

Analysis

A workgroup composed of RCO staff, Partnership staff, and staff from other funding agencies is working to develop funding criteria and create a Puget Sound partner preference system within the ALEA and WWRP habitat conservation and outdoor recreation accounts. The workgroup has outlined the following steps to integrate the statutory requirements into funding programs.

1. **Revise program eligibility requirements to exclude projects the conflict with the Action Agenda:** After January 1, 2010, projects that conflict with the Action Agenda cannot be funded through ALEA and WWRP. RCO staff is working with the Partnership, other state agencies, and stakeholders to specify what it means to be “in conflict” with the Action Agenda.
2. **Revise program criteria to reflect whether eligible projects are referenced in or consistent with the priorities of the Action Agenda:** The Partnership is working to articulate discernable Action Agenda references and priorities.
3. **Revise program scoring systems to favor designated Puget Sound partners:** Staff is developing a proposal for board consideration that establishes a system for giving funding preference to Puget Sound partners without discriminating against entities that are not eligible to be Puget Sound partners, including those outside the Puget Sound region. Options include:
 - *Add Points:* Give Puget Sound partners additional points at the final stage in the evaluation process. Competing entities that are not eligible to be Puget Sound partners would be given the same number of additional points.
 - *Subtract Points:* Competing entities that are eligible to be Puget Sound partners but do not have a partner designation would lose points.
 - *Ranking:* At the final stage in the ranking process, isolate the entities eligible to be partners and rank them with a preference for those with a partner designation. Then, re-incorporate that Puget Sound basin list into the larger ranked list.
 - *Apportion Funds:* For each account, designate a set percentage of funds for non-eligible entities, a set percentage for entities eligible to be Puget Sound partners, and a set percentage for discretionary purposes.

Staff will consider several factors in developing the proposal for the partner preference system. The degree of preference (weight) given to partner status is a key factor since either too much or too little could have unintended consequences that defeat the purpose of the legislation. Another factor is that the preference system should be simple and transparent so that all parties can see that they have been ranked fairly.

Next Steps

Staff will work with external stakeholders to revise eligibility requirements and program criteria, and to identify the advantages and disadvantages of various preference options. Staff will submit proposals for public review and comment in August and report back to the board in September. Staff will update proposals based on final reviews and will submit a final proposal to the board for consideration in November.