

## Capital Project Request

2017-19 Biennium

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Version: BD 17-19 Capital Budget

Report Number: CBS002

Date Run: 9/8/2016 11:33AM

Project Number: 30000408

Project Title: Salmon Recovery Funding Board Programs

**Description**

Starting Fiscal Year: 2018

Project Class: Grant

Agency Priority: 7

**Project Summary**

Habitat loss continues to be one of the most important factors limiting the recovery of salmon in Washington. The purpose of the Salmon Recovery Funding Board (SRFB) program is to provide grants for projects that protect or restore salmon habitat and for other salmon recovery programs and activities (RCW 77.85) across the state. While other grant programs focus on a particular geographic region or bring in other non-salmon values, this is the one grant program in Washington that focuses exclusively on protecting and restoring salmon habitat state-wide. Projects are developed locally and evaluated to assess if and how well they will implement priorities addressed in federally-adopted salmon recovery plans. Funds are primarily derived from two sources: state general-obligation bonds and federal appropriation through the Pacific Coastal Salmon Recovery Fund. State funds are used to match federal funds and to leverage other non-state funds, and more state funds contributed to salmon recovery increases our competitiveness for federal funding. Since 1991, state SRFB funding has been used to match nearly \$400 million in federal funds. The state funds have also been used to leverage more than \$100 million in sponsor match. While the program reaches across the state, projects located in Puget Sound directly support the salmon habitat strategic initiative and other salmon recovery goals recently adopted as part of the Action Agenda by the Puget Sound Partnership. RCO's mission is to work with others to protect and improve the best of Washington's natural and recreational resources, enhancing the quality of life for current and future generations. This request is in direct alignment with the agency's mission. In addition, the request supports the strategic direction of the Salmon Recovery Funding Board and is in alignment with the Puget Sound Action Agenda.

**Project Description**

As Washington's population has grown and altered the natural landscape, our salmon populations have dwindled. In 1991, the federal government declared the first salmon in the Pacific Northwest, Snake River sockeye, as endangered under the Endangered Species Act. In the next few years, sixteen more species of salmon were listed as either threatened or endangered. As more salmon became listed, state leaders realized they needed a coordinated effort. By the end of the decade, the Legislature had created the Salmon Recovery Funding Board to administer state and federal funds to protect and restore salmon habitat.

The board has created an approach unique in the nation for the recovery of salmon. Local communities work together to write recovery plans that are approved by the federal government. The communities develop projects, vet them locally, and submit them to the Salmon Recovery Funding Board for scientific and technical review. This "bottom up" approach engages local communities in salmon recovery and the state oversight ensures that only the best, most scientifically sound projects are funded. Washingtonians rely on salmon for food, recreation, jobs, cultural identity, and social tradition. These iconic fish evoke the best Washington has to offer – pristine water, rich landscapes, a healthy environment, and a thriving natural resource economy.

The board also plays a key role in supporting the organizations that implement the federally approved recovery plans and in managing the state funding, which is critical to securing federal grants.

This proposal helps address these issues and restore salmon runs across the state by providing grants for the protection and/or restoration of salmon habitat statewide and bringing in additional federal funding. This proposal also is critical to maintaining tribal treaty rights. Federal funding also supports monitoring, feasibility assessments for future projects and other related recovery activities that help us learn from past projects and continually improve how we recover salmon.

This request would fund the acquisition and restoration of hundreds of acres of salmon habitat around the state. The request amount is based on four components:

- \$52 million for projects. This number is based on the total cost of proposed projects currently in the Habitat Work Schedule and an assumption of capacity to fund and implement approximately 15 percent of those projects in the 2017-19 biennium.
- \$2.5 million to support the Lead Entities develop projects.
- \$641,410 to support the Regional Fisheries Enhancement Groups develop projects
- \$170,000 to execute a LEAN study to bring efficiencies to the project development and prioritization process.

As mentioned above, the project request amount is based on the total proposed salmon recovery projects in the Habitat Work Schedule that are in the Region's 4-year work plans. The need to support Lead Entity project development comes from the recent reduction in federal funding that had been allocated to that end. This project development request serves to rebalance the state-federal proportion of spending on lead entity project development and make Washington much more competitive to receive federal funds for salmon recovery. The need to provide supplemental support to the Regional Fisheries Enhancement

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**Description**

Groups stems from a reduction in funds to these entities in the Department of Fish and Wildlife budget. And the LEAN study proposal is aimed at making the entire project development and prioritization process more efficient and, ideally, less costly. Eligible Grant Recipients:

- \* Local governments - cities, towns, counties, and special districts (ports, park, conservation, and school districts);
- \* Tribal governments;
- \* Nonprofit organizations;
- \* Private Landowners (in limited circumstances);
- \* State agencies;
- \* Conservation Districts; and
- \* Regional Fisheries Enhancement Groups

The request supports IT related activities only to the extent that RCO uses a portion of its administrative funds to support its IT infrastructure and PRISM project database. All larger IT enhancements follow the OCIO review process.

Applicants must provide at least 15% matching funds in either cash or in-kind contributions.

Revenue Source: State funding has been provided through general obligation bonds and is used to meet the required 33% match for the federal salmon recovery funds. Federal funds are appropriated to the National Oceanic and Atmospheric Administration (NOAA) from the Pacific Coastal Salmon Recovery Fund (PCSRF). Each state applies for a share of this account. The state funds are also critical to having a sufficient project funding pool to be competitive with other states seeking PCSRF allocations.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

Grant Recipient Organization: See project description for full list of eligible recipients

RCW that establishes grant: RCW 77.85

**Application process used**

All projects are identified, evaluated and prioritized through a bottom-up approach that begins at the local level with the local lead entity group and the regional salmon recovery organization. Lead entity groups (usually at the watershed level) work with landowners to develop projects and then submit a prioritized list of projects that have been evaluated by a technical advisory group. These projects are further reviewed and prioritized by the Regional Salmon Recovery Organization, which is responsible for implementing the adopted salmon recovery plan for that particular area. Once project lists are submitted to the Salmon Recovery Funding Board (board), the lead entity and regional representatives meet with the board's technical review panel, comprised of scientists from different disciplines, to finish the review process. Criteria adopted by the board are also used as part of the evaluation process. The fully-vetted projects are then presented to the Salmon Recovery Funding Board in priority order and adopted for funding.

**Growth Management impacts**

GMA is not considered for this program.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2017-19 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
001-2	General Fund-Federal	250,000,000				50,000,000
057-1	State Bldg Constr-State	275,700,000				55,300,000
<b>Total</b>		<b>525,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>105,300,000</b>

Future Fiscal Periods

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**Funding**

	<u>2019-21</u>	<u>2021-23</u>	<u>2023-25</u>	<u>2025-27</u>
001-2 General Fund-Federal	50,000,000	50,000,000	50,000,000	50,000,000
057-1 State Bldg Constr-State	55,100,000	55,100,000	55,100,000	55,100,000
<b>Total</b>	<b>105,100,000</b>	<b>105,100,000</b>	<b>105,100,000</b>	<b>105,100,000</b>

**Operating Impacts**

No Operating Impact

**Narrative**

This is a pass through grant program.