



Current policy allows the agency to approve scope changes in salmon recovery grants when the replacement land is contiguous to the land in the original project and allows a SRFB subcommittee to approve changes for non-contiguous property. However, the policy does not clearly state the factors that the agency, SRFB, or SRFB subcommittee considers in deciding whether to approve scope changes for replacement land. Currently no policy guidance exists for scope changes for grants approved by the Recreation and Conservation Funding Board.

Staff is proposing to develop a clearer scope change policy regarding replacement land in order to provide consistency in decision-making, guidelines to sponsors, and program accountability. We expect to have a policy that works for across all the grant programs administered by the RCO.

To guide the procedural effort, staff will ask both boards to clarify and adopt more consistent policy concerning replacement land later this year.

### **C. Alignment of SRFB with the Puget Sound Partnership Action Agenda**

As part of its fiscal accountability legislation<sup>1</sup>, the Puget Sound Partnership (Partnership) is required to work with the Recreation and Conservation Office (RCO) and other agencies to develop fiscal incentives and disincentives that implement the Partnership's Action Agenda.

To comply with legislation, SRFB evaluation criteria and eligibility requirements must change to reflect the priorities of the Puget Sound Action Agenda and the status of sponsors that are "Puget Sound Partners."

When administering SRFB funds, the board will be required to (1) prohibit funding of projects that are in conflict with the Action Agenda, (2) consider whether a project is referenced in or is otherwise consistent with the Action Agenda, and (3) give preference to designated Puget Sound partners. Puget Sound partners are entities recognized by the Partnership as having consistently achieved outstanding progress in implementing the Action Agenda. The preference applies only to entities that are within the Puget Sound basin, and entities outside the basin must not have less preferential treatment during funding decisions<sup>2</sup>.

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 that fits with funding programs. The workgroup has outlined the following steps to integrate the statutory requirements into funding programs.

1. **Revise program eligibility requirements to exclude projects that conflict with the Action Agenda:** After January 1, 2010, projects that conflict with the Action Agenda cannot be funded through SRFB. 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.

---

<sup>1</sup> RCW 90.71.340

<sup>2</sup> RCW 79.105.610 and RCW 79A.15.140.

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 and RCO staff is working with the Partnership and others to draft proposals for incorporating them into programs.
3. **Revise program scoring systems to favor designated Puget Sound partners:** Staff is developing a proposal for SRFB 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, which are entities outside the Puget Sound region.

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**

RCO policy staff and grant managers continue to work with external stakeholders to address these policy issues. Staff will provide progress reports and recommendations to the SRFB as needed.