



STATE OF WASHINGTON

RECREATION AND CONSERVATION OFFICE

MEETING DATE: October 2009 **ITEM NUMBER:** 12

TITLE: Policy Status Update

PREPARED BY: Dominga Soliz, Policy and Planning Specialist

APPROVED BY THE DIRECTOR:

Proposed Action: Briefing

Summary

Staff is working on several policy issues that they will present to the Recreation and Conservation Funding Board (board) for action. The attachments to this memo provide updates on these policy issues:

- Scope Changes for Acquisition Projects
- Incorporating Conservation Reserve Enhancement (CREP) Projects into the Riparian Protection Account
- Farmland Preservation Program Review
- Alignment of WWRP and ALEA with the Puget Sound Partnership Action Agenda

Since July, staff has convened stakeholder workgroups to further develop and analyze issues, and has submitted proposals for public comment.

Approval Timeframes

Staff is working with stakeholders and others to set timelines for making policy updates. One option is to ask the board to consider only some policy changes in November 2009, and postpone decisions on policy issues that do not have statutory deadlines and that warrant more extensive public outreach. In that situation, decisions would not be made in time for the next WWRP grant cycle.

Attachments

- A. Scope Changes for Acquisition Projects
- B. Incorporating Conservation Reserve Enhancement (CREP) Projects into the Riparian Protection Account
- C. Farmland Preservation Program Review
- D. Alignment of Certain Grant Programs with the Puget Sound Partnership Action Agenda



ATTACHMENT A: SCOPE CHANGES FOR ACQUISITION PROJECTS

Background

This policy issue concerns acquisition projects funded by the Recreation and Conservation Funding Board (RCFB) and the Salmon Recovery Funding Board (SRFB).

The issue stems from situations in which sponsors request a scope change to allow them to purchase a different property than the one originally proposed in the application and incorporated into the agreement with the RCO. This can result in a project that is significantly different than it was at the time of evaluation and ranking. Both boards need a clear and consistent policy for decisions related to acquisition scope changes.

Update

Staff convened a workgroup of stakeholders and presented them with an outline of issues. Some of the key considerations are as follows:

- under what circumstances should this kind of scope change be approved;
- when should board approval of scope changes be required (i.e., how to define “major” change, as it exists in current policy); and
- how to address sponsors’ requests to purchase property outside the reach area or geographic envelope identified through the multi-site acquisition strategy
- how to address sponsors’ requests to purchase different property for projects with no identified reach area or geographic envelope

The stakeholder group also is responding to questions that aim to help develop policy that will:

- establish consistent factors for determining whether to approve or deny scope change requests, including project outcomes, distance, relationship to other projects, circumstances, alternatives, consequences of a decision, sponsor’s “track record,” and special conditions;
- determine the circumstances under which a project would or would not keep its rank on the list;
- define allowable distances on scope changes in order to be closer to the intent of the original project and clarify the term “contiguous”; and
- clearly define a “major” scope change to help sponsors, evaluators, staff and others know whether RCO or the funding board must approve or deny a scope change.

In addition, for the RCFB, staff is researching the legal limits to changing the scope after the legislature adopts the original project list.

Stakeholder Feedback

The stakeholder group will meet on September 23, 2009. At the October meeting, staff will update the board on their recommendations and the proposed timeline for policy consideration.

ATTACHMENT B: CREP EXTENSIONS IN THE RIPARIAN PROTECTION ACCOUNT

Background

Washington Wildlife and Recreation Program (WWRP) legislation requires that the Recreation and Conservation Funding Board (board) make projects continuing in the Conservation Reserve Enhancement Program (CREP) eligible in the Riparian Protection Account. RCO wants to make program changes before the next WWRP grant cycle (March 2010) because the first four CREP contracts in Washington will expire in 2010.

Update

Staff convened a stakeholder workgroup and presented key questions and initial proposals to the group for their input. The primary issues are:

- whether Riparian Protection Account funds will supplant available federal dollars;
- whether Riparian Protection Account funds should be distributed directly to project sponsors or to the Conservation Commission to disperse to projects; and
- how CREP-related criteria can be added to Riparian Protection Account evaluation criteria.

On September 10, 2009, a stakeholder group met and agreed that the Conservation Commission should receive Riparian Protection Account funds to administer and manage CREP projects. Stakeholders agreed that the Conservation Commission should continue working with conservation districts to provide funding because 1) no match is required, 2) the Conservation Commission has CREP expertise, 3) landowners are familiar with this process, and 4) the process is simpler than applying individually for CREP grants through RCO.

Stakeholders also agreed that the vast majority of landowners are likely to re-enroll in the federal program. They would like state funds to provide an additional option for landowners that want to protect the land in perpetuity rather than for 10 to 15 years.

Public Comment

Staff issued the following initial proposals for public comment:

- Give a single grant to the Conservation Commission based on an amount determined each grant cycle by the board. The Conservation Commission would prioritize statewide CREP projects that want to continue by using state funds and apply for a grant for multiple project worksites.
- Fund conservation easements and leases through the Riparian Protection Account for CREP projects.

Timeline

Stakeholders would like federal CREP sponsors to be eligible to receive Riparian Protection Account funds beginning in 2010, so staff will present those policy changes to the board in November 2009. Staff and stakeholders will need additional time to consider issues such as the timing of funding and additional criteria for CREP projects.

ATTACHMENT C: FARMLAND PRESERVATION PROGRAM REVIEW

Background

The Washington Wildlife and Recreation Program's (WWRP) Farmland Preservation Program (FPP) is being reviewed in response to board interest, Farmland Preservation Advisory Committee suggestion, and recent statutory changes. The statutory changes make additions to the definition of "farm and agricultural land" and make nonprofit organizations and the State Conservation Commission (SCC) eligible to apply for FPP grants.

Update

Staff drafted an initial issue paper with key questions and initial proposals for stakeholder comment. Issues for consideration included:

- making non-profits and the State Conservation Commission eligible;
- how the new statutory definition of "farm and agricultural land" will affect the program;
- geographic distribution of program funds;
- how to increase program participation;
- examining evaluation criteria and how to consider a project's fit with environmental and/or agricultural priorities;
- whether nonprofits and the SCC should be required to provide strategic plans;
- whether to provide assurance that projects are continuing as working lands;
- defining "commercial feedlots;"
- whether to exclude community gardens;
- evaluating pasturelands; and
- considering how well the conservation easement is working.

Staff Proposal

Staff proposed that, at minimum, the following policy changes be approved in November 2009 in order to incorporate policy changes into manuals before the beginning of the next WWRP grant cycle in March 2010.

- Update the Farmland Preservation Program policy manual to insert the new statutory language (84.34.2020) into Appendix B. This language adds farms with standing crops in which a significant investment has been made for production, but due to a longer rotation, has not met the existing gross income thresholds. Examples include some Christmas tree farms, vineyards, fruit trees, or other perennial crops, as well as short-rotation hardwoods.
- Revise the program manual to include eligibility of non-profit organizations and the SCC.

Stakeholder Feedback

A stakeholder group met with RCO staff on September 8, 2009. They agreed with the staff proposal, and also recommended that the following policy proposals be sent for public review and consideration by the board:

- Include the following eligibility thresholds for non-profit applicants in the Farmland Preservation Program:
 - Demonstrate that the preservation of economically viable long-term agricultural land is a significant stated priority of the organization
 - Demonstrate an ability to manage, monitor, and enforce agricultural conservation easements
- Add additional criteria without additional points to the Environmental Values section that focuses on environmental benefits farms can provide while keeping the land in agricultural production.

Staff invited the public to comment on proposals that included updates based on statutory changes and stakeholder recommendations.

Timeline

In November, staff will ask the board to consider the policy changes needed to meet statutory requirements. If the other stakeholder recommendations receive favorable public comment, staff also will present those.

Staff will continue to work with stakeholders on the other farmland policy issues, and will present them to the board later.

ATTACHMENT D: PUGET SOUND PARTNERSHIP ACTION AGENDA ALIGNMENT

Background

To comply with legislation, the Recreation and Conservation Office (RCO) is required to align the Washington Wildlife and Recreation Program (WWRP), the Aquatic Lands Enhancement Account (ALEA), and Salmon Recovery Funding Board (SRFB) programs with the Puget Sound Partnership's Action Agenda priorities. There are three components to this alignment:

1. Revise program eligibility requirements to exclude Projects Designed to Address the Restoration of Puget Sound if they are in Conflict with the Action Agenda
2. Revise program criteria to reflect whether eligible projects are referenced in the Action Agenda
3. Revise program scoring systems to give funding preference to designated Puget Sound partners

Staff worked with the Puget Sound Partnership and RCO grant managers to develop an initial stakeholder review paper. Staff then convened a stakeholder workgroup to gather input on options and proposed policy recommendations.

Update

Exclude Projects Designed to Address the Restoration of Puget Sound if they are in Conflict with the Action Agenda

The Puget Sound Partnership provided RCO staff with language that helps define what it means to be in conflict with the Action Agenda. The Partnership definition addresses projects that result in water quality degradation in the Puget Sound or result in loss of ecosystem processes, structure, or functions and in which impacts are not fully mitigated using appropriate state approved protocols.

Stakeholders agreed that this definition should be included in a letter of self-certification for applicants to complete and submit with applications. The self-certification letters could then be reviewed by the Partnership for comment. The self-certification process would only apply to projects within the Puget Sound.

Revise program criteria to reflect whether projects are referenced in the Action Agenda:

The main issues are 1) what it means to be referenced in the Action Agenda and 2) how the new criteria can be incorporated into grant processes.

RCO staff, the Partnership, and stakeholders reviewed a range of options for identifying project references. Stakeholders agreed that applicants with projects in the Puget Sound¹ should provide a written narrative describing how their project is referenced in the Action Agenda and provide a citation to the reference in the Action Agenda. A question would be added to existing criteria and if the sponsor has difficulty identifying a reference, a representative from the Partnership and RCO

¹ Defined for these purposes as WRIAs 1 through 19

staff would meet with sponsors before the project review meeting. The question would not apply to projects located outside the Puget Sound.

Revise program-scoring systems to give funding preference to designated Puget Sound partners:

The primary concerns are 1) how RCO can give funding preference for entities within the Puget Sound basin who are partners without giving less preferential treatment to entities outside the basin and 2) how much scoring weight should be given to partners.

RCO staff needs to know how the Partnership will designate partners before it can recommend an approach for a preference system. The Partnership may not have completed work to identify a designation method before the beginning of the next WWRP grant cycle.

Staff will continue working with the Partnership and stakeholders to consider options that include adding or subtracting points, apportioning funds to Puget Sound, and using a Puget Sound project ranking system that is incorporated into the ranked project list.

Timeline

Statute requires that the first component, dealing with program eligibility, be completed by January 1, 2010 so staff will present the policy recommendation for board consideration in November.

The other components may be ready for board consideration in November, depending on the public comment and ongoing work with the Partnership.