



# Oregon

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## Oregon Watershed Enhancement Board

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December 31, 2009

## MEMORANDUM

**TO:** Oregon Watershed Enhancement Board

**FROM:** Lauri Aunan, Grant Program Manager

**SUBJECT:** **Agenda Item R: 2009-2011 Grant Program Update  
January 20-21, 2010 OWEB Board Meeting**

### I. Introduction

This report provides an update on the October 19, 2009, grant cycle, and recommends non-capital grant types for the April 19, 2010, grant cycle.

### II. Background

OWEB offers four regular grant cycles per biennium. The Board sets the schedule and identifies the types of grant applications solicited for each deadline based on OWEB's legislatively approved budget. A Restoration/Acquisition and Technical Assistance grant offering was made available for the April 20, 2009, cycle, as approved by the Board at the March 2009 meeting. The Board then established grant application deadlines and Restoration/Acquisition grant offerings for the remainder of the 2009-2011 biennium at the June 2009 meeting. Non-capital grant application types, other than Watershed Council Support, were not proposed pending final legislative approval of the OWEB 2009-2011 budget.

OWEB typically solicits for Technical Assistance, Education and Outreach, and Monitoring grants in the October grant cycle. At the July 29, 2009, special Board meeting via conference call, staff recommended and the Board approved the solicitation of Technical Assistance, Education and Outreach, and Monitoring grants for the October 19, 2009, grant cycle. Due to the ongoing uncertainty about State revenues, including Lottery funds, staff did not propose soliciting non-capital grant application types for the remainder of the 2009-2011 biennium. Staff also have not recommended capital and non-capital funding reserves for the 2009-2011 grant cycles.

### III. October 19, 2009 Grant Cycle

A total of 226 grant applications were submitted to OWEB on its October 19, 2009, deadline. Table 1 displays the number and type of grant applications request submitted. Table 2 displays amounts requested.

The review process started in December 2009 with regional review team meetings to evaluate applications in the Eastern Oregon region on December 8-9, 2009, and in the Mid-Columbia region on December 15-16, 2009. Regional review teams for the Willamette Basin, North Coast,

Central Oregon, and Southwest Oregon meet on January 5, 7, 15, and 26, 2010, to review applications.

OWEB's Education and Outreach Review Team (EORT) met by conference call on December 4, 2009, to review and score the four Statewide education and outreach applications. Due to staff workload from the strategic and communications plan, the EORT was not convened to review the 34 regional education and outreach applications for this cycle.

The Oregon Plan Monitoring Team will meet in January in Salem to review all 28 monitoring applications. Results of the review will be incorporated into the grant deliberation process.

**Table 1 – Types of Applications for October 19, 2009**

	<b>Technical Assistance</b>	<b>Monitoring</b>	<b>Education</b>	<b>Acquisition</b>	<b>Restoration</b>	<b>Totals</b>
<b>Region 1</b>	4	5	6	2 (Land)	14	<b>31</b>
<b>Region 2</b>	5	8	4	0	*28	<b>*45</b>
<b>Region 3</b>	9	4	6	0	22	<b>41</b>
<b>Region 4</b>	8	4	12	0	14	<b>38</b>
<b>Region 5</b>	4	5	2	0	30	<b>41</b>
<b>Region 6</b>	1	2	4	0	19	<b>26</b>
<b>Statewide</b>	0	0	4	0	0	<b>4</b>
<b>Totals</b>	<b>31</b>	<b>28</b>	<b>38</b>	<b>2</b>	<b>*127</b>	<b>*226</b>

**Table 2 - Dollar Amounts by Application Type**

	<b>Technical Assistance</b>	<b>Monitoring</b>	<b>Education</b>	<b>Acquisition</b>	<b>Restoration</b>	<b>Totals</b>
<b>Region 1</b>	134,458	256,342	95,569	848,761	1,433,468	<b>2,768,598</b>
<b>Region 2</b>	157,987	954,409	116,414	0	*3,705,553	<b>*4,934,363</b>
<b>Region 3</b>	354,092	344,674	166,803	0	3,630,461	<b>4,496,030</b>
<b>Region 4</b>	292,272	151,165	350,514	0	1,820,470	<b>2,614,421</b>
<b>Region 5</b>	106,534	459,981	59,180	0	3,500,407	<b>4,126,102</b>
<b>Region 6</b>	25,641	292,440	53,665	0	2,434,923	<b>2,806,669</b>
<b>Statewide</b>	0	0	234,306	0	0	<b>234,306</b>
<b>Totals</b>	<b>1,070,984</b>	<b>2,459,011</b>	<b>1,076,451</b>	<b>848,761</b>	<b>*16,525,282</b>	<b>*21,980,489</b>

*\*Totals include Gold Ray Dam removal (\$1,000,000); this application has been removed from the regular grant cycle and will be recommended for funding in January 2010 because it received \$5 million in federal stimulus funding, which is on an expedited time frame (See Agenda Item Q).*

#### **IV. Proposed Non-Capital Grant Types for April 19, 2010, Grant Cycle**

The next grant application deadline is April 19, 2010. Applications solicited for OWEB's April cycles have typically included Technical Assistance, and applicants will be expecting OWEB to offer this type of application. Accordingly, staff recommend a non-capital grant solicitation for April 2010 that includes a Technical Assistance offering. However, until there is more clarity on the amount of State Lottery funds and 2010 Pacific Coastal Salmon Recovery Fund (PCSRF) funds available to OWEB, we do not recommend non-capital grant solicitations beyond the April 2010 grant cycle.

## **V. Grant Cycle Funding Reserves**

Due to the uncertainty about State revenues, including Lottery funds, staff have not yet developed recommended reserves for the 2009-2011 grant cycles. Based on the regional review team recommendations, and taking into account the available capital and non-capital funding, staff will develop funding recommendations for the October 2009 grant cycle at the March 2010 meeting. As shown in Table 2 in Section III, the amount of funds requested far exceeds the likely amount of funding available for this cycle of applications. The March funding recommendations may also include the second half of the staged awards for the Bandon Marsh Restoration and Willow Creek Water Quality Improvement projects, which the Board committed to at the September 2009 Board meeting.

Staff also do not recommend setting funding reserves for the biennium or for the April 2010 cycle at this time. Overall Lottery funding – capital and non-capital – is uncertain, particularly in light of the tax ballot measures pending voter action in January. In addition, most of the non-capital funds OWEB received in our initial 2009-2011 budget have already been committed or reserved for specific purposes by the Board at the September 2009 meeting. As has been the tradition, an infusion of non-capital funds from PCSRF in the even-numbered federal fiscal year contributes significantly to OWEB's ability to fund non-capital grant cycles in the second half of the biennium.

At the time of writing this report, it appears Congress has included \$80 million of PCSRF in the omnibus budget bill for federal fiscal year 2010. This is the same amount of PCSRF funds appropriated in the 2009 federal funding cycle, of which Oregon received \$13.2 million through a competitive grant process. It is not clear what percentage of those funds will be distributed to the State of Oregon, and it will likely be several months before we know the final distribution numbers.

Staff expect to develop funding allocations for the remainder of the 2009-2011 grant cycles after the conclusion of the 2010 legislative session, and will bring recommendations to the Board in March or June.

## **VI. Recommendation**

Staff recommend the Board approve the solicitation of Technical Assistance grant applications for the April 19, 2010, grant cycle.