

## **Recommended Process for Distribution of Puget Sound Partnership Salmon Funds**

Developed by the Puget Sound Policy Sub-committee to the Recovery Council

April 26, 2007

The recently approved state 2007-09 budget includes \$40.75 Million in capital funds to accelerate implementation of the Puget Sound Salmon Recovery Plan. These funds were requested by the Governor as part of her initiative to protect and restore Puget Sound by 2020. The budget directs the Salmon Recovery Funding Board (SRFB) to distribute these funds in consultation with the new Puget Sound Partnership.

The basic recommendation is for the SRFB to conduct a separate process for distribution of these funds that parallels the timing and the general requirements of the SRFB 8<sup>th</sup> Round process. A separate process is recommended to expedite implementation of the projects and facilitate the completion of projects within three years.

Below are the recommendations by the Recovery Council Policy Subcommittee for the Partnership Salmon Funds.

Allocation Method: Funds should be allocated to lead entities/watershed planning areas as recommended by the Puget Sound Salmon Recovery Council. Each watershed/lead entity will compile a list that does not exceed the amount allocated for that watershed/lead entity.

Project Eligibility: The SRFB criteria for eligible projects will be used with the following additions. Projects that are identified through the Puget Sound Salmon Recovery planning process as the highest priority projects will also be eligible for funding through the Partnership Salmon Funds. The funding would largely focus on habitat protection and restoration projects as well as allow for high priority projects that protect key populations. One example is the Nooksack's highest priority project for a captive brook stock facility. It is also recommended that the Partnership Salmon funds be eligible to match SRFB projects.

Match: Since the funds are only recently approved and the intent is to complete projects in three years, it is recommended that matching funds not be required. Lead entities have not had time to secure matching funds but will pursue opportunities for other funding sources.

Role of the SRFB Technical Review Panel: The Puget Sound Recovery Council and watershed leads recognize that the additional monies available for allocation through the Partnership Salmon Funds results in more than a doubling of the typical amount of work for SRFB staff and review panel members. While acknowledging the importance of the technical review provided through the normal SRFB process, those watersheds/lead entities that have habitat projects that are ready for implementation as soon as funds are available fear delays from a lengthy review process. Accordingly, the following approach is suggested for the SRFB to consider:

One or two SRFB review panel members be assigned to review projects in accordance with their areas of expertise (e.g. ELJ specialists would review ELJ proposed projects). Field trips, review of the application materials and other elements (see below) would be included in the review and approval process. The review by the individual review panel members would be final unless there is a dispute which could then be appealed to the full review panel.

Capital Program Management: The increase in capital funds to accelerate implementation of the Recovery Plan will require careful and detailed management by watershed leads and others involved in capital projects at the local level. As part of the recommendation to the Governor and discussion with the Legislature, the Recovery Council recommended that five percent of the total funds be allocated for capital program management at the watershed level. With the support of the SRFB, the Recovery Council will work with the watersheds to identify how these funds should be allocated and used. A proposal will be provided to the SRFB at their July meeting for approval.

Technical Review Elements: Below is a listing of the technical elements that would be considered by the SRFB technical panel members. These elements are consistent with the current SRFB guidance with the exclusion of strategy questions which in Puget Sound will be evaluated by the Puget Sound Technical Recovery Team.

For restoration and acquisition projects, the Review Panel will determine that a project is not technically sound and cannot be significantly improved if:

1. The project has a high cost relative to the anticipated benefits and the project sponsor and lead entity have failed to justify the costs.
2. The project uses a technique that has not been considered successful in the past.
3. It is unclear how the project will achieve its stated objectives.
4. It is unlikely that the project will achieve its stated objective.
5. There is low potential for threat to habitat conditions if the protection project is not completed.
6. The project design is not adequate or the project is improperly sited.
7. The stewardship description is insufficient or there is inadequate commitment to stewardship and maintenance of the project and this would likely jeopardize the project's success.
8. If an acquisition, less than 60 percent of the total project area is not intact habitat and does not include intent to restore.
9. Scope is not appropriate to meet its goals and objectives.
10. Landowners are unwilling to work with the project sponsor to have work done in the most beneficial manner possible.
11. Actions are not scheduled, funded, and ready to take place and have constraints to successful implementation.

For assessment projects, the project will be deemed a project of concern if:

1. The methodology does not appear to be appropriate to meet the goals and objectives of the project.
2. The project has a high cost relative to the anticipated benefits.
3. The assessment uses a technique that has not been proven successful in past applications.

4. It is unclear how the assessment will achieve its stated objectives.
5. It is unlikely that the assessment will achieve its stated objective.
6. Scope is not appropriate to meet its goals and objectives.
7. If an assessment, the methodology does not effectively address an information/data gap or does not lead to effective implementation of prioritized projects within two to three years of completion.
8. Actions are not scheduled, funded, and ready to take place and have constraints to successful implementation.

***The Puget Sound Recovery Council Policy Subcommittee and watershed leads request approval of this proposed process by the SRFB at their May 3, 2007 meeting. Jim Kramer and some of the Puget Sound Lead Entity Coordinators will be available at the meeting to answer questions.***