GREAT LAKES PROTECTION FUND

SUPPLEMENTAL REQUEST FOR PREPROPOSALS:

HEALTHY USES, HEALTHY WATERS

PREPROPOSALS DUE: JULY 19, 2009

SUMMARY

The Great Lakes Protection Fund invites preproposals from collaborative teams to design and implement projects that test how the basin's water dependent natural resources are made healthier by water conservation and stewardship practices, new water management practices, and potential new water development. The Fund hopes to support a portfolio of projects that illustrate how water management can be evaluated by the impacts upon the resource. Projects could: demonstrate how water, wastewater, and storm water utilities can work together to minimize adverse impacts more efficiently than working separately; create and test sector-based strategies that water users could implement to measure themselves against to assess resource impacts; demonstrate how industries can reduce water-related impacts throughout a product's life-cycle; identify what economic activity should be attracted to the basin because of its beneficial impacts on water and water-dependent natural resources.

This round of support will likely support the team building, background research, and pilot design phase of a multi-phase project for a number of project teams. The Fund expects to support the implementation phases in future grant making.

Like all Fund supported work, these projects should be team-based, collaborative efforts that lead to meaningful actions to restore the ecological health of the Great Lakes. The most successful prototype efforts will include team members with scientific and engineering skills, conservation leadership, government agency staff, and commercial partners willing to work together with an innovative plan to test how water should be used in the basin. Teams should discover new collaborative partnerships and synergies. The Fund will not support advocacy campaigns.

Preproposals of up to five pages are due by Midnight, July 19, 2009. The Fund will begin review upon receipt and earlier submittals are encouraged. In early August 2009, selected project teams will be invited to submit a more detailed full proposal in September 2009. Funding decisions will be made in December 2009.

BACKGROUND

The Great Lakes hold nearly 20% of the world's fresh surface water. As other regions encounter increasing stress on their water supplies, water will once again become this region's competitive advantage. Instead of relying on water primarily as a way to move goods and dispose of wastes, the Great Lakes region will rely on water as an amenity to attract new residents, for drinking and agricultural uses, and to support a new and likely very different economy than that of the last century. To support these new uses and users, water must be used productively—not damaged—and used to add value to other products.

Around the globe, industry, governments, and the not-for-profit sector are working to advance a new generation of water management. Efforts driven largely by the private sector include the CEO Water Mandate, the World Business Council on Sustainable Development's emphasis on water and recently revised "water tool", the newly formed Water Footprint Network and Alliance for Water Stewardship, the partnership between the Coca Cola Corporation, the Worldwide Fund for Nature—and others—to offset water consumption in supply chains, and the Nature Conservancy's new Blue Water Certification effort.

In 2005, state, provincial and federal governments in the North American Great Lakes basin have launched a new comprehensive framework to manage the waters of the Great Lakes. The governments have entered into a good faith agreement—the Great Lakes St. Lawrence River Sustainable Water Resources Agreement—to provide joint management of their shared water resources. In October 2008, the states, with the approval of the federal government, have joined in a binding multi-state agreement—the Great Lakes St. Lawrence River Basin Water Resources Compact. A purpose of both the Agreement and Compact is to "conserve, restore, improve and effectively manage the waters and water dependent natural resources of the Great Lakes ecosystem."

In our region, meaningful water management goes beyond the concept than using fewer gallons is better; it means getting more from the water that is used, using water in a way that does not cause environmental harm, and promoting new uses that displace older, more harmful uses. Experts have advised the Fund that "gallons of water used," particularly when

averaged/measured over long time horizons, is not a particularly good measure of environmental stress in this water rich region. The source, timing, periodicity, and duration of the withdrawal matter a great deal, as do the location and timing of discharge, and the chemical and biological characteristics of the water being returned to the environment. Virtually all of the surface water resources in the Great Lakes basin have been altered physically, chemically, or biologically. A challenge for our region, therefore, is to continue to reverse these past alterations—not with a view of returning to some idyllic pre-settlement condition—but to increase the ability of the system to respond to stress and support the next generation of ecological and economic uses.

PROJECT CRITERIA

The Fund wishes to support a portfolio of projects that design, test, and deploy prototype water use and management initiatives that develop new ways to create a healthier Great Lakes ecosystem. Projects may undertake activity anywhere that affects the Great Lakes' health. The portfolio will likely include complementary and competing strategies. In creating that portfolio, several factors will be foremost in our minds. They include:

Resource health as driver. Projects should be focused on the health of water systems, and the practices being tested are a means to some natural resource end. It is important for the project team to identify what resource problem is being solved or prevented as clearly as possible. The Fund will look for projects that take such a systems approach to the work proposed. Key elements of such an approach could include: embedding the work in a watershed context, a focus on hydrologic alterations, creating resilience in natural systems, and focusing on resource impact rather than (or at least in addition to) behavioral or volumetric changes as the driver for the work.

Immediately useful new information. Projects should include sufficient background research and measures development that a compelling case statement can be made for the pilot work being designed. By way of illustration, such background research could include a survey of water use practices in the sector being investigated, a basin-wide map of hydrologic patterns or alterations, an inventory of water users, development of conservation practice impact measures, or an inventory of water rate structures across the basin. The specific research product will

depend on what particular pilot effort the team expects to undertake. The background research should serve several purposes: to create new information about how water is used in the basin that has immediate impact in water management via the Compact, the Regional Agreement or private action; to identify the elements of a successful demonstration effort that is relevant to the set of circumstances that exist in the basin; and to identify who the pilot effort should include as key audiences and stakeholders. This product should be able to stand on its own absent additional funds.

Showcase how uses can create value and improve resource health. A project's implementation phase, which will likely be supported in future grants, should build on the efforts already underway in the basin, especially the Compact and Regional Agreement. These efforts can include water uses that are not withdrawals—such as in-stream or drainage uses. Teams are encouraged to build on the tools that have already been developed, such as creating impact measures based on water footprinting methods or extending new withdrawal assessment methods, so that not only will the Great Lakes basin benefit, but other locations can employ these new methods as well. Projects should identify how water uses can create economic and social value, while at the same time continuously improving the health of basin resources.

Superior project teams. The Fund wishes to support multi-institution and multi-sector project teams. Teams that design and run projects should include the full range of experts relevant to their project's expected outcome, work plan, and strategy. These might include engineers, hydrologists, aquatic ecologists, biologists, management professionals, government agency staff, and individuals and institutions that will test the prototypes developed. Even though complete project teams may be recruited during the design phase, the Fund expects to see commitment at the full proposal stage from the institutions that will be involved.

Projects should not only include a subset of "product" users in demonstration or pilot settings, but also be designed with the active involvement of such potential customers. This strategy has proven to be the most effective way of creating a path to scale, so that the project team can influence behavior across the set of actors that affect the health of the basin. Projects that rely on a "create and disseminate" approach—developing an analysis without the involvement of the

basin-wide community of potential users and distributing reports, software or samples—are not encouraged.

Projects could be financed with outright cash grants, convertible grants, debt, equity or some combination.

ELIGIBILITY

The Great Lakes Protection Fund can support a wide variety of applicants. Non-profit organizations (including environmental organizations, trade associations, and universities), governmental agencies, individuals, and for-profit businesses are eligible for Fund support. Successful applicants must maintain open access to certain project data, records and information.

All applicants must show that the proposed work has clear public benefit and that any related financial benefits will accrue to the public good. Government agencies must show that Fund support is not being used to replace or duplicate funds.

CONTENT OF PREPROPOSALS

Preproposals should include an applicant cover sheet, no more than five pages of narrative (including the project budget), and a copy of the project manager's resume. No other attachments are permitted. The Fund prefers that preproposals be submitted via e-mail.

All preproposals must be delivered to the Fund's offices no later than Midnight, July 19, 2009. The Fund will begin review upon receipt. In August 2009, the Fund expects to request more fully developed project proposals from a subset of teams submitting preproposals. Fund staff and other technical experts will review these full proposals prior to a funding decision by the Fund's Board of Directors.

In your preproposal, please address the following issues in the order below:

Project Outcomes

Identify how the proposed work will improve ecosystem health and why it is important for the Great Lakes. Identify what will change during the project and how the Great Lakes will be improved if the project is successfully taken to scale in the basin. Be as specific as possible. Please identify what demonstration work you expect to undertake and what you expect to create in the way of manuals, technical tools and other vehicles to take the pilot work to a meaningful scale. Describe the background research you will produce, what impact it will have, the audiences it is intended for, and how the team will engage that audience.

Proposed Work

Outline the work to be carried out. Include a project timeline that contains the major interim objectives. Show how the work will lead to the expected environmental outcome identified above. Describe the team's working hypothesis about why the work is important and timely. Identify the background research needed to have immediate impact and design a demonstration project. Describe the target audiences for the project and identify their role. Discuss what exportable tools and other results matter to the target audiences, and lay out a strategy to engage them, even if projected environmental outcomes are not achieved.

Key Personnel

Identify the project team members (those supported by the request, by other funding sources, and volunteers), and indicate their roles, responsibilities and qualifications. By the time a full proposal is submitted (and ideally well before) the team should reflect meaningful collaboration among all interests affected by the project and include members from entities that will ultimately use the tools and approaches developed.

Financial Plan

Present the estimated costs of the proposed work in summary categories: personnel, equipment and supplies, travel, consultants, overhead, etc. The Fund will not support overhead costs in excess of 15% of the direct project costs (excluding travel and sub-contracts.) Identify the type

and amount of support requested of the Fund. Identify how other monies will be raised to support the proposed work.

Submit a single copy via e-mail to:

healthywaters@glpf.org.

If electronic submission is not possible, submit six (6) copies via mail to:

Preproposal:
Great Lakes Protection Fund
1560 Sherman Ave., Suite 880
Evanston, IL 60201

Visit the Fund's website to find important links to Project Ideas, Frequently Asked Questions, and Additional Resources.

CALENDAR

June 2009
Request for Preproposals

July 19, 2009
Preproposal Submissions Due
(Note—Preproposals will be reviewed as received. Early submissions are strongly encouraged so that staff may provide feedback on project ideas, team membership, etc.)

August 2009
Full Proposals Invited

Fall 2009
Full Proposal Review and Revision

December 2009
Announcement of Awards