districts, and other relevant authorities before any work begins.

## APPENDIX B: PRIORITY 2 PROJECT AREA AND LIMITED PROJECT AREA MAPS

At least 50% of project activities must take place within the Priority 2 Project Area as shown in Figure B-1, below. The local units of government identified in the map include those that were invited to participate in the Work Group meetings. For a more detailed project area boundary, download a Google Earth, .kmz file, [here](#).

Figure B-1. Priority 2 Project Area



## Limited Project Areas

The hatched areas in Figures B-2, B-3 and B-4 exhibit levels of PFAS contamination that are not compatible with certain types of project activities or are under active remedial investigation and other restoration initiatives. These areas are considered “**Limited Project Areas**”.

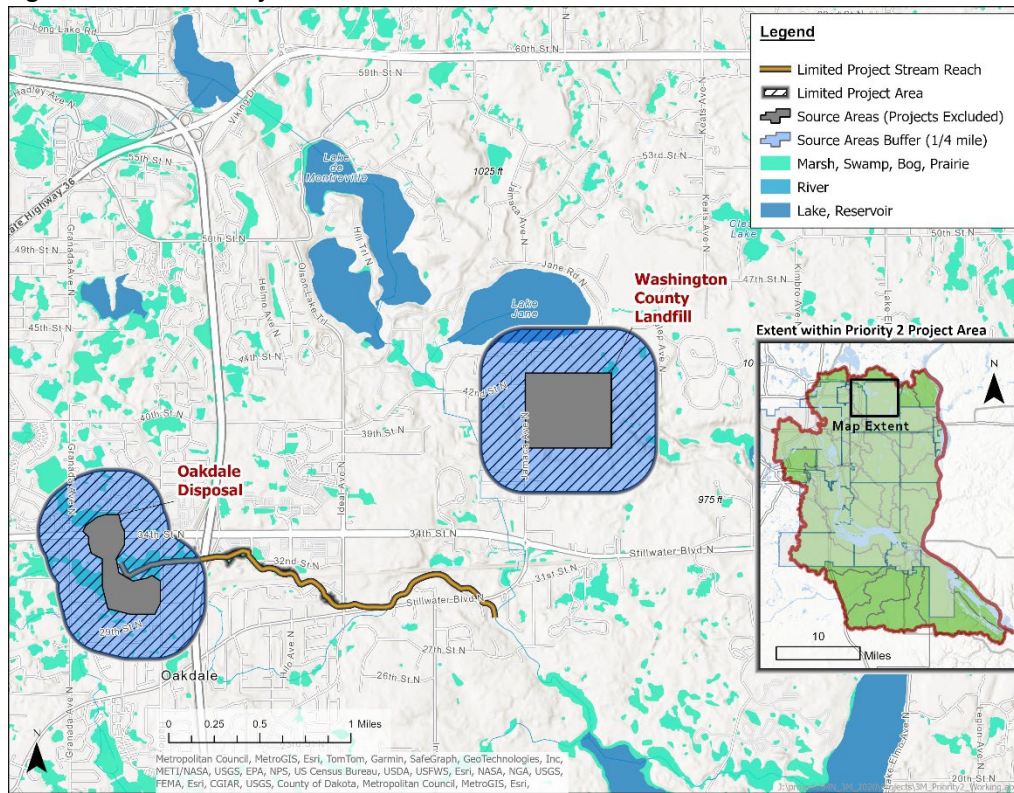
Projects that include the following types of activities will NOT qualify for Priority 2 Funding in a Limited Project Area:

- Aquatic, wetland or nearshore habitat restoration
- Aquatic connectivity (dam removal/fish passage)
- Bird nesting platforms for birds that consume fish
- Fish or bivalve stocking
- Island construction/enhancement
- Fishing pier/access point construction or improvements

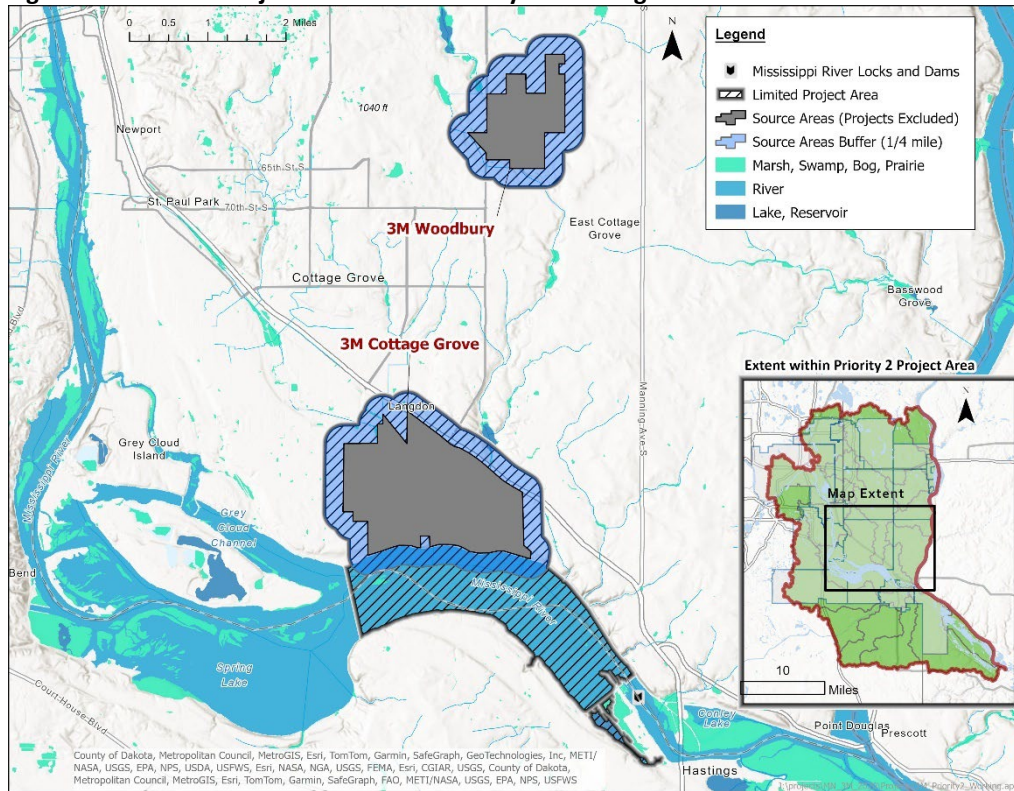
Project activities that are qualified in these areas, include, but are not limited to:

- Trail construction or improvement
- Kayak or boat launch construction or improvement
- Wildlife observation platform construction
- Land and habitat conservation and protection
- Natural resources related education (if addressing injured resources)

**Figure B-2. Limited Project Areas in Oakdale and Lake Elmo**



**Figure B-3. Limited Project Areas in Woodbury and Cottage Grove**



**Figure B-4. Limited Project Areas in St. Paul**

