







2019 Annual Report

Our Dear Friends and Supporters,

Environmental Initiative has a long track record for collaborating and convening diverse people, opinions, and ideas. We have always recognized the value in all voices and understand that including more perspectives leads to stronger solutions. For this reason, we believe it is a mission-driven imperative for us to advance equity, diversity, and inclusion within the environmental movement.

We began looking ahead to our future several years ago, exploring how equity and inclusion connect to our mission and work, and asking some very critical questions about organizational culture, diversity, representation, reach, relationships, and relevance. Through this journey, we realized a new multiyear strategic plan was necessary in order to accelerate transformational change. We also recognize that to achieve any kind of meaningful change, we must engage the private sector, public sector, environmental NGOs, as well as communities — with significant attention to communities most impacted by environmental injustices. We commit to ensuring that voices, influences, and relationships across these stakeholder groups are inclusive, authentic, effective and lasting. We hired a dream team of consultants, with whom we as an organization are proud to be associated. This team began the process of framing our strategic planning process.

In 2019, our efforts to center equity culminated with the launch of our strategic planning process, which helped us strategically, intentionally, and systematically chart a path forward that fosters equity and environmental health.

An integral part of our strategic planning process in 2019 included a redesign of our hiring practices. Environmental Initiative has a long track record of bringing together people across differences in agendas, sectors, experiences, and multiple points of view. To foster relationships

with these diverse sectors, we redesigned our hiring practices ensure we build a staff team that better reflects the communities we serve, including our communities of color.

We began transforming the work of our programs by exploring and expanding our comfort zones to reach and engage new, powerful relationships. Here's an overview of a few highlights:

- We expanded our coalition work by adding the Midwest Row Crop Collaborative and introduced new partners to Clean Air Minnesota and the Sustainable Growth Coalition, extending our reach and impact more deeply into our local communities and across the country.
- We launched our <u>Innovative Impact Partners</u> who are helping us advance our mission and work.
- The Environmental Initiative Awards continued to emerge as a gathering of widely differing perspectives and worldviews in celebration of our relationships, our Earth, and the various ways our collaborative work can benefit the Earth

We are filled with gratitude for the generous contributions of time, talent, and resources from our volunteers, grantors, and financial sponsors. These gifts allow us to live into the work we love.

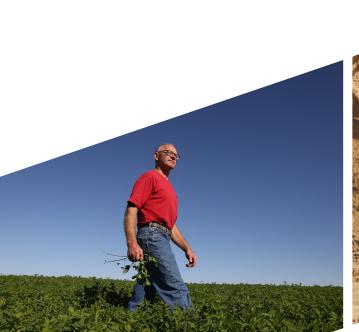
Thank you all for making this work possible.

Mike Harley, CEO

PROGRAM HIGHLIGHTS & ACCOMPLISHMENTS

- Agriculture
- Midwest Row Crop Collaborative
- Source Water Protection Collaboration
- Project Green Fleet
- Project CAR
- Project Stove Swap

- Clean Air Minnesota
- Sustainable Growth Coalition
- Policy Forum Series
- Environmental Initiative Awards







AGRICULTURE



The Agriculture program launched two new and highly engaged partnerships: The Headwaters Agricultural Sustainability
Partnership (HASP) and the Cannon River Agricultural
Collaborative. These new efforts are bringing diverse audiences across sector boundaries to work together for the benefit of farmers, rural communities, and our environment. The work included:

- Creating case studies highlighting successful partnerships for the economic and environmental benefits of sustainable agriculture.
- Developing conservation plans that involve both private sector agronomists and public sector technical assistance teams.
- Designing new ways to reach farmers with collaborative services, advice, and opportunities

The <u>Cedar River Watershed Partnership</u> collaboratively certified seven additional farm operations and 6,102 acres through the Minnesota Agricultural Water Quality Certification Program, totaling 17,826 acres that have been certified since the beginning of the Cedar River Watershed Partnership.

MIDWEST ROW CROP COLLABORATIVE

The <u>Midwest Row Crop Collaborative</u> successfully transitioned to Environmental Initiative as a new administrator during 2019. The work began to set the foundation for trust and collaboration between members, as well as set the direction for the next phase of members' work. The Midwest Row Crop Collaborative:

- Established norms, structures, and tools for effective collaboration.
- Defined a framework for tracking metrics and reporting impact.
- Articulated a new theory of change emphasizing a systemschange approach.
- Developed a communications plan and materials reflecting the Collaborative's next phase.
- Initiated Learning Forums, the first of which focused on Conservation Finance in Agriculture.

MIDWEST ROW CROP

COLLABORATIVE



SOURCE WATER PROTECTION COLLABORATIVE

In 2019, Environmental Initiative, Citizens League, and the Minnesota Department of Health explored the needs and the opportunities associated with promoting land uses and land-use decisions that protect drinking water sources. Listening sessions with water operators, local officials, public health practitioners, and others were held in Virginia, Perham, Luverne, Rochester, and Coon Rapids. Across these conversations in economically, hydrologically, and politically diverse communities, several themes emerged that a state-wide collaborative could address:

- Leverage and learn from projects, policy, and planning efforts that impact drinking water and facilitate knowledge transfer.
- Expand capacity of local and state government officials responsible for drinking water to become more inclusive of those who have been marginalized from these drinking water and land use decisions.
- Support partnership and trust-building efforts at the local level for a stronger society with greater capacity to secure safe drinking water.

Using these as a guide, Environmental Initiative is creating a Minnesota Source Water Protection Collaborative in 2020.



PROJECT GREEN FLEET



Project Green Fleet facilitated the repower of the JL Fleming towboat, owned and operated by Upper River Services, LLC. Upper River Services operates in the heart of an ACP50 area – an area of concentrated poverty where 50 percent or more of residents are people of color – and provides inland marine transportation, barge towing, and fleeting services, primarily consisting of dry bulk materials. Three Tier 0, 475-horsepower engines and two Tier 0, 100-horsepower auxiliary generator sets were replaced with Tier 3 technology. This work was made possible through a federal Diesel Emissions Reduction Act (DERA) grant, awarded to Environmental Initiative by the EPA in fall of 2018. This unique project resulted in the following lifetime emissions reductions:

- 137.6 tons of nitrogen oxide.
- 5.7 tons of particulate matter.
- 3.5 tons of hydrocarbons.
- 37.4 tons of carbon monoxide.

PROJECT CAR

After a successful pilot program, Project CAR launched at the end of 2019. With funding from Flint Hills Resources and Minnesota Pollution Control Agency, Environmental Initiative will administer the program throughout the coming years and will increase the number of partner garages. Project CAR is a replicable program providing incentives to car repair shops to reduce emissions from older passenger vehicles and light-duty trucks. Project CAR reimburses garages for identifying and fixing vehicle exhaust systems in cars of lower-income residents.

Project CAR results by the end of 2019:

- The Lyft garage repaired 12 vehicles.
- Leech Lake Small Vehicle Garage joined the program.
- Cars for Neighbors began conversations with the Project CAR team to become a program participant.



PROJECT STOVE SWAP



Through Project Stove Swap, we work to support community wellness through continuous air emissions reductions. Over time, too much wood smoke can lead to a variety of health issues including asthma, emphysema, bronchitis and heart disease. In some cases, an inefficient wood stove is also a fire and safety hazard.

Swapping out just one older wood stove for a new model is the pollution reduction equivalent of removing more than 700 cars from the road per year, making it an efficient way to improve air quality. Through dealing with local vendors and manufacturers, this program supports local economies, public health, and Minnesota's environment all at the same time.

- Transitioned program to metro area.
- Finished program in Northern Minnesota with six final projects.



CLEAN AIR MINNESOTA

Environmental Initiative renewed the <u>Clean Air Minnesota</u> contract with Minnesota Pollution Control Agency in September 2019 for a two-year work period ending June 2021. A renewed workplan was developed by accounting for and including strategic planning elements from strategic planning sessions undertaken in summer 2018. Core team meetings continued and partner group meetings were held in St. Paul, Plymouth, Rochester, and Mountain Iron. The <u>Clean Air Minnesota e-news</u> continued providing a wide group of recipients with information about the partnership.

Emissions reductions from Environmental Initiative and Clean Air Minnesota partner projects (including Project Green Fleet) through end of Clean Air Minnesota contract on June 30, 2019:

- 61.86 tons of volatile organic compounds reduced.
- 151.46 tons of Nitrogen oxides reduced.
- 60.07 tons of fine particulate matter (PM2.5) reduced.



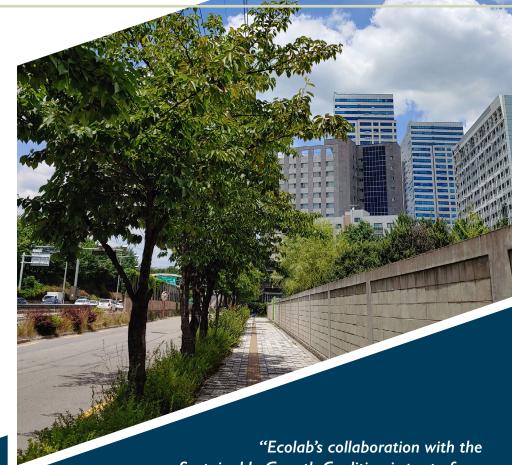


SUSTAINABLE GROWTH COALITION

The <u>Sustainable Growth Coalition</u> facilitated member engagement in the public sector through member engagement at legislative hearings regarding the business case for clean energy and meeting with state agency commissioners to explore public-private partnerships. The work also included:

- Water and Materials visions adopted.
- Collaborative project teams formed to explore opportunities with Electric Vehicle Fleets, Capacity Building and Grid Mix.
- Corporate Guide to Sustainable Landscaping published.
- Hosted three energy webinars.
- Submitted first letter to the Minnesota Public Utilities Commission.





Sustainable Growth Coalition is part of our collective effort to advance meaningful solutions and drive the business case for corporate sustainability and a more resilient, circular economy."

- Emilio Tenuta, Senior Vice President of Corporate Sustainability

POLICY FORUM SERIES

Three half-day events illuminated diverse approaches to environmental policy by making connections between and across the perspectives of impacted communities and sectors. Our 2019 policy forums included:

- Equity and the Environment in the Walz Administration
 - Leaders from the Walz Administration discussed their environmental priorities for the legislative session and how they are integrating the Walz Administration's commitment to equity into their work.
- Addressing Barriers to Equitable and Regenerative Urban
 Development Opportunities for urban development to
 restore ecological function, advance equitable social outcomes,
 and address a changing climate were explored.
- <u>Electrification: Who Benefits?</u> Considered many factors contributing to what makes electrification beneficial and under what circumstances those factors address or exacerbate social disparities.

Our 2019 Policy Forum Series also included our annual Legislative Preview hosted prior to the 2020 session. The Legislative Preview included a bi-partisan panel of legislative leaders serving across a range of committees important to environmental and public health, as well as a panel discussion between policy thought leaders regarding opportunities to advance environmental policy during a time of increasing political polarization.



ENVIRONMENTAL INITIATIVE AWARDS



The Environmental Initiative Awards is our annual recognition program celebrating people and projects working in partnership at the nexus of a healthy environment, a prosperous economy and an equitable society. As Environmental Initiative works across difference to create spaces where people can openly exchange ideas and build solutions to complex environmental challenges through partnership, the Environmental Initiative Awards celebrates that spirit of collaboration with 500 of our closest friends.

2019 Awards recipients are:

- Energy & Climate CU Green Clean Energy Leading Platform
- Environmental Innovation Three Rivers Climate Conversations
- Rural Vitality Poplar River Management Board
- Sustainable Leadership: Large Employer Minnesota State University, Mankato: Energy Savings and Sustainability
- Sustainable Leadership: Small Employer Rural Grocery Stores: Energy and Access
- Courageous Innovator (30 & under) Dania Marin-Gavilan
- Critical Collaborator (no age min or max) J. Drake Hamilton