

March 25, 2010
Natural Resources Building, Room 175 A&B, Olympia, Washington 98504

Time: Opening sessions will begin as shown; all other times are approximate.

Order of Presentation:

In general, each agenda item will include a presentation, followed by board discussion and then public comment. The board makes decisions following the public comment portion of the agenda item.

Public Comment:

If you wish to comment at a meeting, please fill out a comment card and provide it to staff. Please be sure to note on the card if you are speaking about a particular agenda topic. The chair will call you to the front at the appropriate time.

You also may submit written comments to the Board by mailing them to the RCO, attn: Rebecca Connolly, Board Liaison at the address above or at rebecca.connolly@rco.wa.gov.

Special Accommodations:

If you need special accommodations to participate in this meeting, please notify us by March 18, 2010 at 360/902-3086 or TDD 360/902-1996.

OPENING AND MANAGEMENT REPORTS

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| 9:00 a.m. | Call to Order <ul style="list-style-type: none">• Roll Call and Determination of Quorum• Review and Approval of Agenda – March 25, 2010 | <i>Chair</i> |
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| 9:05 a.m. | 1. Consent Calendar (<i>Decision</i>) <ul style="list-style-type: none">a. Approval of Board Meeting Minutes – November 5, 2009b. Advisory Committee Service Recognitionc. Time Extension Requests, Washington Department of Natural Resources:<ul style="list-style-type: none">• Methow Rapids NAP, RCO #04-1327• Bone River & Niawiakum River NAPs, #04-1328• Trout Lake Wetlands NAP 04, #04-1395• Ink Blot and Shumocher Creek NAPs 04, #04-1416d. Extension of Match Certification Deadline until April 15, 2010:<ul style="list-style-type: none">• Nelson Ranch Farmland, Okanogan County, RCO #08-1238A• Whatcom PDR 2008, Whatcom County, RCO #08-1638A• Triple Creek Ranch 2008, Kittitas County, RCO #08-1323A• Finn Hall Farm, Clallam County, RCO #08-1288A <p><u>Resolution #2010-01</u></p> | <i>Chair</i> |
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| 9:10 a.m. | 2. Management Report (<i>Briefing</i>) <ul style="list-style-type: none">a. Director's Reportb. Fiscal Reportc. Grant Management Reportd. Policy Reporte. Performance Management Report | <i>Kaleen Cottingham</i>

<i>Marguerite Austin/Scott Robinson</i>
<i>Steve McLellan</i>
<i>Rebecca Connolly</i> |

General Public Comment For issues not identified as agenda items. Please limit comments to 3 minutes.

9:30 a.m. 3. Legislative Session Review (*Briefing*)

- a. Supplemental Budget, Impact on RCO Staff
- b. Legislation and RCO Assignments from the Legislature
- c. Natural Resources Reform

*Rachael Langen
Steve McLellan*

10:15 a.m. BREAK

OTHER BOARD BUSINESS (*Decisions*)

10:30 a.m. 4. Washington Department of Fish and Wildlife Compliance and Conversions

- a. Update on WDFW Compliance Efforts
- b. WDFW Land Exchange Phase 2 (Decision)

*Jim Anest
Leslie Ryan-Connelly*

Resolution #2010-02

11:30 a.m. 5. Changes to the Evaluation Process for the WWRP Natural Areas Category

Scott Robinson

Resolution #2010-03

Noon LUNCH

1:00 p.m. 6. Factors for Considering Major Scope Changes – Acquisition Projects

Dominga Soliz

Resolution #2010-04

1:30 p.m. 7. Policy Changes to WWRP Farmland Preservation Program

Dominga Soliz

Resolution #2010-05

2:00 p.m. 8. Revised Evaluation Criteria for Land and Water Conservation Fund

Jim Eychaner

Resolution #2010-06

2:15 p.m. 9. Policy Regarding Nonprofit Eligibility in WWRP

Jim Eychaner

Resolution #2010-07

OTHER BOARD BUSINESS (*Briefings*)

2:45 p.m. 10. Incorporating Sustainability into RCO Grant Programs

Jim Eychaner

3:45 p.m. 11. Invasive Species Council Update

Wendy Brown

4:00 p.m. State agency partner reports

Public comment on issues not otherwise identified as agenda items

ADJOURN

Next meeting: June 24-25, 2010 Walla Walla, WA

RECREATION AND CONSERVATION FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS, NOVEMBER 5, 2009

Agenda Items without Formal Action

Item	Board Request for Follow-up (<i>Due Date in Italics</i>)
Management Report	Show link between work plan and performance measures on board work plan; update following each meeting (3/2010) Move performance measure annual report to June meeting, and tie to annual work plan development (6/2010) Sustainability in grant programs: Themes of board discussion: requirements vs. incentives, concerns regarding unintended consequences, consideration of economic and social sustainability (<i>Report at each meeting in 2010</i>)
Biodiversity Council Update	
Executive Session: Personnel Matter	

Agenda Items with Formal Action

Item	Formal Action	Board Request for Follow-up (<i>Due Date in Italics</i>)
Consent Calendar	Approved <ul style="list-style-type: none"> October minutes Time Extension (RCO #04-1502D) 	
Aligning Washington Wildlife and Recreation Program (WWRP) and Aquatic Lands Enhancement Account (ALEA) with Puget Sound Partnership Action Agenda	Approved <ul style="list-style-type: none"> Approved policies to meet statutory requirements re: eligibility and reference to Action Agenda. Approved placeholder language re: partner designation 	Present the Partnership's proposal for partner designation (<i>When finalized by PSP</i>)
Inclusion of CREP Projects in WWRP Riparian Protection Account	Approved <ul style="list-style-type: none"> Approved policies and process to meet statutory requirement to fund conservation easements and lease extensions for continuing CREP projects. 	Add land trusts to stakeholder group for CREP criteria. (<i>Immediate</i>)
Changes to WWRP Farmland Preservation Program (FPP)	Approved as amended <ul style="list-style-type: none"> Approved policies to: revise definitions; make non-profit organizations and the State Conservation Commission eligible sponsors; and, set eligibility rules for nonprofits. Amendment rewrote eligibility rules and omitted environmental value criteria. 	Deferred issues regarding environmental criteria for work group (3/2010)
Scope Changes for Acquisition Projects	Approved as amended <ul style="list-style-type: none"> Approved definition of major scope change and process for staff review of acquisition scope change Amendment clarified definition 	
Waivers of Match Policy in WWRP Farmland Preservation Program (FPP) for Fiscal Year 2010	Approved <ul style="list-style-type: none"> Extended the match certification deadline for State Fiscal Year 2010 projects that had applied for but not received federal Farm and Ranch Land Protection Program funds 	
Firearms and Archery Range Recreation (FARR) Grant Awards	Approved <ul style="list-style-type: none"> Approved eight projects requesting \$301,763 for state fiscal year 2010. Program is undersubscribed. 	
Land and Water Conservation (LWCF) Grant Awards	Approved <ul style="list-style-type: none"> Approved two projects and eight alternates for federal fiscal year 2009, and authorized the director to submit application materials to the National Park Service 	

RECREATION AND CONSERVATION FUNDING BOARD SUMMARY MINUTES

Date: November 5, 2009

Place: Natural Resource Building, RM 172, Olympia, Washington

Recreation and Conservation Funding Board Members Present:

Bill Chapman, Chair	Mercer Island	Dave Brittell	Designee, Department of Fish and Wildlife
Steven Drew	Olympia	Stephen Saunders	Designee, Department of Natural Resources
Jeff Parsons	Leavenworth	Rex Derr	Director, State Parks and Recreation
Harriet Spanel	Bellingham		

It is intended that this summary be used with the notebook provided in advance of the meeting. A recording is retained by RCO as the formal record of meeting.

Opening and Management Report

Chair Bill Chapman called the meeting to order at 9:00 a.m. Staff called roll, and a quorum was determined.

- The Recreation and Conservation Funding Board (board) approved the agenda, omitting item 11 because there were no appeals to be considered.
- The board reviewed Resolution #2009-26, Consent Calendar

Resolution 2009-26 moved by: Jeff Parsons **and seconded by:** Dave Brittell
Resolution APPROVED

Management Report

Director Kaleen Cottingham and Recreation and Conservation Office staff members presented the management report. The board asked for a performance measures update in June 2010, and for the work plan to include measureable outcomes. Board members also requested additional performance measure analysis.

Steve McLellan presented the policy report and highlighted the issue of non-profit eligibility in WWRP. The issue of public involvement in the planning process has been contentious, and he asked for board direction so that staff can bring this to the March board meeting.

Board members commented on the [non-profit](#) issue, noting the following for staff consideration:

- How can the board ensure continuity of public benefit?
- Can nonprofits effectively use or adopt existing public plans?
- Should a nonprofit meet the requirement for public hearings, and if so, how can they do that?
- Are there planning gaps that nonprofits can fill?

Staff and board members also discussed the applicable RCWs and WACs. At the request of the Chair, Kaleen explained the framework for setting the policy. Kaleen noted that the RCFB has adopted a WAC that cannot be modified through policy. Staff needs to determine if they can clarify the current policy to address the concern, or if they will need to amend the WAC. She stated that she understood the board's direction to be that in either approach (policy or WAC amendment), staff should find a balance where there is consistency between a plan adopted by a nonprofit and a plan adopted in a public process. For example, whether they have requirements for posting the plan in a publicly-accessible way, whether they are amenable to some sort of public vetting, or whether a plan has been reviewed, adopted, or used by a public agency.

Summary of Board Direction: These are some areas to clarify via WAC or policy. Chair set expectation that there would be significant stakeholder involvement, and consideration of accountability of public investments.

Public Comment:

Bill Robinson, Nature Conservancy: Bill stated that only the best projects should go forward. The Nature Conservancy suggests that staff change the statement requiring a legal opinion that the project will meet the objectives, because it could be problematic for future projects. They suggest changing the language to "consistent with." He noted on the planning requirement that there are a number of criteria in the evaluation process that judge whether a project is consistent with public plans. However, making it an eligibility requirement is a problem because nonprofits do not have public hearings, and would not meet the threshold. Adopting an existing public plan could be hard because it may not be consistent with the organization's goals.

In response to questions from Board member Spanel, Bill Robinson stated that there are no requirements for public hearing of plans for federal grants. He further noted that the requirement for public involvement occurs during the development of the plan. Since many nonprofits already have adopted their plans, it is too late for public comment.

Bill Robinson concluded by noting that the Nature Conservancy supports the proposals for topics 4, 5, 6, and 7, as well as the process to get there.

Marcia Fromhold, Washington Wildlife and Recreation Coalition: Marcia noted that there is a need to increase the quantity and quality of applications, so the coalition asked the legislature to make nonprofits eligible to apply in Riparian and Farmland. Their perspective is that the nonprofits will not apply if the planning requirement stands as it is currently proposed. WWRC prefers to put the requirement in the evaluation process.

Briefings

The board received the following briefings.

Biodiversity Council Pilot Projects and Status

Lynn Helbrecht gave an overview of the work of the Biodiversity Council and highlighted the progress in fulfilling Executive Order 08-02. She described the progress and outcomes of the five pilot projects. She then described the next steps for the council, including securing the future of its work. She shared a video produced as one of the pilot projects.

Board member Parsons asked about hands-on education. Lynn explained a pilot project in Grays Harbor County where they worked with a school. She noted that they would like to do more, but it's a matter of resources and where they can best leverage their influence.

State Agency Partner Reports

There were no reports from Rex Derr (State Parks) or Dave Brittell (Washington Department of Fish and Wildlife). Stephen Saunders (Department of Natural Resources) described the department's new strategic planning effort.

Board Decisions

The board took action on eight topics, as follows.

Aligning Washington Wildlife and Recreation Program (WWRP) and Aquatic Lands Enhancement Account (ALEA) with Puget Sound Partnership Action Agenda

Dominga Soliz presented the staff work to align WWRP and ALEA with the Action Agenda, and noted that many stakeholders expressed concern about which WWRP categories would be affected.

Board member Drew noted that the mitigation approach is unclear and that there needs to be policy about the amount of money that can be used to mitigate the project. This amount would be a measure of the quality of the projects.

Board member Parsons and Chair Chapman both noted the need to establish fair ways to evaluate projects across the state while implementing the legislative mandate for preference for Puget Sound partners. They expressed concern that the approaches not open the door to allocating funds geographically.

Resolution 2009-27 moved by: Dave Brittell **and seconded by:** Jeff Parsons
Resolution APPROVED

Inclusion of CREP Projects in WWRP Riparian Protection Account

Dominga Soliz presented five policy proposals for board consideration. Her presentation included a review of stakeholder comments, including differing views on the proposal of how the evaluation would take place.

Board member Spanel clarified the approval process and the Legislature's role. Board member Brittell stated that the board should be careful that it does not create a disincentive for pursuing federal funds, stating that the up-front payment linked to easements may create an incentive for the state funding. He also asked who is responsible for any conversions. Kaleen clarified that the RCO retains a third party beneficiary right on the easements, so we can enforce it if needed.

Public comment:

Pat Powell, President, Washington Association of Land Trusts (WALT): WALT is in favor of the staff recommendation and wants to ensure that the titleholders have the expertise to do conservation easements. She asked that land trusts be added to list of stakeholders developing criteria. Pat also answered questions from board members about the accreditation process for land trusts, option to have the land trusts partner with the Conservation Commission, and long-term monitoring obligations.

Carol Smith, CREP program manager, Washington State Conservation Commission (WSCC): WSCC supports the proposals put out for public comment. They want to do permanent conservation easements, rather than lease options, to encourage landowners to take the next step. She stated that they want as much participation as possible, and are concerned that the evaluation process and master contract approach could reduce participation because of the perception of extra bureaucracy and the capability of district staff to write the proposals for each project. She also noted that CREP does a random sample for effectiveness monitoring each year. In response to questions from the Chair, Carol stated that some

districts could hold the title to property. Carol also suggested an alternative evaluation in which the WSCC would bundle only the best projects to be evaluated together.

Chair Chapman noted that Bill Robinson had spoken in favor of the proposal.

Resolution 2009-28 moved by: Rex Derr **and seconded by:** Harriet Spanel
Resolution APPROVED

Executive Session

The board conducted the Performance Review of RCO Director Kaleen Cottingham in executive session.

Changes to WWRP Farmland Preservation Program

Dominga Soliz reviewed her presentation, recommendations, and stakeholder feedback. The proposal received general support for the criteria, as well as suggestions for additional revisions.

The board discussed several changes to the language in the resolution and policy proposal shown in Attachment A as follows:

- Should the term "local" be changed or clarified to be either more or less specific about the intended environmental benefits?
- Do all areas of the state have either a farm plan or land trusts with agricultural easement experience?
- Should a land trust be required to have experience with agricultural easements, or is it enough to have experience with conservation easements?
- How can they highlight that the criteria questions offer examples, not limits?

Director Cottingham also noted the need to align the board's criteria with those used by the NRCS. Based on board discussion, staff presented an amended resolution and policy draft for board approval.

Public Comment

Chris Hilton, Whidbey Camano Land Trust: Applicants find the environmental criteria to be very confusing. There is overlap and it is difficult to determine what the evaluators are looking for. They have heard the same from evaluators. They do not think that the suggested changes go far enough. They suggest that we take more time on those values, and make them clearer. She urged the board not to approve this portion of the proposal at this time.

Pat Powell, Washington Association of Land Trusts: Suggested that the second item on eligibility to read: "a proven ability to develop, acquire, manage, monitor, and enforce..." She also questioned the role of the Washington State Conservation Commission in the policies, and whether they have the expertise and capacity to develop conservation easements.

Revised Resolution 2009-29 moved by: Steven Drew **and seconded by:** Jeff Parsons
Resolution APPROVED as amended.

Scope Changes for Acquisition Projects

Dominga presented the policy proposal for scope changes. Kaleen clarified that the policy was bifurcated, and that today they are just approving a definition that clarifies when the board would approve a scope change.

Board members noted that they are comfortable with the policy, but do not want to create additional up-front process for sponsors. Board members initially approved the resolution with a minor language change, but later changed the resolution to be stated in the positive and use language from the policy proposal.

Revised Resolution 2009-30 moved by: Dave Brittell **and seconded by:** Jeff Parsons
Resolution APPROVED as amended.

Waivers of Match Policy in WWRP Farmland Preservation Program for Fiscal Year 2010

Resolution 2009-31 moved by: Jeff Parsons **and seconded by:** Stephen Saunders
Resolution APPROVED

Firearms and Archery Range Recreation (FARR) Grant Awards

Marguerite Austin described the program and the types of projects they have funded. In response to questions from Board member Parsons, she noted that some projects remove lead, and that while many project sponsors now disallow lead, it is not part of the evaluation criteria. Marguerite also noted that the projects were evaluated in writing rather than in meetings, and that the evaluation team wants to reconsider that approach. Unspent funds will be carried forward to the 2012 cycle. Dan Haws then presented the top two projects.

Board members asked staff why there were so few applicants given the number of clubs. Staff responded that many of the clubs are affected by the economic downturn, and either could not provide the 50 percent match or had fewer volunteers to help with the work.

Resolution 2009-32 moved by: Jeff Parsons **and seconded by:** Dave Brittell
Resolution APPROVED

Land and Water Conservation (LWCF) Grant Awards

Sarah Thirtyacre gave an overview of the program, including project types, eligibility, match policies, and criteria. New criteria for this year include consistency with SCORP, compatibility with federal grant priorities, and the sponsor's compliance/conversion status. Requests totaled more than \$2.3 million. Sarah also gave an overview of the top two projects. Kaleen passed out the letter from the Governor to Washington's Congressional delegation regarding federal LWCF funding.

Resolution 2009-33 moved by: Steven Drew **and seconded by:** Jeff Parsons
Resolution APPROVED

Meeting adjourned at 3:45 p.m.

Approved by:

Bill Chapman, Chair

Date

Item 1B

Meeting Date: March 2010
Title: Service Recognition for Advisory Committee Members
Prepared By: Lorinda Anderson, Resource Planner

Approved by the Director:

Proposed Action: Decision**Summary**

The Recreation and Conservation Office relies on volunteers to help administer its grant programs. Volunteers provide a strategic balance and perspective on program issues. Their activities, experience, and knowledge help shape program policies that guide us in selecting projects and administering grants.

The following individuals have completed their terms of service or have otherwise bid farewell after providing valuable analysis and excellent program advice. Outdoor recreationists in Washington will enjoy the results of their hard work and vision for years to come. Staff applauds their exceptional service and recommends approval of the attached resolutions.

Aquatic Lands Enhancement Account Advisory Committee

Sharon Claussen	King County Parks and Recreation	5 years
Scott Hansen	Citizen	5 years
Patricia Sumption	Citizen	5 years
Dan Filip	Washington Department of Ecology	3 years
Kristi Lynett	Washington Department Fish & Wildlife	5 years

Boating Programs Advisory Committee

James Horan	State Parks and Recreation Commission	2 years
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Land and Water Conservation Fund Advisory Committee

Leslie Betlach	Renton Parks and Recreation	8 years
Arvilla Ohlde	Citizen	9 years
Ronald Nilson	Citizen	2 years
Fernne Rosenblatt	Citizen	4 years

Nonhighway and Off-road Vehicle Activities Advisory Committee

James Horan	State Parks and Recreation Commission	6 years
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Recreational Trails Program Advisory Committee

James Horan	State Parks and Recreation Commission	11 years
Greg Fowler	Evergreen Mountain Bicycle Alliance	4 years
Ron Ingram	Citizen at large	5 years

WWRP Farmlands Preservation Advisory Committee

Richard Carkner	Farmer	4 years
Mary Embleton	Farmer	4 years
Cindy Ray	Farmer	4 years

Item 1C

Meeting Date: March 2010
Title: Project Time Extensions
Prepared By: Scott T. Robinson, Section Manager

Approved by the Director:

Proposed Action: Decision

Summary

Recreation and Conservation Office (RCO) staff requests that the Recreation and Conservation Funding Board (board) consider the proposed project time extensions shown in Attachment A.

Strategic Plan Link

Consideration of these requests supports the board's goal of helping its partners protect, restore, and develop habitat and recreation opportunities that benefit people, fish and wildlife, and ecosystems.

Staff Recommendation

Staff recommends approval of the extension requests included in Attachment A, Time Extension Requests for Board Approval, via Resolution #2010-01 (consent calendar).

Background

Manual #7, *Funded Projects: Policies and the Project Agreement*, outlines the board's adopted policy for progress on active funded projects.

The RCO received four time extension requests for the projects listed in Attachment A. This document summarizes the circumstances for the requested extension and the expected date of project completion. Board action is required because the project sponsor is requesting an extension to continue the agreement beyond the four-year period authorized in board policy.

Analysis

Considerations for approving time extension requests include:

- Receipt of a written request for the time extension;
- Reimbursements requested and approved;
- Date the board granted funding approval;
- Conditions surrounding the delay;
- Sponsor's reasons or justification for requesting the extension;
- Likelihood of sponsor completing the project within the extended period;
- Original dates for project completion;
- Sponsor's progress on this and other funded projects;
- Revised milestones or timeline submitted for completion of the project; and
- The effect the extension will have on reappropriation request levels for RCO.

Next Steps

If approved by the board, staff will execute the appropriate amendments and monitor progress through successful completion of the projects. It is staff's intention to allow the sponsor to finish what is already underway. If negotiations should stall on any of the acquisitions, the RCO would close the project and move the funding to the next available project on the list. This condition will be written into the time extensions.

Attachments

- A. Time Extension Requests for Board Approval

Attachment A: Time Extension Request for Board Approval

Project #	Project sponsor	Project name	Grant program	Grant Amount Remaining	Funding date	Extension request	Circumstances or reasons for delay
04-1327	Washington Department of Natural Resources	Methow Rapids NAP	WWRP Natural Areas	\$623,516	5/11/2005	06/30/2011	This project received a board extension in March 2009. Since then the sponsor has acquired 2 parcels and is currently in negotiations with a major landowner in the area (500+ acres). DNR will continue to negotiate with the major landowner in the area.
04-1328	Washington Department of Natural Resources	Bone River & Niawiakum River NAPs	WWRP Natural Areas	\$661,971	5/11/2005	06/30/2011	This project received a board extension in March 2009. Since then the sponsor was able to acquire one parcel and has completed appraisals on two other parcels. DNR will continue working to acquire these two parcels.
04-1395	Washington Department of Natural Resources	Trout Lake Wetlands NAP 04	WWRP Critical Habitat	\$960,889	5/11/2005	06/30/2011	This project received a board extension in March 2009. Since then the sponsor has acquired one parcel and has completed appraisals on another parcel. DNR will continue to pursue this one acquisition.
04-1416	Washington Department of Natural Resources	Ink Blot and Shumocher Creek NAPs 04	WWRP Natural Areas	\$1,198,829	5/11/2005	06/30/2011	This project received a board extension in March 2009. Since then the sponsor was able to acquire one parcel and has completed an appraisal on two other parcels. DNR will continue work to acquire both properties recently appraised.

Item 1D

Meeting Date: March 2010
Title: Extension of Match Certification Deadline
Prepared By: Scott T. Robinson, Section Manager

Approved by the Director:

Proposed Action: Decision

Summary

Staff is asking the board to extend the match certification deadline until April 15 for four projects that are awaiting notification about federal grant awards that they intend to use as match.

Strategic Plan Link

The Recreation and Conservation Funding Board (board) has adopted an objective to fund the best projects as determined by the evaluation process. These projects, which the board approved in July 2009, may be able to leverage federal grant dollars as match, thereby supporting the board's goals to manage funds efficiently and to provide leadership that helps its partners strategically invest public funds.

Staff Recommendation

Recreation and Conservation Office (RCO) staff recommends that the board extend the match certification deadline to April 15 for Washington Wildlife and Recreation Program (WWRP) Farmland Preservation Program State Fiscal Year 2010 projects that had applied for but not received federal Farm and Ranch Land Protection Program funds, via Resolution #2010-01 (consent calendar).

Background

In November 2009, the board extended the match certification deadline for four projects in the WWRP Farmland Preservation Program, FY 2010 (see following table). The sponsors of these projects were unable to secure their matching funds from the Natural Resource Conservation Service (NRCS) 2009 grant cycle due to changes in the federal evaluation criteria.

Rank	Number	Project Name	Project Sponsor	RCO Amount	Sponsor Amount	Total Amount
2 of 14	08-1238A	Nelson Ranch Farmland	Okanogan County	\$616,050	\$646,350	\$1,262,400
4 of 14	08-1638A	Whatcom PDR 2008	Whatcom County	\$379,750	\$384,750	\$764,500
9 of 14	08-1323A	Triple Creek Ranch 2008	Kittitas County	\$650,425	\$1,395,575	\$2,046,000
11 of 14	08-1288A	Finn Hall Farm	Clallam County	\$868,075	\$1,032,075	\$1,900,150

The board authorized an extension of the match certification requirement until February 15, 2010 to see if the projects would receive funding from the winter NRCS grant cycle. The NRCS fell behind in their project ranking and distribution of grant funds, and now anticipates that they will make awards at the end of March. At that time, we will know if any of the four projects will receive their matching funds.

Staff is asking the board to extend the deadline until April 15 for these projects.

Analysis

Staff believes that several compelling reasons justify consideration of an extension of the match certification deadline for this grant round:

- Adequate funds are available in the WWRP farmland account to fund all projects on the state fiscal year 2010 list, including alternates.
- Changes to the federal fiscal year 2009 grant cycle put several WWRP projects at a disadvantage.
- Proposed changes to the federal fiscal year 2010 grant timeline and criteria will likely result in secured match for at least some of the four WWRP projects that did not receive funds in the last NRCS cycle.
- The delay is outside the control of the project sponsors.

Next Steps

If the board approves a revised deadline for the affected projects, RCO staff will convey the revised deadline to those project sponsors. We will generate agreements for any projects on the state list that receive federal funding or are able to secure an alternate source of match by the revised deadline. After this date, projects that are unable to secure match will be treated as board alternates in an order relative to their current ranked order.

Item 2A

Meeting Date: March 2010
Title: Director's Report
Prepared By: Kaleen Cottingham, Director

Proposed Action: Briefing

Summary

RCO Partners with Puget Sound Partnership

As part of cost-saving measures, RCO will be creating a consortium with the Puget Sound Partnership to share certain office services in three areas: reception and mail distribution, graphic design, and information technology. This will save RCO about \$73,000 a year. There were discussions originally about sharing human resource management services, but doing so would have resulted in a cost increase for the Partnership. RCO will continue to manage grants and some pass-through funds for the Partnership. The grant management role may increase with expected additional funding from congress.

As part of the consortium with the Partnership, we have begun recruiting to fill a shared chief information officer (CIO) to serve both agencies. Both agencies had a vacant CIO position and decided to only fill one and use the shared position to manage the IT staff in both agencies. The recruitment began February 26 and closes March 5 with interviews set for the week of March 15. The two agencies will request an exemption from the hiring freeze to fill this important vacancy.

New PRISM Roll Out

RCO staff has been working fast and furiously to revise our PRISM database system for a March-April release that will bring many changes. The biggest change is that all grant recipients will be asked to provide new information that will help us better measure the results of grants. For example, they will be asked to tell us how many ball fields they built, how many acres of habitat they restored, or how many miles of trail were renovated. While these high-level measures have been in place for salmon grants, they will be new to conservation and recreation sponsors. Other significant changes include changing the way projects are categorized to be more descriptive of the work being accomplished and asking for higher-level cost information.

Staff Give Agency Two Thumbs Up

In the fall 2009, RCO staff participated in two agency surveys – a self-assessment and a statewide Department of Personnel survey. In the statewide survey, overall, RCO did

exceptionally well. RCO's average score was 4.17 out of five, compared with a statewide average of 3.84. Better yet, improvements were seen in every category compared to 2008's results. For the self-assessment, generally, staff rated RCO between "Good Progress" and "Solid Success" in the seven "ideals." Some other details:

- The percent of employees responding that they "didn't know" decreased overall.
- RCO made good progress and showed measured improvement in the areas that staff said needed focus the previous year.

Areas that staff said needed focus for the coming year are:

- Setting priorities
- Continue to improve processes
- Finding new and creative ways to use technology
- Continuing to improve communication internally and externally

RCO Launches New Web Site

In January, RCO launched a newly designed web site, and so far I've seen nothing but positive reviews. The site is cleaner, leaner, and more intuitive to use. It has several new features, including a place where we can share important information with grant recipients. We hope our sponsors and other customers will find it much easier to use and we welcome any feedback you might have.

Other Outreach Efforts

It seems I've been on the speech circuit of late. In January and early February, I made presentations to the following groups:

- The Washington Boating Alliance. This is a relatively new coalition of boating interests, from paddlers to yacht owners to the marine industry. I sat on a state agency panel at the alliance's annual meeting at the Boat Show. I noted the many contributions RCO has made to recreational boating over the years, including nearly \$100 million in grants for boating infrastructure statewide since 1964, original research on boaters' needs, and the development of the Web site www.boat.wa.gov. I reminded the attendees that they play a critical role as advocates. About 50 people attended.
- Washington Recreation and Parks Association's board meeting. I spoke about the various policy efforts we are working on, the upcoming grant application workshops, and the next grant round.
- Capital Land Trust. I spoke at an event hosted by the land trust where they recognized the RCO's involvement in efforts to acquire the old "Deckerville Swamp" in Mason County (with SRFB and WWRP funds).

- Ag-Forestry Leadership Program. This program is aimed at training the next generation of leaders in the various natural resource businesses and organizations. I was on a panel with the other natural resource agency directors where we described our agencies and looked out into the future to describe the budget and policy issues heading our way.
- I also made presentations at the Citizens for Parks and Recreation rally day and at the Washington Wildlife and Recreation Coalition board meeting.

News from Sister Boards

Salmon Recovery Funding Board (SRFB)

The SRFB members met in February and made several key decisions. First, they approved a response to King County's proposed rules about engineered logjams. The response encouraged the county to balance habitat restoration and public safety issues. The SRFB also approved the grant manual for the 2010 grant round, approved an \$18 million target for the 2010 grant round, and approved \$50,000 for near-shore monitoring. The next day, several board members toured the Nisqually National Wildlife Refuge Estuary Restoration project site led by Jean Takekawa of the U.S. Fish and Wildlife Service. This was a great opportunity to see the site at high tide. In other news, the Governor recently reappointed Steve Tharinger as chair and Harry Barber as a member.

Washington Biodiversity Council

The Biodiversity Council is scheduled to meet March 10 at the Nisqually Wildlife Refuge. The council is slated to sunset in June, and the agenda includes a discussion of efforts to ensure progress on the council's flagship projects after June, as well as progress on the Biodiversity Conservation Strategy overall. Staff also will present on two active projects: (1) developing a communication piece to summarize the work on the Biodiversity Scorecard, and (2) a project to create a catalogue of conservation tools for planners.

Washington Invasive Species Council

The council met in February and heard recommendations from work groups on education and outreach, policy, and emergency response gaps for the first 15 priority species. The council also was unanimous in its choice to seek continuation of the council and discussed how to proceed with reauthorization. Finally, the council added two new members: Puget Sound Partnership and Northwest Power and Conservation Council.

Washington Forum on Monitoring Salmon Recovery and Watershed Health

There was no forum meeting in February, so staff has focused on tracking contracts and participating in meetings related to the forum's agenda, including a meeting with the Puget Sound Partnership to share ideas on how to promote a strong working relationship between the

forum and the partnership. Staff also continued to look for ways to standardize monitoring methods and make monitoring results more easily accessible on the Web.

Governor's Salmon Recovery Office (GSRO)

GSRO is continuing preparations for the 2010 *State of Salmon in Watersheds* report, which is due in December. The report will consolidate previous SRFB reports, the State of Salmon report, and salmon monitoring indicators and protocols adopted by the Forum on Monitoring Salmon Recovery and Watershed Health. The report will be shorter than in past years, emphasizing statewide and regional-scale summary information. It will place less emphasis on actions and provide more up-front information on how fish and watershed health are doing.

Habitat and Recreation Lands Coordinating Group

The lands group hosted the Annual State Land Acquisition Coordinating Forum on February 3-4. The forum gave state agencies a platform to share information about habitat and recreation land acquisitions and disposals planned for the 2011-12 biennium and to coordinate grant requests. On the first day, agencies presented information and maps about potential acquisition projects. On the second day, the Department of Natural Resources invited discussion about how to improve the Trust Land Transfer process. Project presentations are posted on the lands group Web site at www.rco.wa.gov/boards/hrlcg.shtml. Project information will be updated and incorporated into a biennial acquisition forecast report due in June.

Item 2B

Meeting Date: March 2010
Title: Fiscal Report
Prepared By: Mark Jarasitis, Chief Financial Officer
Approved by the Director:

Proposed Action: Briefing

Summary

The attached financial reports reflect Recreation and Conservation Funding Board (RCFB) activities as of January 31, 2010.

- Attachment A reflects the budget status of RCFB activities by program. The Washington Wildlife Recreation Program (WWRP) program is nearly 100 percent committed. The remaining \$807,411 (reappropriation and new funds) will be committed by assigning returned funding to projects, unless the legislature directs otherwise in the supplemental budget.
- Attachment B reflects the budget status of the entire agency by board.
- Attachment C reflects revenue and the most recent revenue forecasts for the 2009-11 biennium as of February 2010.
- There were decreases in the projected revenue collections for the Boating Facilities Program (BFP) and the Nonhighway, Off-Road Vehicle Program (NOVA), as shown in the following table. In this biennium, these funds were not used for grants. Rather, the state budget transferred the funds to other state agencies to help fill operating gaps. The RCO is contacting the other agencies to discuss their proportionate reductions in agency operating expenditures. The RCO also will take a proportionate reduction.

Program	Projection for Fiscal Years 2010 and 2011			Agencies Affected
	June 2009	Feb 2010	Difference	
BFP – gas tax	\$12,165,453	\$11,847,200	(\$318,253)	State Parks RCO
NOVA – gas tax	\$7,006,229	\$6,826,300	(\$179,929)	State Parks, DNR, RCO
NOVA – registration, fees & permits	\$3,111,063	\$3,069,419	(\$41,644)	State Parks, DNR, RCO

- Attachment D is a Washington Wildlife Recreation Program (WWRP) summary. Since the beginning of this program, \$490.4 million of funds appropriated in the WWRP program have been spent or accrued.

If you have any questions on the materials, please call Mark Jarasitis at (360) 902-3006 or inquire at the meeting.

Attachments

- A. Recreation and Conservation Funding Board - Activities by Program
- B. Recreation and Conservation Office – Entire Agency Summary by Board
- C. Recreation and Conservation Funding Board – Revenue Report
- D. Recreation and Conservation Funding Board – Washington Wildlife and Recreation Program Summary

Recreation and Conservation Funding Board - Activities by Program

For the Period of July 1, 2009 - June 30, 2011, actuals through 01/31/2010 (02/12/10 fm 07)

Percentage of biennium reported: 29.2%

	BUDGET	COMMITTED		TO BE COMMITTED		EXPENDITURES	
	new & reapp. 2009-11	Dollars	% of budget	Dollars	% of budget	Dollars	% of committed
Grant Programs							
WA Wildlife & Rec. Program (WWRP)							
WWRP Reappropriations	\$71,938,174	\$71,153,548	99%	\$784,626	1.1%	\$7,194,483	10.1%
WWRP New 09-11 Funds	\$67,900,000	\$67,877,215	100%	\$22,785	0.03%	\$3,101,790	4.6%
Boating Facilities Program (BFP)							
BFP Reappropriations	5,673,203	5,673,203	100%	0	0.0%	1,844,890	32.5%
Nonhighway & Off-Road Vehicle (NOVA)							
NOVA Reappropriations	7,818,302	7,818,301	100%	0	0.0%	1,012,129	12.9%
Land & Water Conserv. Fund (LWCF)							
LWCF Reappropriations	1,583,505	1,583,505	100%	0	0%	67,758	4.3%
LWCF New 09-11 Funds	654,793	654,793	100%	0	0%	2,722	0.4%
Aquatic Lands Enhan. Account (ALEA)							
ALEA Reappropriations	4,448,351	4,448,350	100%	0	0.0%	597,062	13.4%
ALEA New 09-11 Funds	5,025,000	5,025,000	100%	0	0.0%	455,000	9.1%
Recreational Trails Program (RTP)							
RTP Reappropriations	3,467,731	3,467,731	100%	0	0.0%	828,527	23.9%
RTP New 09-11 Funds	0	0	0%	0	0.0%	0	0.0%
Youth Athletic Facilities (YAF)							
YAF Reappropriations	1,735,796	1,475,099	85%	260,697	15.0%	357,538	24.2%
Firearms & Archery Range Rec (FARR)							
FARR Reappropriations	430,199	270,072	63%	160,127	37%	88,285	32.7%
FARR New 09-11 Funds	495,000	353,485	71%	141,515	29%	25,042	7.1%
Boating Infrastructure Grants (BIG)							
BIG Reappropriations	936,498	936,498	100%	0	0%	5,242	0.6%
BIG New 09-11 Funds	0	0	100%	0	0%	0	0.0%
Sub Total Grant Programs	172,106,551	170,736,800	99%	1,369,751	1%	15,580,469	9.1%
Administration							
General Operating Funds	6,578,871	6,578,871	100%	0	0%	1,918,344	29.2%
Grant and Administration Total	\$178,685,422	\$177,315,671	99%	\$1,369,751	1%	\$17,498,813	9.9%

Note: The budget column shows the state appropriations and any received federal awards.

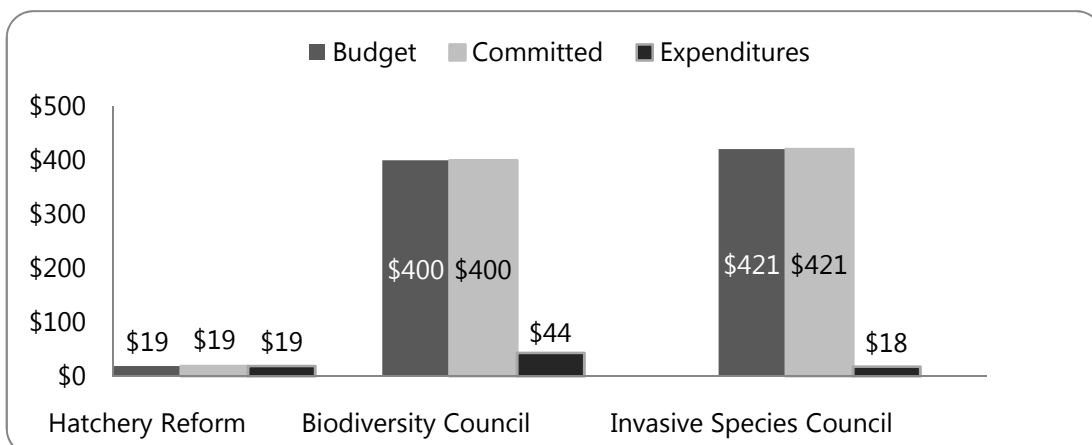
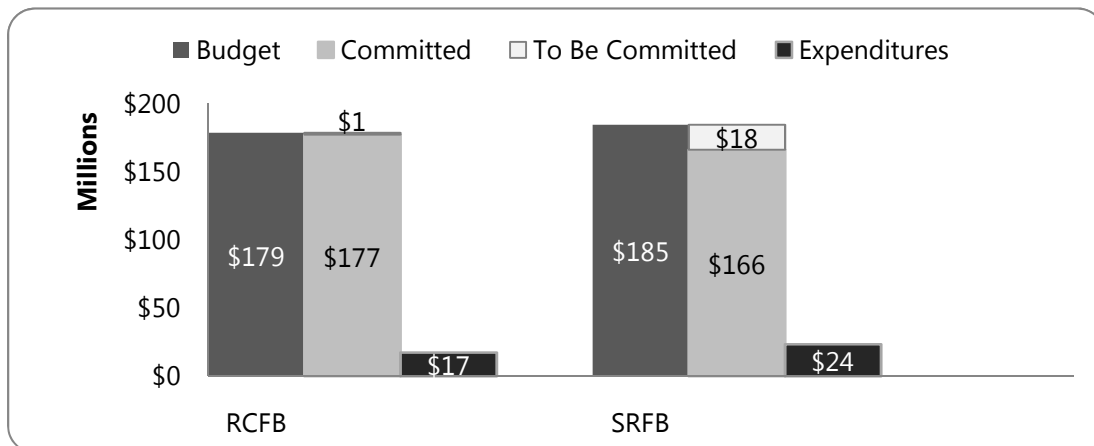
Recreation and Conservation Office – Entire Agency Summary by Board

2009-11 Budget Status Report, Capital + Operating the Agency

For the Period of July 1, 2009 - June 30, 2011, actuals through 01/31/2010 (02/12/10 fm 07)

Percentage of biennium reported: 29.2%

	BUDGET			COMMITTED		TO BE COMMITTED		EXPENDITURES	
	New	Reapp.	new and reapp. 2009-2011	Dollars	% of budget	Dollars	% of budget	Dollars	% of committed
Board/Program									
RCFB	\$79,843,664	\$98,841,758	178,685,422	\$177,315,671	99%	\$1,369,751	1.39%	\$17,498,813	10%
SRFB	144,959,014	39,555,482	184,514,496	166,293,228	90%	18,221,268	46.07%	23,594,303	14%
Hatchery Reform	-	18,849	18,849	18,849	100%	0	0.00%	18,849	100%
Biodiversity Council	400,000	-	400,000	400,000	100%	0		43,667	11%
Invasive Species Council	421,000	-	421,000	421,000	100%	0		17,754	4%
Total	\$225,623,678	\$138,416,089	\$364,039,767	\$344,448,747	95%	\$19,591,019	14.15%	\$41,173,387	12%



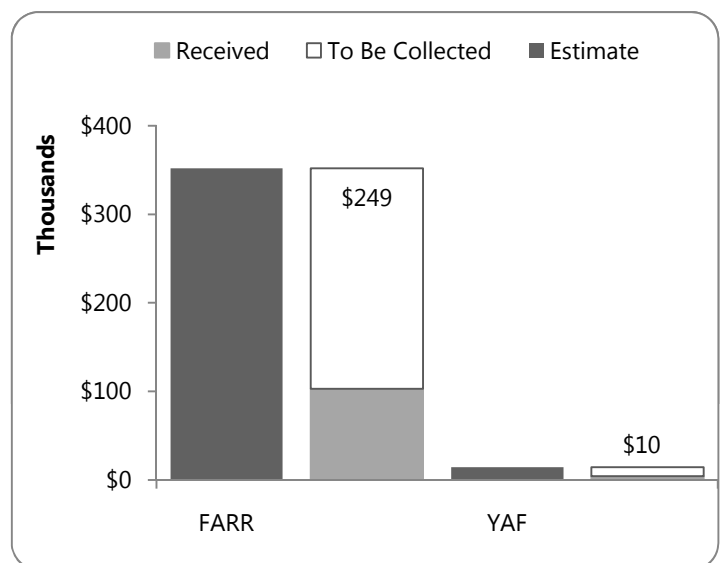
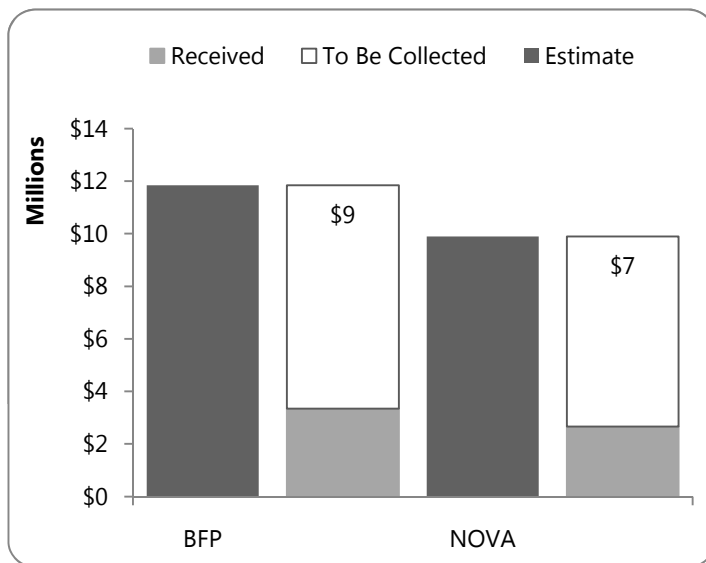
Recreation and Conservation Funding Board – Revenue Report

2009-11 Budget Status Report - Revenues

For the Period of July 1, 2009 - June 30, 2011, actuals through 01/31/2010 (02/12/10 fm 07)

Percentage of biennium reported: 29.2%

Revenue	Biennial Forecast Estimate	Collections	
		Actual	% of Estimate
Boating Facilities Program (BFP)	\$11,847,200	\$3,341,606	28%
Nonhighway, Off-Road Vehicle Program (NOVA)	9,895,719	2,659,030	27%
Firearms and Archery Range Rec Program (FARR)	352,110	102,816	29%
Youth Athletic Facilities (YAF)	14,154	4,133	29%
Total	22,109,183	6,107,585	28%



Revenue Notes:

Boating Facilities Program (BFP) revenue is from the unrefunded marine gasoline taxes.

Nonhighway, Off-Road Vehicle Program (NOVA) revenue is from the motor vehicle gasoline tax paid by users of ORVs and nonhighway roads and from the amount paid for by ORV use permits.

Firearms and Archery Range Rec Program (FARR) revenue is from \$3 each concealed pistol license fee.

Youth Athletic Facilities (YAF) revenue is from an initial \$10 million contribution by the Seattle Seahawks "team affiliate" in 1998. The new revenue is from the interest on the unexpended amount of the fund.

This reflects the most recent revenue forecast of February 2010. The next forecast is due in June 2010.

RCFB – Washington Wildlife and Recreation Program Summary

1990 Through February 18, 2010 (2/18/09)

History of Biennial Appropriations

Biennium	Appropriation
89-91 Biennium	\$53,000,000
91-93 Biennium	61,150,000
93-95 Biennium	65,000,000
95-97 Biennium*	43,760,000
97-99 Biennium	45,000,000
99-01 Biennium	48,000,000
01-03 Biennium	45,000,000
03-05 Biennium	45,000,000
05-07 Biennium **	48,500,000
07-09 Biennium ***	97,000,000
09-11 Biennium ****	67,900,000
Grand Total	\$619,310,000

Notes to History of Biennial Appropriations:

* Original appropriation was \$45 million.

** Entire appropriation was \$50 million.
3% (\$1,500,000) went to admin.

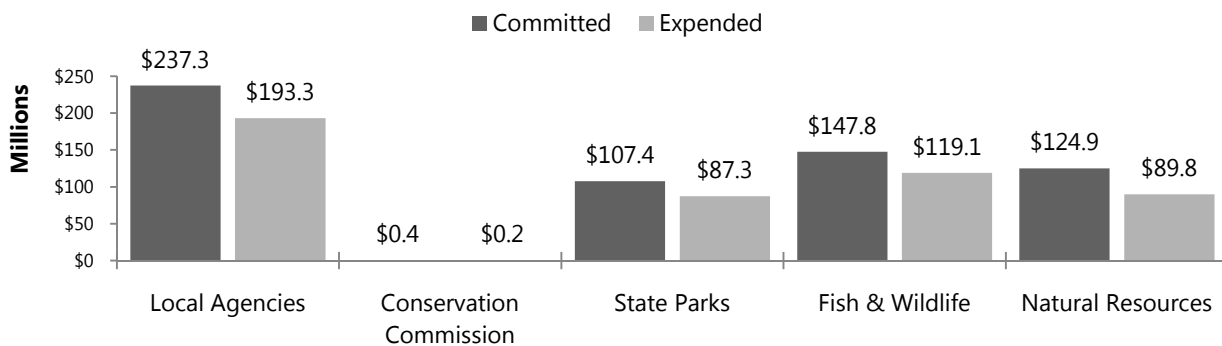
*** Entire appropriation was \$100 million.
3% (\$3,000,000) went to admin.

**** Entire appropriation was \$70 million.
3% (\$2,100,000) went to admin.

History of Committed and Expenditures

Agency	Committed	Expenditures	% Expended
Local Agencies	\$237,282,079	\$193,279,664	81%
Conservation Commission	\$383,178	\$173,178	45%
State Parks	\$107,415,082	\$87,286,376	81%
Fish & Wildlife	\$147,782,932	\$119,128,748	81%
Natural Resources	\$124,904,306	\$89,763,343	72%
Riparian Habitat Admin	\$185,046	\$185,046	100%
Land Inventory (\$169k for SSB 6242)	\$549,965	\$549,965	100%
Sub Total Committed	\$618,502,588	\$490,366,320	79%

Committed and Expended Funds



Item 2C

Meeting Date: March 2010
Title: Recreation and Conservation Grants Management Report
Prepared By: Scott Robinson and Marguerite Austin, Section Managers

Approved by the Director:

Proposed Action: Briefing

Grant Cycles

2010 Grants Cycle

The Recreation and Conservation Office (RCO) held two application workshops to provide an overview of the grants available this year.

- The first was held on February 23 in Moses Lake. One hundred people attended.
- The second was held on February 26 in Tacoma. About 260 people attended.

The workshops were attended by representatives from local governments, tribes, nonprofit organizations, federal and state agencies, as well as citizens. Topics covered included: habitat, access to the water, parks, trails, farmland, acquisition, restoration, development, accessibility, and maintenance. We also took additional staff specialists to answer questions about planning eligibility, cultural resources, and salmon grants.

We offered concurrent sessions for applicants based on grant category (parks, trails, habitat, access to the water, and farmland) and grant type (acquisition, restoration, development/ accessibility, and maintenance). Preliminary comments from the client satisfaction survey show that attendees liked this new format. They also appreciated meeting their outdoor grants managers and having time to ask questions about their projects.

The attendance at these workshops compares favorably with previous grant rounds. While the number attending this year is somewhat lower than in 2008, it is likely due to the announcement that we would not be having grant rounds for the NOVA and Boating programs. Here are the workshop attendance numbers:

- 2006 – 335 attendees
- 2008 – 462 attendees
- 2010 – 359 attendees

Grant Outreach Started

We have launched the 2010 grant round for the recreation and conservation programs through a series of workshops, e-mails, and postcards. We have several important messages we are trying to convey:

- Grants are available
- Grant evaluators are needed for the Washington Wildlife and Recreation Program
- PRISM changes will affect your application

Our approach is two-fold. First, we will use our new “Grant News for Sponsors” section on the Web site (www.rco.wa.gov/grants/grant_news.shtml) as the host for the information and drive folks to that section for details. We want to get our clients used to visiting that section of our Web for breaking news. Second, we will try to reach affected clients at least three times – through news releases, e-mails, post cards, and through our key clients’ annual conferences, newsletters, and e-mail lists.

2009 Grants Cycle

Of the grants awarded by the Recreation and Conservation Funding Board (board) in 2009, the following are under agreement:

Funding Date	Grants Funded*	Grants Under Agreement	Programs
July 2009	100	90	WWRP, ALEA
October 2009	10	2	RTP
November 2009	8	6	FARR, LWCF

* Grants funded excludes board alternates, projects moved to “dead” status, and those awaiting federal funding.

Federal approval of funds for the Recreational Trails Program

In October 2009, the board approved a ranked list of 107 projects in the Recreational Trails Program (RTP). In February 2010, the Federal Highways Administration (FHA) approved \$503,840 for our program. These funds, combined with unused funds from previous biennia, have given the RCO enough money to issue 10 of the RTP agreements approved by the board. We hope to receive another \$700,000 from the FHA over the next few months.

Land and Water Conservation Fund

Land and Water Conservation Funds for federal fiscal year 2010 will be used for three projects on the list approved by the board in November. The projects funded include: Mason County’s Oakland Bay County Park, King County’s Tanner Landing Park, and Richland’s Badger Mountain Park. The grant awards total \$517,537.

Staff Activity

Improvements to the PRISM Database

Staff members in the Recreation and the Conservation and Grant Services Sections have been involved in PRISM testing and training since the beginning of the year. Each Monday morning, RCO holds a PRISM meeting with staff to continue to demonstrate and test the new metrics module in PRISM. Staff leave with work to be done by the following Friday. The intent is to ensure that the system works well for applicants, and that staff are ready to provide assistance as needed.

All Grant/Fiscal Retreat

The RCO held a retreat for all staff in the grant and fiscal sections on January 8 in Tumwater. The retreat focused on three main areas:

- Past efforts and accomplishments;
- Priorities for the next 12 to 18 months; and
- Visioning – priorities for the next biennium and beyond.

The all-day meeting generated some interesting discussion and good ideas on what we need to do to become a better grants agency. The day also included an agency overview from the director. Section managers are taking the information obtained during the retreat and developing a plan of priorities that will guide RCO grant management over the next several months.

Excellent Customer Service

The Port of Everett recently announced plans to offer free passes to disabled veterans who want to launch boats at the 10th Street Boat Launch, which was funded with Boating Facilities Program grants.

This announcement resulted in part from some great customer service provided by RCO grant managers Myra Barker and Karl Jacobs.

A local resident, Patrick Forster, contacted the Port of Everett and asked if they could do something special for veterans by offering free passes. The port asked the RCO for guidance on grant program rules that prohibit giving preferential treatment. Myra and Karl responded that board policies address only the issue of preferential treatment for residents versus non-residents, so the port could charge a lower fee to disabled persons or veterans.

The port adopted a launch fee policy that includes special passes for veterans. Mr. Forster was thrilled with the decision and expressed his appreciation to Myra and Karl for their great customer service.

Conversions and Compliance

Grass Lake Conversion, City of Olympia

On September 24, 2008, the City of Olympia asked for board approval to convert two parcels totaling 2.59 acres within Grass Lake Nature Park. The board approved the conversion of 2.47 acres in the park's southwest corner for a city park, but deferred to the Director its decision regarding the remaining 0.12 acre. That conversion would have allowed for a sewer line easement in the park's northeast corner.

The easement requested by the city would convert 0.12 acres and require removal of six mature trees. The board asked the city to provide additional information about the alternative to the conversion. The board also authorized the RCO director to approve the sewer line conversion if the city could demonstrate adequate effort had been made to avoid affecting the park.

The city submitted a thorough analysis of four approaches, in addition to the conversion originally proposed to the board. Ultimately, they proposed an alternative that combined an easement from a willing landowner with an easement from the city. The result is a smaller conversion that will not result in the removal of any mature trees.

Staff believed the city demonstrated a thorough analysis of alternatives and made a strong effort to avoid conversion of parkland. The director approved the proposal on February 10, 2010.

Meeting with the National Park Service

To ensure good communication with key partners, director Kaleen Cottingham and staff met with Michael Linde and Heather Ramsay from the National Park Service to discuss several topics, including:

- Possible additional funding – Funding for the Land and Water Conservation Fund program could double in Washington in the upcoming years.
- Staff communication – Communication has increased since 2008 with the hiring of RCO's conversion specialist. Both agencies agree that the more frequent discussion has kept projects moving forward.
- Compliance – RCO and the Park Service have been working closely on several large conversions such as the Department of Fish and Wildlife and Department of Natural Resources land exchange and the Highway 520 (floating bridge) expansion in King County. Other projects that will need collaboration in the near future include Fort Worden State Park and several smaller conversions in King County.
- Agency review – The Park Service will be auditing the RCO for the Land and Water Conservation Fund this year. We asked that they start after the finalization of the staff-intensive grant approval process (so after October 2010).

Similar meetings will continue on at least a yearly basis.

Project Administration

This table summarizes the outdoor recreation and habitat conservation projects currently being administered by staff.

- Active projects are under agreement.
- Staff is working with sponsors to place the "Board Funded" and "Director Approved" projects under agreement.

In addition, staff has several hundred funded projects that they monitor for long-term compliance.

Program	Active Projects	Board Funded Projects	Director Approved Projects	Total
Aquatic Lands Enhancement Account (ALEA)	24	1	1	26
Boating Facilities Program (BFP)	25	0	0	25
Boating Infrastructure Grant Program (BIG)	2	0	1	3
Firearms and Archery Range Recreation (FARR)	13	2	0	15
Land and Water Conservation Fund (LWCF)	7	0	1	8
Recreational Trails Program (RTP)	48	9	1	58
Nonhighway and Off-Road Vehicle Activities (NOVA)	96	0	0	96
Washington Wildlife and Recreation Program (WWRP)	194	10	6	210
Youth Athletic Facilities (YAF)	15	0	0	15
Total	424	22	10	456

Item 2D

Meeting Date: March 2010
Title: Policy Report
Prepared By: Steve McLellan, Policy Director

Approved by the Director:

Proposed Action: Briefing

Summary

The Policy Section is working on a number of issues at the request of the Recreation and Conservation Funding Board (board), the legislature, and the Recreation and Conservation Office (RCO) staff and director. This memo highlights the status of some key efforts.

Grant Round Scheduling Options: NOVA and Boating Facilities

During the 2009 legislative session, Boating and Nonhighway and Off-road Vehicle Activity (NOVA) funds were swept to help balance State Parks' budget. No applications were accepted in 2009.

Clients and RCO staff were uncertain about whether applications should be developed for these programs in calendar year 2010. It is time consuming and costly for clients to prepare applications, and it seemed unreasonable to accept applications for money that may not exist. The director instructed staff to consult with our clients on a preferred course of action. Staff surveyed a random sample of boating and NOVA clients from our PRISM "interest lists" to evaluate three options:

- Option 1: Hold a 2010 grant round with the normal May 2010 application deadline.
- Option 2: Hold a 2010 grant round with a December 2010 application deadline, evaluate and rank proposals in early 2011, and be ready for funding in the 2011-2013 biennium.
- Option 3: Do nothing in 2010, but hold a 2011 grant round with the normal schedule.

Nineteen people responded: four "voted" for Option 1, nine for Option 2, and eight for Option 3 (some respondents chose more than one option). Three suggested other possible actions as follows:

- Hold 2009 lists for future funding,
- Ask potential applicants for a letter of intent to help explain the need for the money
- Use the evaluation results from calendar year 2008 that were not funded due to legislative action.

Clients reminded us that preparing applications is time consuming and expensive; it would be unreasonable to ask them to put in the effort for likely unavailable money.

Staff has recommended to the director that no grant round be held in calendar year 2010, and that we monitor the 2010-11 Legislative session. If boating and NOVA money is forthcoming in the 2011-13 biennial budget, RCO should plan to conduct a 2011 grant round as soon as possible after the budget is approved. Staff also agreed with the recommendation to ask for letters of intent to gauge potential interest in the next round of the program. Staff does not believe that using 2008 evaluation lists is advisable because budget estimates, on-the-ground conditions, and other factors will likely have changed by 2011.

Manual Revisions

Staff is working to revise program manuals for use in 2010. Policies already approved by the board have been incorporated. Any policies adopted at the March 2010 meeting will be incorporated, as well. Manuals have been reformatted for easier reading, and the text has been revised for "plain talk" as required by Governor's Executive Order 05-03. "Plain talk" does not change the substance of the manual. Staff also will be working this year to convert the manuals to an easily searchable, more useful online format.

Level of Service Test

RCO's contractor, AECOM (formerly known as EDAW) is collecting data from agencies. AECOM reports some challenges in securing data from smaller jurisdictions that do not have the resources needed to generate data, and from state agencies. As a result, AECOM is using secondary data sources so the project, which is due in November of this year, is on time and within budget. The product from the test will be a written report and recommendation. The report will be referenced in the next edition of the state comprehensive outdoor recreation plan (SCORP), which is vetted by public review.

Land Preservation Tools

The legislature directed RCO to evaluate various land preservation mechanisms such as fee simple acquisitions, conservation easements, term conservation easements, and leases. The study considers the suitability of each mechanism to respond to future economic, social, and environmental changes. Included in the assessment is an examination of the relative advantages, disadvantages, and costs of each. The RCO submitted the report to the Office of Financial Management and the appropriate legislative committees in January. It can be found at: http://www.rco.wa.gov/doc_pages/other_pubs.shtml#salmon.

Compatible Uses and Structures on Board-Funded Acquisitions

When activities and structures on board-funded acquisitions are incompatible with the program purposes, this can reduce the project's ability to meet the goals of the grant program and can result in less impact of the public's investment. At the same time, sponsors need flexibility to implement projects.

Staff is considering the policy questions as they apply to this board and the Salmon Recovery Funding Board (SRFB). We are examining the compatibility of activities and structures with grant program purposes on board-funded acquisitions. RCO's current policy allows compatible multiple uses on acquired lands as long as the uses are (1) clearly compatible with the approved use in the project agreement (2) clearly secondary to the approved use and (3) approved by the director in writing. An incompatible use is not eligible for program funding.

RCO staff and stakeholders will review current policies for clearly compatible and clearly incompatible activities and structures for each program. They will develop a recommended approval process and criteria for determining which activities and structures are eligible for program funding. Final recommendations will be submitted to the board later this year.

A separate workgroup is examining fund source limits (including legal restrictions on how state bond funds may be spent).

Habitat and Recreation Lands Coordinating Group

The Habitat and Recreation Lands Coordinating Group (lands group) hosted the Annual State Land Acquisition Coordinating Forum on February 3-4, 2010. The forum was designed to:

- make information about potential habitat and recreation land acquisitions open and accessible, and
- give state agencies a platform for coordinating grant requests.

About 33 people attended, including local government representatives, non-profit organizations, tribal representatives, and state agencies. Participating agencies included the Department of Fish and Wildlife (DFW), Department of Natural Resources (DNR), State Parks and Recreation Commission (State Parks), Department of Transportation (WSDOT), and State Conservation Commission (SCC).

State agencies presented information and maps about potential acquisition projects (funded by state, federal, and private sources) for the 2011-13 biennium. The presentations are available at www.rco.wa.gov/doc_pages/other_pubs.shtml.

- DFW presented 38 projects, with an estimated 169,050 acres planned for acquisition.
- DNR presented 17 projects, with an estimated 15,063 acres planned for acquisition.
- State Parks presented 15 projects, with an estimated 1,569 acres planned for acquisition.

The forum accomplished its purpose, as stakeholders had an opportunity to discuss the planned projects and identify opportunities for collaboration.

The information and maps presented at the forum will be updated after agencies submit grant requests in May 2010. An acquisition forecast report about projects planned for the 2011-2013 biennium will be published on the lands group website in June 2010.

Item 2E

Meeting Date: March 2010
Title: RCO Work Plan and Performance Measures Update
Prepared By: Rebecca Connolly, Board Liaison and Accountability Manager

Approved by the Director:

Proposed Action: Briefing**Summary**

The Recreation and Conservation Office (RCO) uses performance measures to help the agency reduce reappropriation and improve the way we do business. Staff combines the measures and the agency work plan updates in the monthly Government Management Accountability and Performance (GMAP) report. This memo provides highlights of agency performance related to the projects and activities funded by the Recreation and Conservation Funding Board (board).

Analysis**Grant Management**

The following measures are among those that help us to check our processes at several points in the grant management cycle. All data are for recreation and conservation grants only. Additional detail is shown in the charts in Attachment A.

Measure	Target	FY 2010 Performance	Indicator
Percent of recreation/conservation projects closed on time	80%	76%	↑
Percent of recreation/conservation projects closed on time and without a time extension	50%	64%	↑
% recreation/conservation projects issued a project agreement within 120 days after the board funding date	75%	85%	↑
% of recreation/conservation grant projects under agreement within 180 days after the board funding date	95%	89%	↑
Fiscal month expenditures, recreation/conservation target	2.4%	6.7%	↑
Bills paid within 30 days: recreation/conservation projects	100%	62%	↓

Time Extensions

The board's adopted policy for progress on active funded projects requires staff to report all requests for time extensions and subsequent staff actions to the board. The board will consider five time extension requests at the March 2009 meeting. Four are presented through the consent calendar, one is presented as item #5.

Time Extension Requests – Director Approved

Since the beginning of the fiscal year, the RCO has received several requests to extend projects. Staff reviewed each request to ensure compliance with established policies. The following table shows information about the time extensions granted by quarter, as of March 2, 2010.

Quarter	Extensions Approved	Number of Repeat Extensions	Average Total Days Extended*	Number Closed to Date
Q1	15	4	382	4
Q2	45	13	385	1
Q3	9	4	415	0

*Total days extended includes all time extensions for each project.

Key Agency Activities

The RCO also tracks progress on key activities through its fiscal year work plan. The following are a few of the 49 actions that the operations team reviews on a monthly basis.

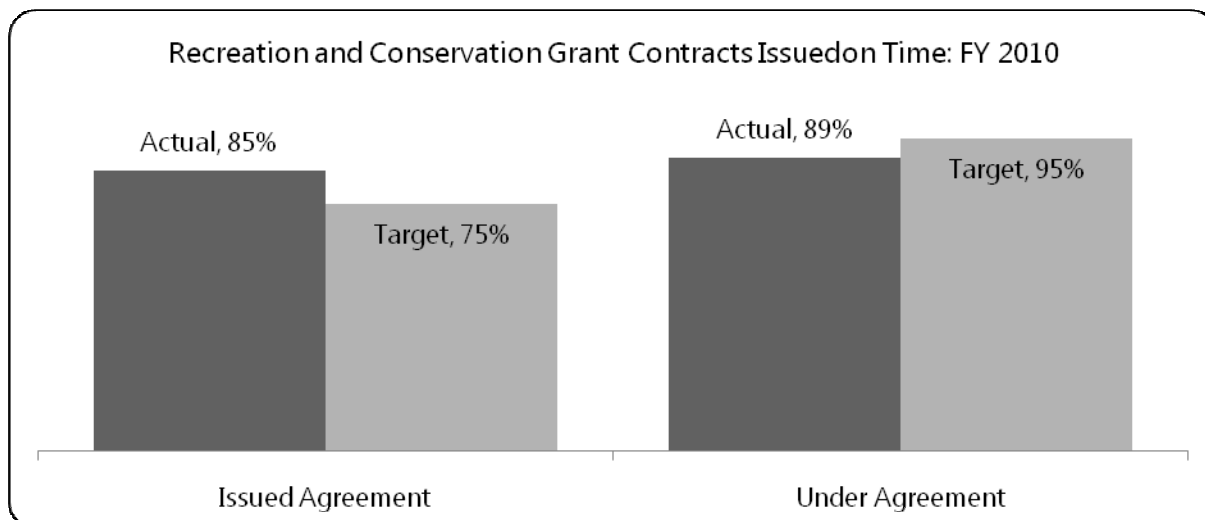
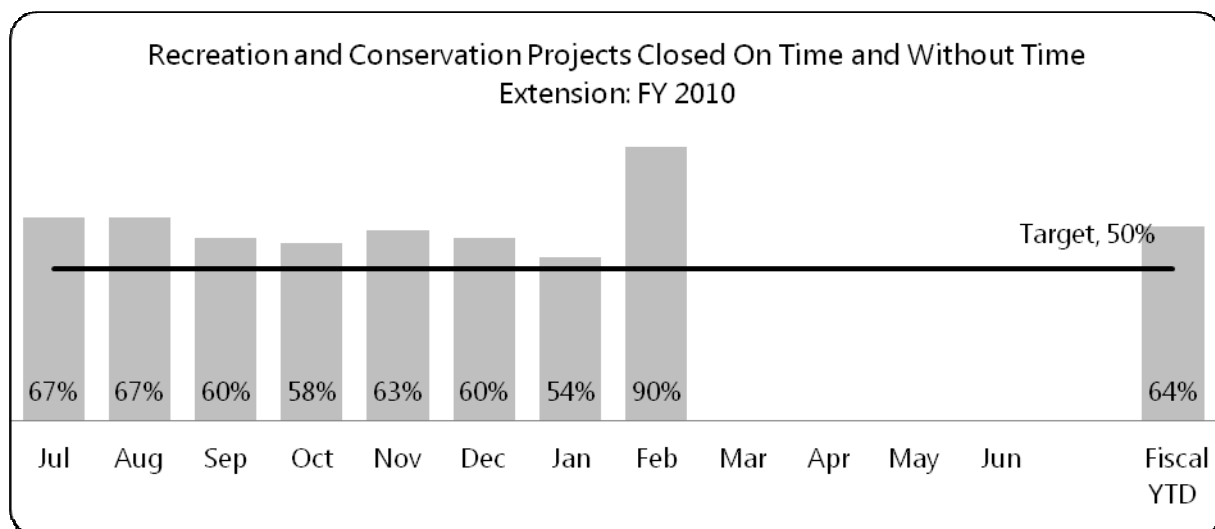
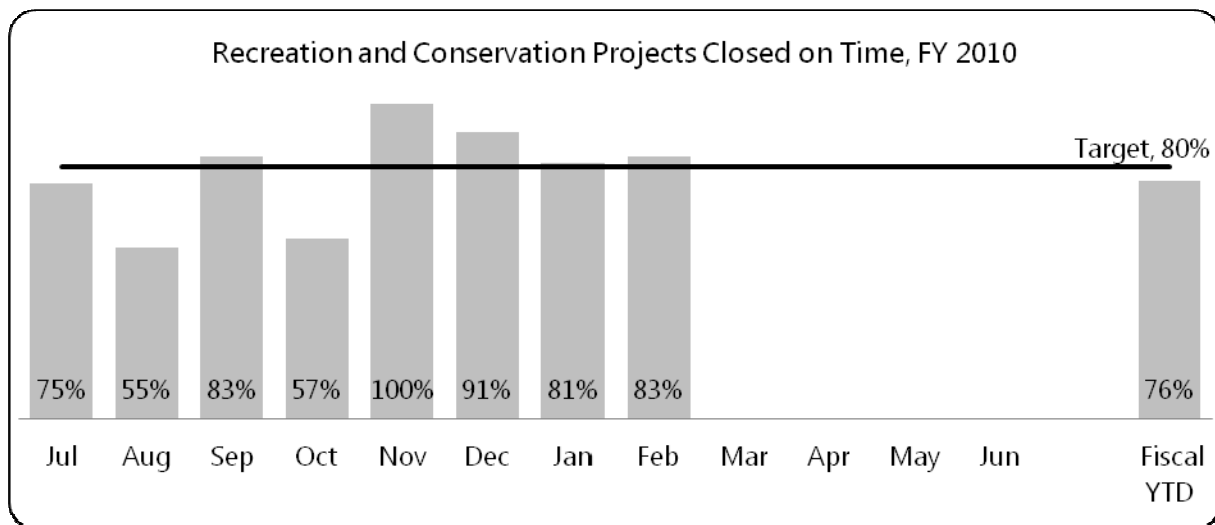
Agency Work Plan Task	Current Status	Indicator
Create operations manual for grant management	Senior OGMs continue with the writing. Some sections have been posted internally for review.	↔
Implement electronic billing	It is unlikely that we will be able to complete Electronic Billings within current PRISM budget.	↓
Re-categorize manual topics and launch web-based interface	Initial work has begun, including a review of available technology and needs. Further work pending completion of 2010 manual updates.	↑
Propose policies to encourage sustainable practices in grant programs.	Draft sent to board and posted on RCO web site.	↑
Set milestone and project length estimates for specific types of projects	Data pulled in February, analysis to be completed in March.	↑
Conduct survey of sponsors and partners regarding satisfaction with grant management; Develop survey for evaluation process	Second draft of each survey has been reviewed internally. The satisfaction survey is proposed for odd years, while the evaluation survey will be done in even years to coincide with WWRP cycle.	↑

Agency Work Plan Task	Current Status	Indicator
Develop outcome measures to comply with statutory requirements (e.g., WWRP) and board requests for measures of "fairness"	Query for habitat acres nearly complete. Further work pending an assessment of what data (e.g., number of parks) will be available from new PRISM metrics. Fairness question built into evaluation survey.	↔

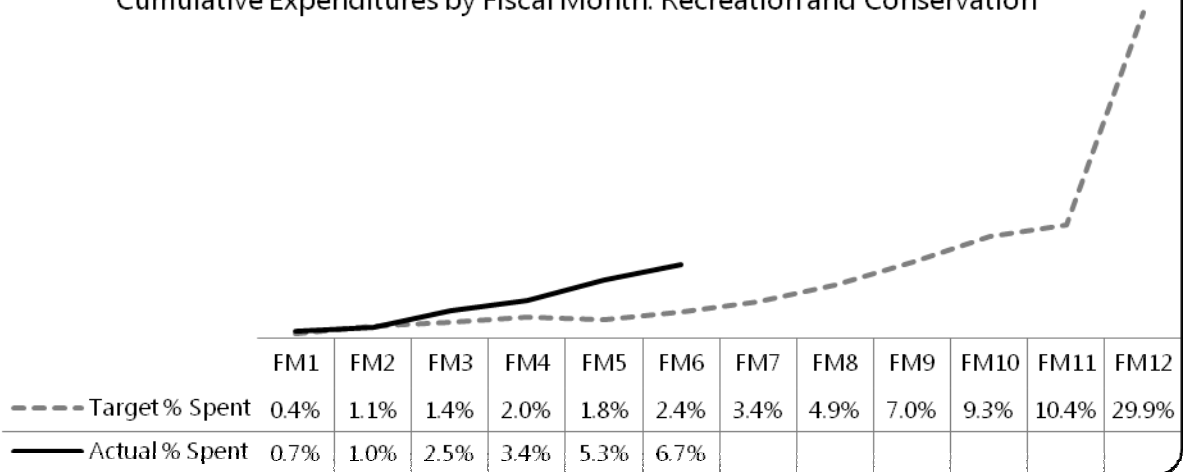
Attachments

A. Performance Measure Charts

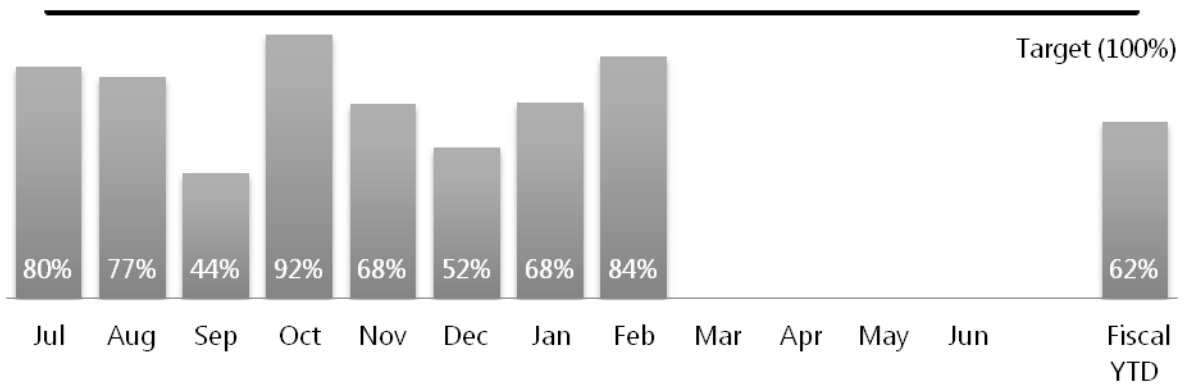
Performance Measure Charts



Cumulative Expenditures by Fiscal Month: Recreation and Conservation



Percent of Bills Paid Within 30 Days: Recreation and Conservation Projects, FY 2010



Item 3

Meeting Date: March 2010
Title: Legislative Session Review
Prepared By: Rachael Langen, Deputy Director and Steve McLellan, Policy Director

Approved by the Director:

Proposed Action: Briefing

Summary

The 2010 regular legislative session began on January 11 and ended on March 11. A special session will be needed to finish work on the operating and capital budgets and an associated revenue package. Staff will provide an update at the board meeting on March 25, 2010.

Items of Interest

Operating Budget: The House and Senate budget proposals provide slightly more general fund-state (GF-S) support for the Recreation and Conservation Office (RCO) than the Governor's proposal because they authorize and fund continuation of the Biodiversity Council and a natural resources data portal, which were terminated in the Governor's budget.

Capital Budget: The latest House capital proposal takes approximately \$1.5 million from the Washington Wildlife and Recreation Program (WWRP) in returned and unobligated funds-, while the Senate version proposes a \$10.1 million reduction for the program. In both cases, RCO can cover the reduced funding levels without having to terminate any active contracts. The Senate version also adopts restrictions on funding alternates from past funding cycles, allows flexibility in moving funds among accounts, and requires a study of the reasons for project delays that necessitate reappropriations.

Agency closures/furloughs: The RCO is included in proposals that would require furloughs for state employees. The current proposals would require between 11 and 13 days of unpaid furlough before the end of the biennium, but would allow agencies to propose offsetting some or all of those through alternative plans (e.g., voluntary furloughs and vacancies). In addition, co-pays and deductibles for health care are likely to rise significantly for the 2011 plan year. The precise structure of furloughs and health care increases are part of final budget negotiations and are likely to change.

Boards and Commissions: The latest version of HB 2617 does not eliminate any RCO-supported boards or commissions, but may restrict meetings outside of Olympia

Item 4A

Meeting Date: March 2010
Title: Update on Compliance Effort and Progress with WDFW
Prepared By: Jim Anest, Compliance Specialist

Approved by the Director:

Proposed Action: Briefing

Summary

The purpose of this memo is to brief the board on:

- Recent progress in the area of long-term grant compliance; and
- Recent efforts in working with the Washington State Department of Fish and Wildlife (WDFW). These efforts will illustrate our approach with sponsors who have a large number of compliance issues.

Strategic Plan Link

The Recreation and Conservation Funding Board (board) has a strategy to “evaluate and develop strategic investment policies and plans...” This strategy specifically mentions compliance and conversion policies. Further, strategy 2.1.A states that the board will provide clear policies for post-completion compliance (e.g., conversions), and that staff will track and report on the success rate.

Background

At the July 2009 board meeting, Recreation and Conservation Office (RCO) staff presented our initial analysis of the compliance challenge, including its scope and the agency’s plan to respond.

As noted at the meeting, “compliance” is a general term used to describe the extent to which the use, function, or management of a grant-funded facility or site is consistent with what was intended by the grant itself (including the application, contract, and deed restrictions). “Out of compliance” or “non-compliance” is the extent to which actual facilities, uses, or lands differ from the original intent.

General progress in grant compliance

RCO staff has identified several hundred grants as either out of compliance or in need of significant investigation. Both the complexity and the quality of the data available vary widely from grant to grant. RCO staff is working to resolve individual project issues. This process involves research, evaluation, negotiation, and documentation of the essential purposes of the grant and how subsequent changes affect those purposes.

At the same time, we are working to establish and improve the general procedures, forms, and standards of decision-making to address compliance and non-compliance issues.

While RCO staff is working with a wide range of grantees from across the state, we have initially prioritized work with WDFW, State Parks, the Department of Natural Resources, and King County. Since these sponsors are among those with the largest number of grants and compliance issues, we believe this approach is the most effective use of our limited compliance resources at this time. We also are working very closely with the National Park Service.

Conversions Completed

“Conversion” refers to the most serious forms of non-compliance where a sponsor must replace all or some of the land or facilities.

During calendar year 2009, RCO staff completed three conversions: Meadowbrook Farm Park in Snoqualmie, the May Creek Trail in Renton, and Lynnwood Athletic Fields in Snohomish County. The latter is widely recognized as one of the most complex and contentious Land and Water Conservation Fund (LWCF) grant conversions in the history of the national program. Thirty- nine additional grant conversions are in progress.

Inspections

During 2009, RCO staff inspected 500 sites, including 425 for completed grants. One-hundred and fifty-nine were federal Land and Water Conservation Fund grants, which constitute some of the oldest and largest RCO grants, and therefore the most likely to have compliance issues. RCO conducted the following number of inspections on state agency sites: 30 WDFW, 30 DNR, and 33 State Parks sites.

Other compliance issues resolved

RCO staff investigated many other grants of concern and determined that they were either in compliance or noncompliant in a manner less serious than a conversion. This would typically involve an element change¹, a sponsor or name change, or inaccurate maps. These compliance

¹ An “element change” is distinguished from a conversion in that although a particular element of a project fails to meet the terms of the agreement, the project as operating still fulfills the essential uses of the grant.

issues are typically brought to RCO attention through inspections, a request from a sponsor or through a report from another interested party. Twenty-two of these have been resolved satisfactorily, while several other issues are in various stages of resolution.

Working with WDFW to improve grant compliance

WDFW assigned staff to lead their effort to bring their RCO and LWCF grants into compliance. WDFW and RCO staff has met regularly over the past several months and have made good progress. In particular, we have prioritized the issues and chosen about a dozen grants to address immediately (Attachment A). Most are Land and Water Conservation Fund grants.

We have found that there are common situations that tend to create WDFW compliance issues (not in any particular order):

- Highway and bridge projects such as improved interchanges and parking;
- Land exchanges used to resolve private inholding problems;
- Disputes with adjacent landowners over property boundaries ;
- Competing public priorities such as wind energy, fish hatcheries and dam removal; and
- Sponsor changes such as where property operation and maintenance is being turned over to a local government

At the March board meeting, staff will present two specific examples to illustrate what we are finding with WDFW grants and how we are approaching such compliance issues together.

Number	Name and Location	Project Description	Compliance Issue Type
02-1109	Western Pond Turtle, Phase 3	In 2006, WDFW acquired 32 acres of habitat and buffer to expand the WDFW Klickitat Wildlife Area near the Columbia River. The funding source is WWRP-Critical Habitat. One-third of an acre on the far eastern edge of WDFW property is proposed for conversion.	Adverse possession claim by adjacent landowner
68-603 A	Yakima River Public Access, Kittitas County	In 1968, WDFW acquired 13-acre site on State Highway 821 in the Yakima River Canyon between Ellensburg and Yakima. Nine acres are proposed for conversion. The purpose of the grant was to be an undeveloped public fishing access site. The funding source was the Land and Water Conservation Fund.	Adverse possession claim by adjacent landowner

Attachments

- A. List of prioritized WDFW compliance issues

List of prioritized WDFW compliance issues

First Priority WDFW Grants- All in Progress

Priority	RCO Grant #	Project Name	County
1	66-602 A	Whiskey Dick wind farm	Kittitas
2	66-604 A	Pilchuck River bridge replacement Smith Rock highway widening Wallace River easement exchange	Snohomish Clark Snohomish
3	68-603 A	Yakima River agreement with Benton City Yakima River boundary dispute	Benton Kittitas
4	68-604 A	Wiser Lake highway widening	Whatcom
5	69-609 A	Elk Heights exchange for Wenas inholding Gibson Road exchange for elk feeding site	Kittitas Yakima
6	69-610 A	Big Quilcene River exchange to facilitate US Fish and Wildlife building a pollution abatement pond for its nearby hatchery	Jefferson
7	74-606 A	Mt Vale exchange for Wenas inholding	Yakima
8	00-1885 A	Morse Creek conversion to assist the National Park Service with the Elwha dam removal project	Clallam
9	02-1109 A	Sondino Ponds boundary dispute	Klickitat

Item 4B

Meeting Date: March 2010
Title: Washington Department of Fish and Wildlife Land Exchange Phase Two
Prepared By: Leslie Ryan-Connelly, Outdoor Grants Manager

Approved by the Director:

Proposed Action: Decision

Summary

The Washington Department of Fish and Wildlife (WDFW) is asking the Recreation and Conservation Funding Board (board) to recommend that the National Park Service approve the conversion of portions of the L. T. Murray project (RCO #69-609A), which was funded through the Land and Water Conservation Fund.

This is the second phase of an effort to exchange land with the Washington Department of Natural Resources.

Strategic Plan Link

This action supports the board's strategy to help land management agencies maximize the useful life of board-funded projects.

Staff Recommendation

Recreation and Conservation Office (RCO) staff recommends that the board approve Resolution #2010-02 to recommend approval of the proposed conversion and direct staff to forward the recommendation on to the National Park Service for consideration.

Background

The Washington Department of Fish and Wildlife (WDFW) and the Washington Department of Natural Resources (DNR) first proposed an exchange of lands in 2005. Exchanging lands would allow each agency to better address its specific management goals. The consolidated ownership also would help WDFW manage its wildlife areas across the landscape, with a reduced threat of development within the managed area.

The land exchange was proposed in phases based on the source of funding for the original acquisition of the WDFW land.

- The first phase was for the lands acquired with funding from the Washington Wildlife and Recreation Program (WWRP) critical habitat category. Phase 1 was approved in December 2009.
- The second phase, and subject of this memo, involves lands acquired with Land and Water Conservation Funds.

Phase 2

Property to be Converted

In Phase 2, the WDFW is proposing to convert 4,749 acres of property that it purchased with assistance from a Land and Water Conservation Fund (LWCF) grant.

The LWCF grant, which was awarded in 1969, provided funding for the first phase of acquisition of the area known as High Valley Ranch, on the east slope of the Cascades, near Ellensburg. The grant award was \$1.8 million.

The proposed conversion would affect 4,749 acres, which is 7 percent of the original project scope. Most of the property proposed for conversion is higher-elevation eastern slope forestland in the L. T. Murray Wildlife Area in Kittitas County. Allowed recreational uses of the properties include hunting, fishing, and wildlife viewing.

The appraised value of the land to be converted is \$6,106,297.

Replacement Property

The land proposed for replacement is DNR trust land that is dominated by lower elevation forestland and shrub steppe habitat. WDFW would manage the replacement property with recreational management goals similar to those that exist on the property to be converted. Table 1 summarizes the proposed list of replacement properties, which total 7,370 acres with a total appraised value of \$6,107,731 million.

Table 1: Proposed Replacement Properties in Phase 2

County	Wildlife Area	Replacement Acres	Appraised Value
Asotin	Asotin	420.20	\$810,000
Klickitat	Klickitat	90.00	\$35,774
Okanogan	Methow	761.59	\$2,993,315
Yakima	Oak Creek	880.67	\$564,000
Okanogan	Sinlahekin	602.56	\$226,000
Kittitas	Skookumchuck	3,722.40	\$1,158,000
Kittitas/Yakima	Wenas	893.12	\$320,642
Total		7,370.54	\$6,107,731

Existing program policies, administrative rule, and statutory language state that Board-funded land and facilities must be used only for the purposes for which funding was granted. Manual #7: Funded Projects: Policies and the Project Agreement (August 2009) states:

RCFB-SRFB policy, consistent with state law , is that interests in real property, structures, and facilities acquired, developed, enhanced, or restored with RCFB/SRFB funds must not be changed, either in part or in whole, nor converted to uses other than those for which the funds were originally approved. If an RCFB/SRFB funded project is found to be changed or converted (out of compliance with the project agreement or agreement amendments), the project sponsor is responsible for replacing the changed or converted interests in real property, structures, or facilities with interests, structures, or facilities of equivalent size, value, and utility.

Analysis

When reviewing conversion requests, the RCO considers the following factors, in addition to the scope of the original grant and the proposed substitution of land or facilities¹.

- All practical alternatives to the conversion have been evaluated and rejected on a sound basis.
- The proposed replacement property meets the program eligibility requirements.
- Justification exists to show that the replacement site has reasonably equivalent utility and location.
- The fair market value of the converted property has been established and the proposed replacement land is of at least equal fair market value.
- The public has opportunities for participation in the process.

Practical Alternatives Evaluated

Three alternatives were considered in place of the land exchange.

- The first alternative was to purchase (i.e., fee title) the DNR lands. This option was eliminated due to the lack of available funds.
- The second option was to process the change in ownership of land as a grant sponsor change instead of as a conversion. A sponsor change would involve DNR accepting LWCF grant obligations and responsibilities for the lands it received from WDFW. The DNR rejected this option because it would not allow them flexibility to meet their needs for revenue for their trust beneficiaries.

¹ Manual #7 - Funded Projects: Policies and the Project Agreement

- The third alternative considered was to purchase deed restrictions and/or conservation easement on DNR parcels. WDFW would be responsible for monitoring, administration, and enforcement in perpetuity of those easements held on DNR land. Encumbered lands would not be acceptable to the DNR because this would not allow it the necessary flexibility to meet the revenue needs for the trust beneficiaries. In addition, deed restrictions and/or conservation easements would not streamline land management as it would also require continued WDFW administration and oversight of the lands exchanged with WDNR.

Eligibility of Proposed Replacement Property

Publicly owned lands are eligible for LWCF grants under the following circumstances²:

- The replacement land was not originally acquired by the sponsor or selling agency for recreation.
- The replacement land has not been previously dedicated or managed for recreational purposes while in public ownership.
- No federal assistance was provided in the replacement land's original acquisition unless the assistance was provided under a program expressly authorized to match or supplement LWCF assistance.
- Where the project sponsor acquires replacement land from another public agency, the selling agency must be required by law to receive payment for the land so acquired.

The DNR trust land identified for replacement property meets all four of the above criteria. The DNR originally acquired the trust lands from the federal government for the purposes of generating revenue for the trust beneficiaries. While DNR allows recreational use of all trust land, the replacement lands do not contain any dedicated recreational areas, nor have the lands been managed for recreational purposes. The DNR may close areas to recreation if such use affects the trust resources. As the lands are dedicated in trust for the purposes of generating revenue, the DNR must receive compensation when divesting of trust land.

Reasonably Equivalent Utility and Location

The original intent of the L. T. Murray grant was to acquire property for recreational hunting and fishing purposes. All of the land to be converted is located in the northern portion of the wildlife area just southeast of Cle Elum. (Attachment A, Map 3) There are no developed recreational facilities or access points on the property to be converted.

The recreational utility for the DNR replacement property would be of similar dispersed recreational use as the WDFW property. There would be a net increase in acreage that WDFW

² Land and Water Conservation Fund, Federal Financial Assistance Manual, Volume 69, October 1, 2008

owns and would manage for recreation. The exchange is intended to improve access to lands for dispersed recreation by consolidating landownership. There are no immediate plans to develop recreational facilities on replacement lands

The proposed replacement properties are located in six different counties as identified in Table 1 and Attachment A, Maps. Each proposed replacement property will contribute to consolidating WDFW land ownership within existing wildlife areas and improve recreational management objectives. The replacement property would provide similar hunting and fishing opportunities as compared with the original grant. Existing LWCF park boundaries (i.e., 6f boundaries) will be expanded in the Skookumchuck, Wenas, Oak Creek, and Klickitat Wildlife Areas. New LWCF park boundaries will be created in the Scotch Creek and Asotin Wildlife Areas.

WDFW would accept the terms of existing grazing leases on DNR exchange lands that are in effect at the time of acquisition. Approximately 60% (4,460 acres) of the replacement land is encumbered with a grazing lease. These encumbrances were taken into consideration in determining fair market value (see below). LWCF policies allow for grazing activities on recreation land as long as the property is managed primarily for recreational purposes³. The DNR grazing leases require open access to the public for the purposes of hunting and fishing on leased lands unless a closure is authorized in writing by the state. WDFW would ensure that the public access provisions are enforced. WDFW would consider future reissuance of grazing leases or permits where consistent with respective management goals and objectives.

Evaluation of Fair Market Value

The properties proposed for conversion and replacement were appraised and reviewed in May 2007. The appraisals were conducted in compliance with federal land acquisition standards (i.e., "Yellow Book"). The appraisal took into consideration the grazing leases on DNR land and the market value reflects these encumbrances.

The WDFW and DNR have an existing purchase and sale agreement to exchange lands based upon the established market values from these appraisals. The property proposed for conversion is valued at \$6,106,297. The proposed replacement property is valued at \$6,107,731 (Table 1). The replacement property is of at least equal market value as the property proposed for conversion.

Public Participation

The WDFW and DNR have conducted significant public outreach as part of the overall land exchange process. Efforts included:

³ Land and Water Conservation Fund, *Federal Financial Assistance Manual*, Volume 69, October 1, 2008

- *September 2006* - Letters to county commissioners, state legislators, members of Washington's federal delegation, and tribes, to inform them of potential exchange activities and invite them to open houses and public hearings. DNR staff also made presentations to county commissions.
- *November and December 2006* – Open houses were conducted in Clarkston, Pasco, Everett, Hoquiam, Suncrest, Colville, Okanogan, Wenatchee, Ellensburg, Goldendale, and Longview.
- *March 2007 and November 2007* – DNR provided newsletter updates on progress of the proposed exchange to parties who had expressed interest.
- *April 2008* - DNR held public hearings in Omak, Ellensburg, and Tumwater. The Ellensburg site satisfied DNR's legal requirement to hold a public hearing in the county where the most DNR exchange land is located. The additional hearing sites were provided for the convenience of the public.
- *July 2009* – DNR held a final public meeting in Ellensburg to update the public on the proposed exchange and receive any final comments.

DNR tracked feedback from all workshops and public meetings in spreadsheets. Specific issues raised regarding the WDFW exchange included availability of grazing leases after the exchange, public access to lands exchanged, and WDFW's management of lands formerly held by DNR.

WDFW augmented the DNR lead efforts on public involvement for the land exchange by publishing articles that described the proposed action in several editions of the WDFW Landline Newsletter⁴, which has a statewide mailing list of over 1,400 interested individuals, environmental organizations, and adjacent landowners.

The land exchange proposal was identified in the WDFW 2006 draft management plans for the LT Murray/Whiskey Dick/Quilomene, Wenas, Sinlahekin, Scotch Creek, and Oak Creek Wildlife Areas. These plans were made available in 2007 for a 30-day public review and comment period. These efforts were supplemented with news releases and other media outreach efforts.

Finally, WDFW issued a draft environmental assessment per the National Environmental Policy Act and provided a 30-day comment period, which ended December 16, 2009. Four comments were received regarding the LWCF portion of the phase 2 land exchange. One commenter supported the exchange, one opposed the exchange, and two other expressed concerns regarding forest replanting and public access. Attachment B provides the comments and WDFW's responses.

⁴ Winter 2004, Summer 2004, Summer 2006, Winter/Spring 2007, Fall 2007, and Spring 2008

Next Steps

If the board recommends approval of the conversion to the National Park Service, staff will prepare conversion amendments for National Park Service consideration.

Attachments

Resolution #2010-02

- A. Washington State Departments of Fish & Wildlife and Natural Resources, Post Land Exchange NPS 6F Boundary Maps
- B. Public Comments Received on Draft Environmental Assessment

Recreation and Conservation Funding Board
Resolution #2010-02
Washington Department of Fish and Wildlife Land Exchange

WHEREAS, the Washington Department of Fish and Wildlife (WDFW) proposes to convert about 4,749 acres of wildlife area lands that it acquired with grants awarded by the Recreation and Conservation Funding Board (Board); and

WHEREAS, the conversion is part of a larger land exchange with the Washington Department of Natural Resources (DNR) intended to consolidate land ownership and better address specific land management goals; and

WHEREAS, the exchange will affect property acquired with funding assistance from the Land and Water Conservation Fund (#69-609A); and

WHEREAS, WDFW is required to replace the converted land pursuant to federal Land and Water Conservation Fund conversion requirements; and

WHEREAS, the board and staff have determined the request met the following factors: (a) all practical alternatives to the conversion have been evaluated and rejected on a sound basis, (b) the proposed replacement property meets the program eligibility requirements, (c) justification exists to show that the replacement site has reasonably equivalent utility and location, (d) the fair market value of the converted property has been established and the proposed replacement land is of at least equal fair market value, and (e) the public has opportunities for participation in the process; and

WHEREAS, this proposal is consistent with the board's objectives and strategies to ensure that its investments meet the state's recreation and conservation needs and to adapt its management to meet changing needs;

NOW, THEREFORE, BE IT RESOLVED, that the Recreation and Conservation Funding Board approves the conversion request and the proposed replacement site for the WDFW land exchange and the submittal of the request to the National Park Service for final approval, and

BE IT FURTHER RESOLVED, that the Director is authorized to execute the necessary amendments subject to National Park Service action.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Washington State Departments of Fish & Wildlife and Natural Resources, Post Land Exchange NPS 6F Boundary

Scotch Creek and Sinlahekin Wildlife Areas



Legend

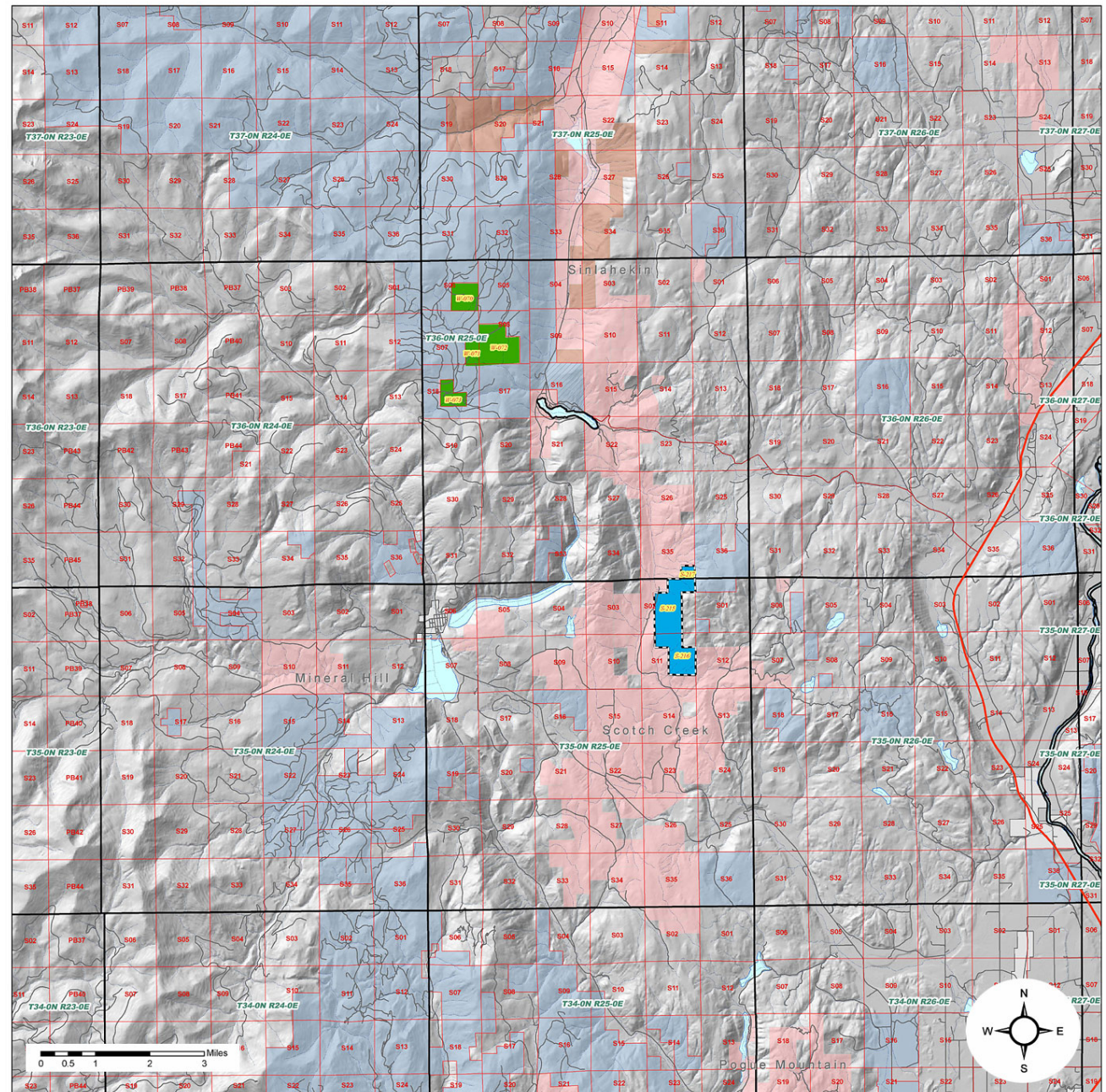
- Stream
- Highway
- Township
- Section
- Road
- 6F Boundary

Conversion and Replacement Parcels

- LWCF Replacement
- PR Conversion

WDFW Owned and Managed Lands

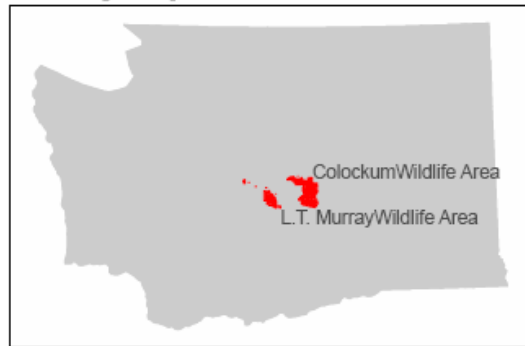
- Federal - WDFW Contolled
- Owned
- State - WDFW Controlled
- DNR Parcel



October 30, 2009

NPS 6F areas include only WDFW-owned lands within the 6F boundary. GIS data used to create this map is considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. Washington State Department of Fish and Wildlife makes no claim as to the accuracy of the spatial data and assumes no responsibility for positional or content accuracy.

Colockum & L.T. Murray Wildlife Areas



Legend

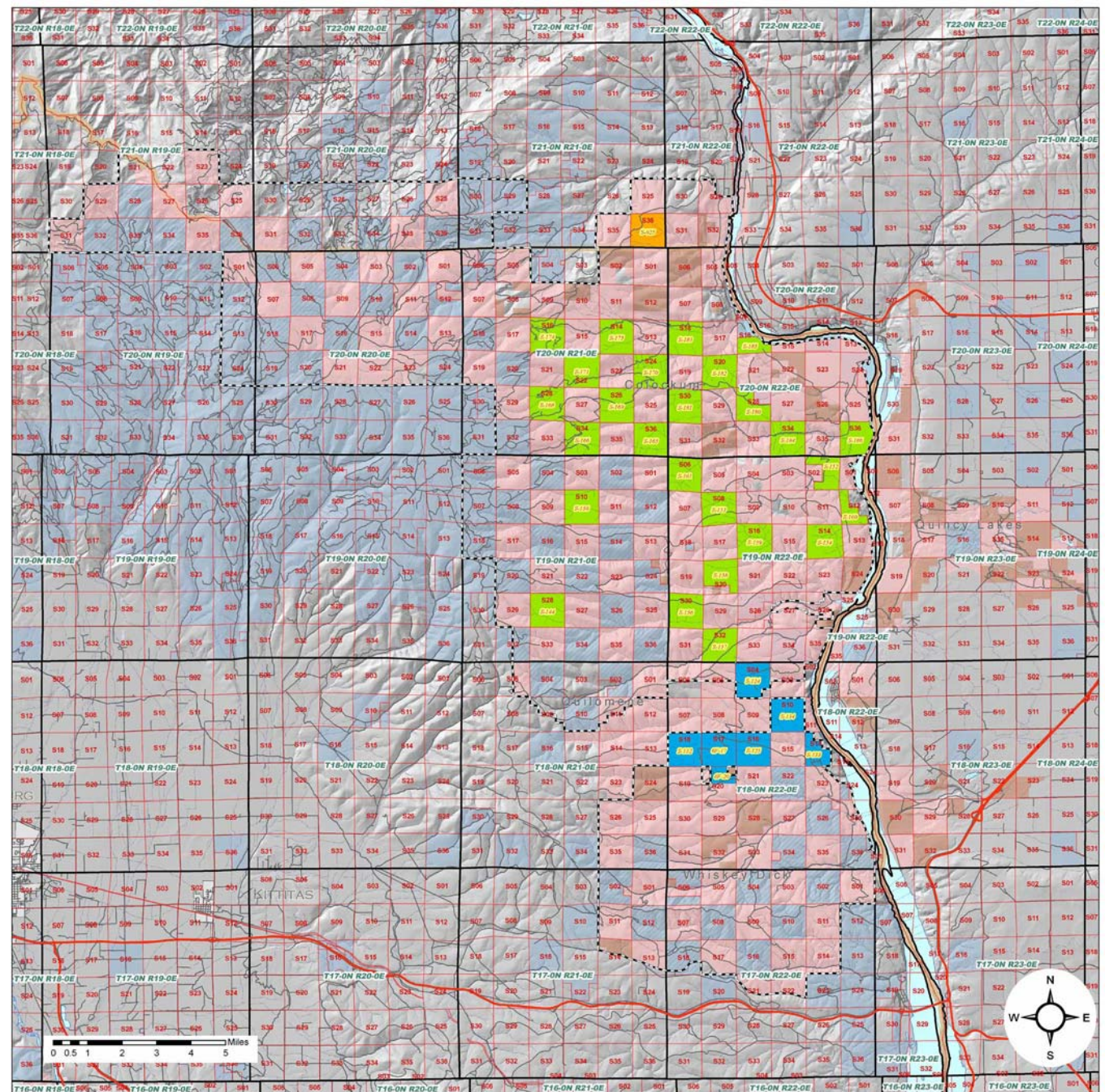
- Stream
- Highway
- Township
- Section
- Road
- 6F Boundary

Conversion and Replacement Parcels

- LWCF Replacement
- PR Replacement
- Other Replacement

WDFW Owned and Managed Lands

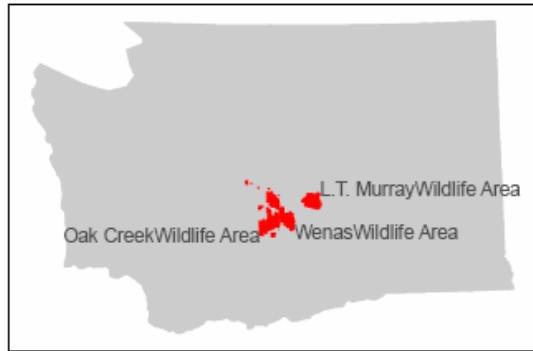
- Federal - WDFW Contolled
- Owned
- State - WDFW Controlled
- DNR Parcel



October 30, 2009

NPS 6F areas include only WDFW-owned lands within the 6F boundary. GIS data used to create this map is considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. Washington State Department of Fish and Wildlife makes no claim as to the accuracy of the spatial data and assumes no responsibility for positional or content accuracy.

Oak Creek, Wenas, & L.T. Murray Wildlife Areas



Legend

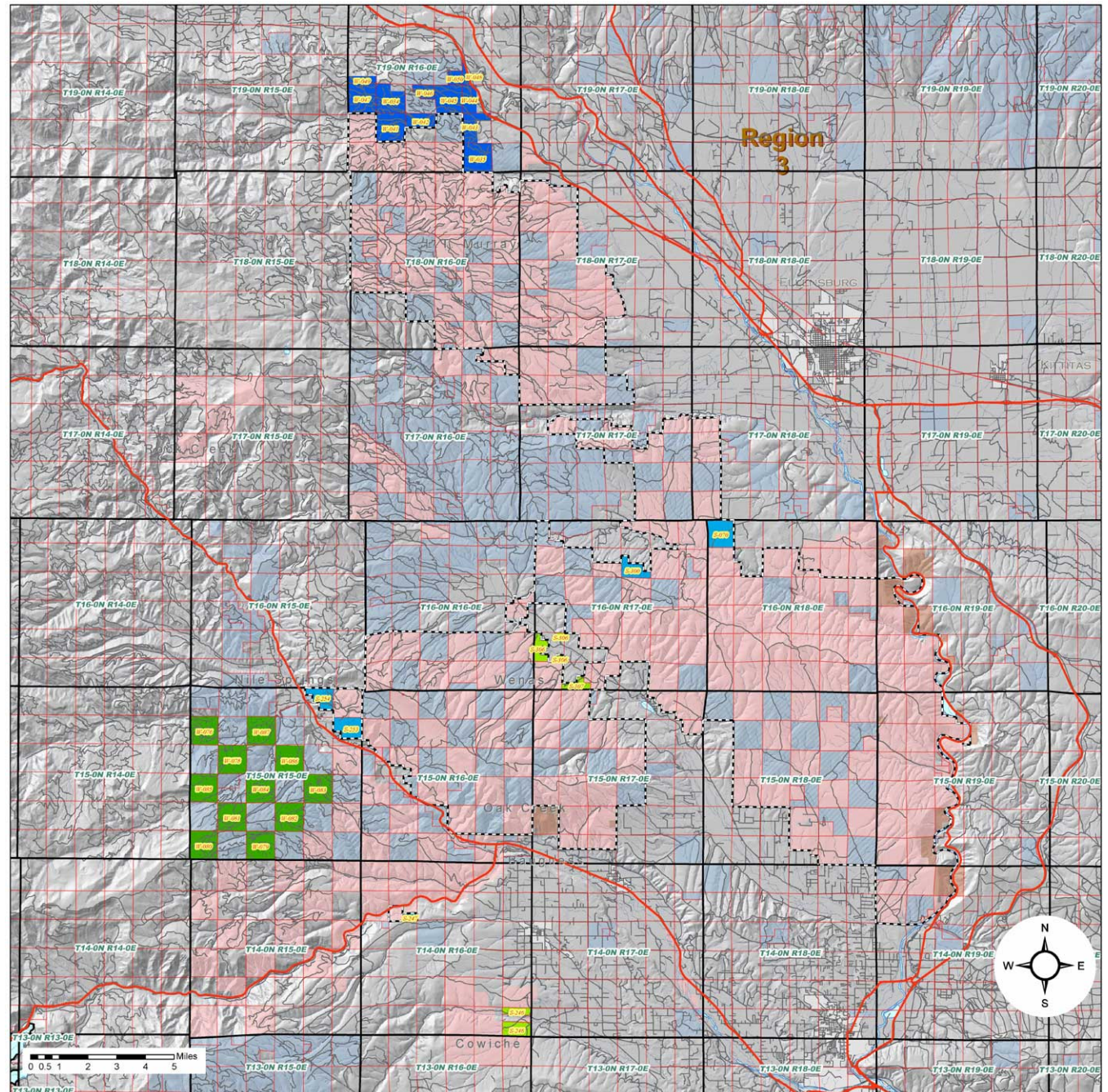
- Stream
- Highway
- Township
- Section
- Road
- 6F Boundary

Conversion and Replacement Parcels

- LWCF Conversion
- LWCF Replacement
- PR Conversion
- PR Replacement

WDFW Owned and Managed Lands

- Federal - WDFW Controlled
- Owned
- State - WDFW Controlled
- DNR Parcel



October 30, 2009

NPS 6F areas include only WDFW-owned lands within the 6F boundary. GIS data used to create this map is considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. Washington State Department of Fish and Wildlife makes no claim as to the accuracy of the spatial data and assumes no responsibility for positional or content accuracy.

Klickitat Wildlife Area

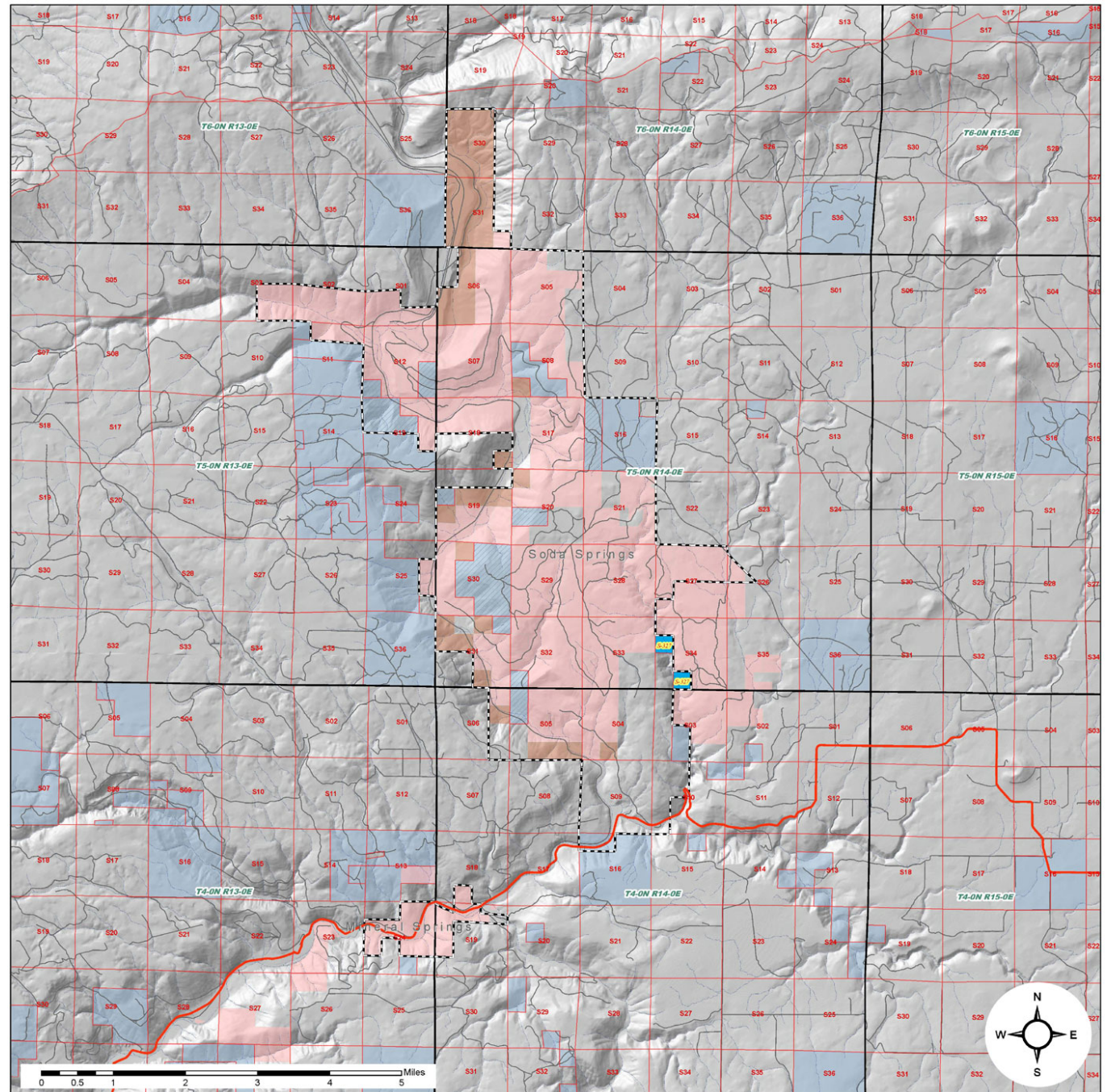


Legend

- Stream
- Highway
- Township
- Section
- Road
- 6F Boundary
- LWCF Replacement Land Exchange Parcel

WDFW Owned and Managed Lands

- Federal - WDFW Controlled
- Owned
- State - WDFW Controlled
- DNR Parcel



October 30, 2009

NPS 6F areas include only WDFW-owned lands within the 6F boundary. GIS data used to create this map is considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. Washington State Department of Fish and Wildlife makes no claim as to the accuracy of the spatial data and assumes no responsibility for positional or content accuracy.

Chief Joseph & Asotin Wildlife Areas



Legend

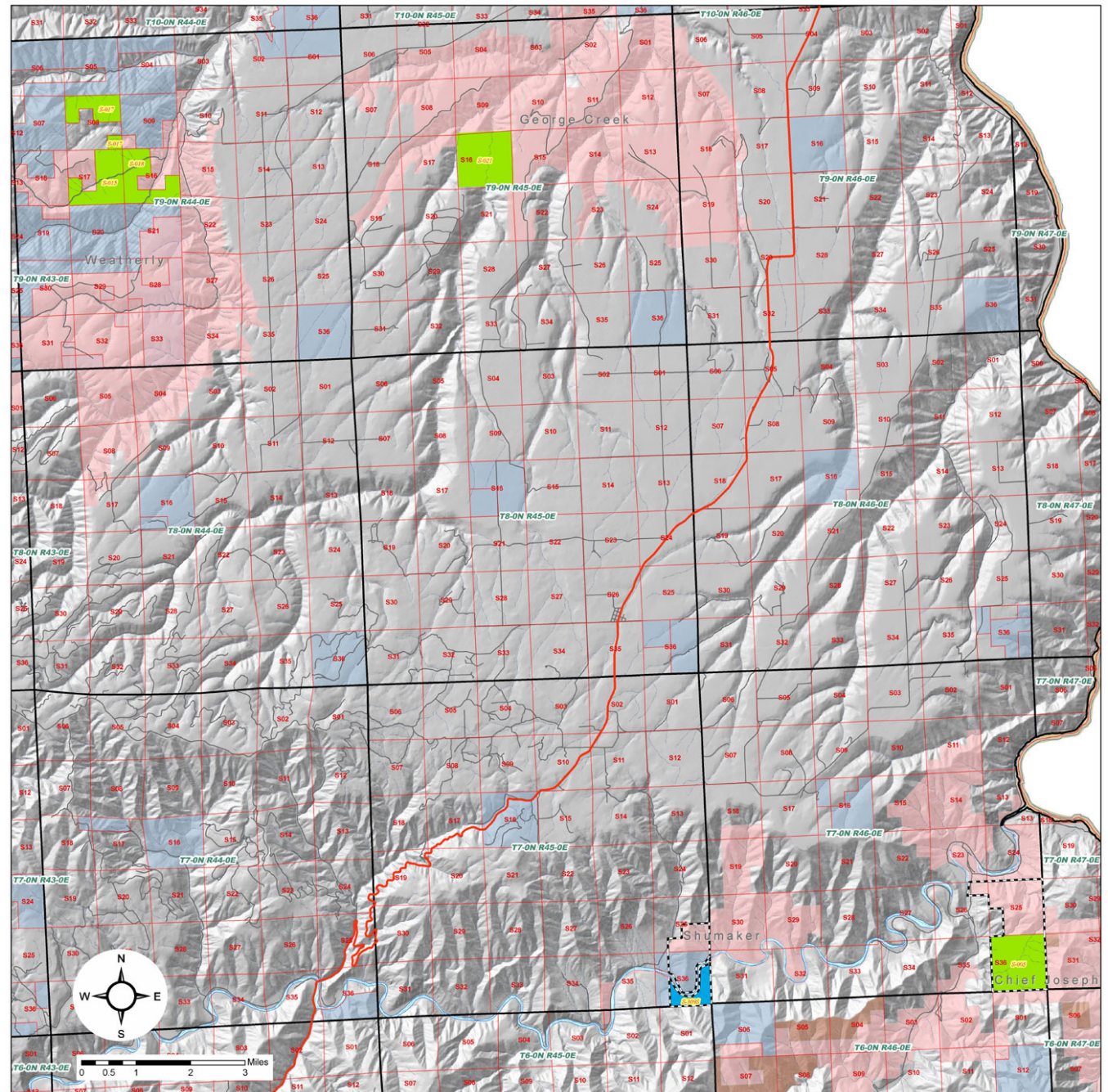
- Stream
- Highway
- Township
- Section
- Road
- 6F Boundary

Conversion and Replacement Parcels

- LWCF Replacement
- PR Replacement

WDFW Owned and Managed Lands

- Federal - WDFW Controlled
- Owned
- State - WDFW Controlled
- DNR Parcel



October 30, 2009

NPS 6F areas include only WDFW-owned lands within the 6F boundary. GIS data used to create this map is considered a generalized spatial representation that is subject to revisions. This information is provided as a visual representation only and is not to be used as a legal or official representation of legal boundaries. Washington State Department of Fish and Wildlife makes no claim as to the accuracy of the spatial data and assumes no responsibility for positional or content accuracy.

Public Comments Received on Draft Environmental Assessment

Name	Comments	WDFW Response
Dennis Ivanov	<p>I strongly oppose and discourage this transaction to take place! DNR has no business in owning this land!</p> <p>As of today, any bank will struggle with determining the actual value for any land or property. Except for the land proposed to be developed. This is exactly the plan of this transaction and I strongly encourage you to reconsider this decision.</p>	<p>I appreciate your concern and taking time to comment on the land exchange. It appears that you do not like the idea of lands being transferred to DNR and suspect that the exchange will lead to development of public lands. The following information (more detail provided within the Environmental Assessment) may help ease your concern. The land exchange is intended to increase the likelihood that state lands will remain in public ownership for the following three reasons.</p> <ul style="list-style-type: none"> • WDFW will acquire lower-elevation DNR lands that are more vulnerable to disposal into private ownership and more sought after for development. • There will be a net transfer of land to DFW which is less likely to sell lands. • WDNR will acquire higher-elevation timber land with long term revenue generating potential that they will want to keep indefinitely in support of their public trust fund objectives.
Patrick Eakes	<p>Being a concerned citizen, I question the responsibility the WDNR has shown to follow through with the management of land, which was in the peoples possession and then sold to private and Native parties. (i.e., the sale to the Little Boston Tribe of land located on the Hansville Highway in Kingston Wa.98346) which was clear cut immediately and not replanted or managed what so ever after the sale. If the WDFW plans to exchange valuable land with the WDNR please install safeguards to insure responsible management of our precious wildlife and forest habitat. As in all things passing, memories fade quickly of things that are gone forever. Please think of our future as well as our present.</p>	<p>Thank you for your comment and concern. The following information (more detail provided within the Environmental Assessment) may help ease your concern about the land exchanges impacts on the potential disposal of public lands and the resulting loss of protections associated state ownership. The land exchange is intended to increase the likelihood that state lands will remain in public ownership for the following three reasons.</p> <ul style="list-style-type: none"> • WDFW will acquire lower-elevation DNR lands that are more vulnerable to disposal into private ownership and more sought after for development. • WDNR will acquire higher-elevation timber land with long term revenue generating potential that they will want to keep indefinitely in support of their public trust fund objectives. • There will be a net transfer of land to DFW which is less likely to sell lands.

Name	Comments	WDFW Response
Robert Elliott	<p>Although it does make sense to "block" lands managed by WDFW and WDNR, it appears DNR gets short changed in acreage.</p> <p>Access to public land is critical. WDFW should ensure public access is increased.</p>	<p>Thanks for your input and concern.</p> <p>A few things for you to consider.</p> <ul style="list-style-type: none"> While the number of acres exchanged is unbalanced, the value of exchanged land is balanced. DNR receives less acres in the exchange because they wanted timber lands with higher economic value. I expect access to improve on lands coming to WDFW as we don't have to engage in trust fund revenue generation activities like DNR that sometimes conflict with public access.
Janet Azevedo	<p>I am in favor of the Washington Department of Fish and Wildlife and Washington Department of Natural Resources Land Exchange Phase 2. The original fragmented ownership of these lands made for very inefficient management of these lands and apparently made managing resources almost impossible. Thank you to whoever came up with the idea of these land swaps!</p>	<p>Thank you for your comment.</p>

October 30, 2009

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Item 5

Meeting Date: March 2010
Title: Evaluation Process for Natural Areas Category
Prepared By: Scott Robinson, Conservation and Grant Services Section Manager

Approved by the Director:

Proposed Action: Decision

Summary

The Recreation and Conservation Office (RCO) is proposing that the Recreation and Conservation Funding Board (board) make the following changes to the Washington Wildlife and Recreation Program Natural Areas category:

1. Eliminate project review meetings, and;
2. Conduct a written evaluation process that is scored by volunteer evaluators at their home or office.

Staff believes that these changes will reduce the time and resources committed to project review and evaluation without losing the effectiveness of the process.

Strategic Plan Link

Adopting this revision would continue to ensure that the board funds the best projects as determined by a fair evaluation process, while also promoting the board's goals to be accountable for and efficient with its resources.

Staff Recommendation

RCO staff recommends adoption of the revised evaluation process via Resolution #2010-03.

Background

The Washington Wildlife and Recreation Program (WWRP) Natural Areas category was established in 1990 and is available only to the Washington Department of Natural Resources, the Washington State Department of Fish and Wildlife, the State Parks and Recreation Commission, and the Department of General Administration.

The current process includes meetings for both project review and project evaluation. Each meeting takes one or two days and involves grant applicants, RCO staff, and up to 10 volunteer evaluators.

- At the project review meeting, evaluators comment on proposals so that applicants can improve their projects before the final evaluation.
- At the project evaluation presentations, applicants present their proposal and answer questions from evaluators, who then score each project.

About two weeks after the evaluation presentations, RCO staff and the evaluators assemble again to review the final project rankings. Some evaluators participate in this meeting by conference call.

Analysis

In order to reduce this sizable time and resource commitment, RCO staff proposes that the board eliminate the project review meeting and adopt a written evaluation process for the Natural Areas category.

Project Review Meeting

The project review meeting is intended to give the applicant constructive feedback before they submit their project for final evaluation. This process is helpful for applicants in many grant programs. However, it is less useful in the Natural Areas category because the projects involve acquisitions that have already received considerable review by the state agencies sponsoring the proposals. In addition, many of the projects represent subsequent phases of previously grant-funded sites. Staff has found that project reviews typically yield suggestions that improve the application's clarity (e.g., improving map details), but do not significantly affect the scope or acquisition approach.

In lieu of the project review meeting, RCO staff would ensure that applicants have a completed and clear project packet.

Written Evaluation Process

In a written evaluation process, evaluators would review and score project proposals at their own pace within a given timeframe. Evaluations would continue to be based on the project packet, including:

- Project description/summary;
- Cost estimate summary;
- Evaluation question responses;
- Special status species table;
- Project location map(s); and
- Photos or other graphics.

The board has adopted similar approaches for the WWRP State Lands Development and Restoration categories, and these procedures could be applied to the Natural Areas category.

After all written projects have been reviewed and scored, RCO would conduct a post-evaluation conference call in which evaluators would discuss project rankings, develop a final ranked list, and review the evaluation process.

Considerations in Converting to a Written Evaluation Process

There are advantages and disadvantages to this proposed process change. Some factors to consider include:

- RCO successfully uses “score-at-home” evaluations in other grant programs.
- This process would reduce travel costs and require less time away from home and office for both evaluators and applicant staff.
- It would add flexibility for the evaluators by allowing them to score written proposals at their own pace within an identified time period.
- Applicants would submit a written application packet instead of producing and practicing an in-person presentation. This would save applicant staff time.
- Projects would not be evaluated in a meeting open to the public.
- Applicants would not have the opportunity to reinforce project benefits or strengths through an oral presentation.
- It would be more difficult for an evaluator to ask an applicant questions; if needed for important issues, an evaluator would submit a question to RCO which would refer the question to the applicant, and then share the answer with all evaluation team members.

Public Review

On February 12, 2010, RCO staff circulated a draft proposal for public comment through email and the agency web site. Comments are due by March 13. Staff will present the comments at the March 25 board meeting.

Next Steps

If the board approves the change, RCO staff will update manual 10b and implement the new approach to evaluate projects in the WWRP Natural Areas category beginning with the 2010 grant evaluations.

Attachments

Resolution 2010-08

Recreation and Conservation Funding Board
Resolution #2010-03
Project Evaluation Processes For WWRP Natural Areas Category

WHEREAS, in-person Recreation and Conservation Funding Board (board) project reviews and evaluations in the Washington Wildlife and Recreation Program (WWRP) Natural Areas category require considerable time and resources from volunteer evaluators, project applicants, and staff; and

WHEREAS, the Recreation and Conservation Office (RCO) wanted to find a way to reduce this commitment without diminishing the high quality of the evaluations; and

WHEREAS, a less time and resource intensive system, based on written evaluations, rather than in-person presentations, is now successfully used in several board program categories and can be adapted to other board programs; and

WHEREAS, the project review meeting does not significantly change the quality of projects in the Washington Wildlife and Recreation Program (WWRP) Natural Areas category; and

WHEREAS, evaluators would discuss project rankings and make final recommendations at the post-evaluation meetings; and

WHEREAS, adopting this revision would continue to ensure that the board funds the best projects as determined by a fair evaluation process, while also promoting the board's goals to be accountable for and efficient with its resources; and

WHEREAS, using written evaluations in other grant programs has shown that the process supports the board's goal to conduct its work in an open manner;

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt the written evaluation process for the Washington Wildlife and Recreation Program (WWRP) Natural Areas category; and

BE IT FURTHER RESOLVED, that the project review meeting will be eliminated from the application process for the Washington Wildlife and Recreation Program (WWRP) Natural Areas category; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement this revision beginning with the 2010 grant cycle.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Item 6

Meeting Date: March 2010
Title: Factors for Approving Major Scope Changes for Acquisition Projects
Prepared By: Dominga Soliz, Policy Specialist

Approved by the Director:

Proposed Action: Decision

Summary

Recreation and Conservation Funding Board (board) policy requires that only the board can approve major scope changes for acquisition projects.

Recreation and Conservation Office (RCO) staff is asking the board to approve factors that it may want to consider when deciding whether to approve any major scope change for acquisition projects. In May 2010, staff will propose that the Salmon Recovery Funding Board approve the same factors.

Strategic Plan Link

Consideration of these policy changes supports the board's objectives to (1) evaluate and develop strategic investment policies and plans so that projects selected for funding meet the state's recreation and conservation needs, and (2) fund the best projects as determined by the evaluation process.

Staff Recommendation

RCO staff recommends that the board adopt the revised policies via resolution #2010-04. Specifically, these policies establish factors that the board may consider when approving major scope changes for acquisition projects.

Background

Sometimes sponsors need to purchase property other than the property that was originally proposed in the application and incorporated into the agreement with the RCO. When this request for a change in geographic boundaries happens after a contract is signed, but before the RCO reimburses for the acquisition, it constitutes a scope change.

Current policies require board approval for major changes in any acquisition project's scope. The board adopted a policy in November 2009 stating that a newly targeted property is not a major scope change if it:

- Is eligible in the same grant program category as the originally targeted property; and
- Has similar and at least equivalent conservation, farmland preservation, habitat protection, recreation, and/or salmon recovery values as the originally targeted property; and
- Is contiguous to the originally targeted property or is within the recreation service area, geographic envelope or stream reach, estuary, or nearshore area identified in the grant agreement.

The RCO director can approve a scope change that meets these criteria. Otherwise, the scope change is presented to the board for consideration.

Analysis

There are currently no decision-making factors contained in policy for the board to consider when approving major scope changes.

The Salmon Recovery Funding Board also has no decision-making factors contained in policy, so staff and stakeholders are proposing that the two boards adopt the same approval factors. Doing so will help provide consistent decisions related to acquisition scope changes, promote fairness to sponsors, and ensure that legislatively approved project rankings are not changed. Adopting the same factors also will be less confusing for sponsors since acquisition scope change policies will be contained in one manual that applies to all grant programs, rather than in separate program manuals.

RCO staff convened a group of stakeholders to help develop the policy. Stakeholders included the following:

Name	Organization
Dan Budd	Department of Fish and Wildlife
Elizabeth Rodrick	Department of Fish and Wildlife
Curt Pavola	Department of Natural Resources
David Bortz	Department of Natural Resources
Bill Koss	State Parks and Recreation Commission
Pete Mayer	Vancouver-Clark Parks and Recreation
Gordon Scott	Whatcom County Land Trust
Marcia Fromhold	Washington Wildlife and Recreation Coalition
Bob Bugert	Chelan Douglas Land Trust
Chris Hilton	Whidbey Camano Land Trust
Josh Kahan	King County, Watershed Stewardship Unit

Stakeholders and staff propose the following factors for the board's review of major scope changes.

- Is the amended project eligible in the same grant program category? Is it eligible in another program category?
- What is the reaction and/or position, if any, of the local government (for RCFB funded projects) or lead entity (for SRFB funded projects) with regard to the requested amendment?
- How does the amended project fit with priorities identified in state approved strategies including, but not limited to, the Natural Heritage Plan, State Comprehensive Outdoor Recreation Plan, Lands 20/20, Biodiversity Strategy, Regional Recovery Plan, or a three-year work plan for salmon recovery?
- Will federal or other matching resources be lost if a scope change is not approved? If so, how, why, or how much?
- What opportunity will be lost if the request is not granted? (Consider, for example, consequences to the public, the resources, and the grant program.)
- What other project or projects could receive the money if this request is denied?
- How does the amended project compare with the original project and with the alternate project on the funding priority list?

Stakeholders agreed that since the facts and circumstances of projects requesting major scope changes could vary widely, both boards should have discretion about whether to consider some or all of the proposed factors as well as the extent to which each factor is considered. Stakeholders also agreed that the proposed factors should be used as general guidelines for board discussion rather than as strict approval criteria.

Public Comment

RCO staff released the proposed changes for public comment on January 11, 2010 via email and the agency web site. We received five written comments (Attachment B):

- Two respondents favored the policy;
- One was concerned that the local lead entity would be left out of the scope change process for SRFB projects(staff clarified that sponsors must work with the local lead entity to request a scope change);
- One suggested that the criteria may be too specific, and was concerned about the requirement for lead entity or local approval (staff clarified that notification, not approval, was required); and
- One respondent suggested that the factors are too vague, and asked for clarification about the following:
 - Why an amended project could be considered for funding if it is not eligible in the original grant category;

- What criteria and process will be used for the review by local governments, lead entities, or other parties (e.g., federal funding sources);
- Which alternate projects will be compared against the amended project and how they will be compared; and
- How project rankings will be affected.

Staff responded to each of the comments as shown in Attachment B. In general, staff noted that stakeholders designed the factors to give the board flexibility in making decisions. For example, an amended project could be considered in an undersubscribed category rather than the original grant category. Staff also noted that the project rankings cannot change.

Next Steps

Once approved by both boards, staff will include the proposed factors in RCO policy Manual 7 (Funded Projects).

Attachments

Resolution #2010-04

- A. Proposed Policy
- B. Summarized Public Comments

Recreation and Conservation Funding Board
Resolution #2010-04
Factors to Consider in Approving Major Scope Changes for Acquisition
Projects

WHEREAS, Recreation and Conservation Funding Board (board) program policies require board approval of major scope changes for acquisition projects; and

WHEREAS, having consistent decision-making factors for approving major scope changes for acquisition projects would promote the board's objective to ensure funded projects are managed with integrity, in a fair and open manner, and in conformance with existing legal authorities; and

WHEREAS, Recreation and Conservation Office (RCO) staff worked with stakeholders to develop and circulate a policy proposal for review and comment among people that have asked to be kept informed about board acquisition policies; and

WHEREAS, the public responses were generally supportive or requested clarification; and

WHEREAS, adopting this revision would further the boards' objectives to provide funding to protect habitat and recreation facilities and lands and to develop policies to reduce the number of projects not starting or finishing on time;

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt the new policy shown in Attachment A to the March 2010 board memo titled "Factors for Approving Major Scope Changes for Acquisition Projects"; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement this policy beginning with the 2010 grant cycle.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Policy Language

Proposed Language

The following is proposed for inclusion in Manual 7, General Policies Section.

The RCFB and the SRFB subcommittee may consider the following factors in deciding whether to approve a major scope change for acquisition projects:

- Is the amended project eligible in the same grant program category? Is it eligible in another program category?
- What is the reaction and/or position, if any, of the local government (for RCFB funded projects) or lead entity (for SRFB funded projects) with regard to the requested amendment?
- How does the amended project fit with priorities identified in state approved strategies including, but not limited to, the Natural Heritage Plan, State Comprehensive Outdoor Recreation Plan, Lands 20/20, Biodiversity Strategy, A Regional Recovery Plan, or a three-year work plan for salmon recovery?
- Will federal or other matching resources be lost if a scope change is not approved? If so, how, why, or how much?
- What opportunity will be lost if the request is not granted? (Consider, for example, consequences to the public, the resources, and the grant program.)
- What other project or projects could the money go to if this request is denied?
- How does the amended project compare with the original project and with the alternate project on the funding priority list?

Sponsors can work with their outdoor grants manager to provide information related to these factors to the board or board subcommittee.

Summarized Public Comments

Commenter	Summarized Comments (Edited for Brevity)	Staff Response (if applicable)
Heather Ramsay, National Park Service	Thanks for the opportunity to comment. Looks to me like all the bases are covered.	
Bob Bugert, Chelan-Douglas Land Trust	We believe that this approach provides a good balance in providing flexibility in implementation, cost effectiveness, certainty of success, and benefits to the resource for both the project sponsor and the funding boards. The proposed policy has clearly-described criteria and decision-making procedures.	
Terry Wright, Northwest Indian Fisheries Commission	One piece that seems to be missing is reference to the local/lead entity processes that identified and ranked the original project. It would be good to know if the new proposed project had been evaluated by the same group and where it ranked on the local list.	These comments related to the SRFB process. Staff responded by clarifying the process, which requires that sponsors work with the local lead entity to request a scope change.
Gordon Scott, Whatcom Land Trust	<p>I want to caution the group to avoid setting too specific a list of criteria for scope changes. Each property is unique and each transaction has unique opportunities and challenges, and by setting specific criteria in advance of actual projects we may be inadvertently denying a good and important project simply to conform to a predefined set of rules.</p> <p>I am not enamored of the general reliance on requiring local government or lead entity approval. This is one area where RCO needs to provide clear decision-making and democratic process guidance to local groups if they choose to rely on them for an informed decision regarding the larger social goals of species recovery.</p>	<p>Stakeholders agreed that since the facts and circumstances of projects requesting major scope changes could vary widely, the board should have discretion about whether to consider some or all of the proposed factors. Stakeholders agreed that the proposed factors should be general guidelines rather than strict approval criteria.</p> <p>The proposed factors do not require local government or lead entity approval. The factors guide the board to consider, at its discretion, the response, if any, from the local government or lead entity. Recently approved policy requires the sponsor to submit documentation explaining whether the local government or lead entity was notified about the scope change request.</p>

Commenter	Summarized Comments (Edited for Brevity)	Staff Response (if applicable)
Jeroen Kok, Vancouver-Clark Parks and Recreation	The proposed factors for approving a major scope change are a bit vague. The primary criteria should focus on how the change would affect the original ranking, and whether it warrants a change in the order of funding.	The language is intentionally broad in order to allow greater room for board discretion. Change in ranking and order of funding are captured in the last two proposed factors on the list.
Peter Mayer, Vancouver-Clark Parks and Recreation	<p>First factor: The intent is unclear. Whether the project is eligible for a different program category appears irrelevant at this stage in the process. What are the possible outcomes and other considerations if the project is eligible in another category?</p> <p>Second factor: How influential is the response from the local government or lead entity? What process and criteria will be used to receive input from them?</p> <p>Third factor: Is the response to this question also being reviewed by the technical committees? Are new evaluation criteria used? Does the change in scope change the compliance with these strategies?</p>	<p>First factor: Stakeholders removed language that explained that in rare circumstances the board may want to approve a scope change request for a project that is ineligible in the original category. For example, if the project is eligible in another category that is undersubscribed, then the alternate project in the original category could be funded and the unused funds in the new category could fund the amended project.</p> <p>Second factor: The board may determine the extent to which this factor is considered. There are no specific criteria or processes for local government or lead entity response.</p> <p>Third factor: This factor ensures that the project continues to “fit” with the priorities listed in the strategies. The amended project may be evaluated against original criteria by technical committees before being submitted to the board. The factors are for use by the board.</p>

Commenter	Summarized Comments (Edited for Brevity)	Staff Response (if applicable)
	<p>Fourth factor: Is a concurrent review by federal program decision makers also necessary to assess whether the change will be approved by those entities as well? This question should also ask whether the proposed scope change significantly changes the required timeline of the project agreement such that it presents a risk of loss of matching resources.</p> <p>Fifth factor: The question should be modified to establish some sort of threshold so that it is clear that the replacement property is critical in achieving program goals.</p> <p>Sixth factor: Does this mean that only alternates from the particular round be considered, or can projects from other grant rounds be considered?</p> <p>Seventh factor: If the project is compared to the other competing projects, would the proposed scope change modify the project rankings for funding?</p>	<p>Fourth factor: Staff has not examined federal program scope change policies. Current RCO policy requires the sponsor to submit documentation explaining how the amendment will affect the sponsor's ability to perform obligations of the existing contract.</p> <p>Fifth factor: The question is designed to guide the board toward consideration of the broader consequences of the scope change decision in order to avoid unintended impacts. Rather than setting threshold limits, stakeholders decided the board should have discretion to determine the extent to which this factor is considered.</p> <p>Sixth factor: The question guides the board to consider what would be funded in place of the amended project. Typically, the money would go to the next alternate project. If there are no alternates in the program account, the money could fund projects in the subsequent biennium.</p> <p>Seventh factor: Ranked lists of projects funded by the Washington Wildlife and Recreation Program (WWRP) and the Aquatic Lands Enhancement Account (ALEA) are submitted to the legislature for approval. Thus, the ranking order cannot change.</p>

Item 7

Meeting Date: March 2010
Title: Policy Changes to WWRP Farmland Preservation Program
Prepared By: Dominga Soliz, Policy Specialist

Approved by the Director:

Proposed Action: Decision

Summary

Staff is proposing changes to the Washington Wildlife and Recreation Program (WWRP) Farmland Preservation Program for use in the 2010 grant round. The proposal incorporates recommendations from the Recreation and Conservation Funding Board (board) and the Farmland Preservation Advisory Committee, and provides an additional update to the definition of "farm and agricultural land."

The environmental values evaluation criteria proposal is a follow-up to the board's discussion at the November 2009 meeting.

Strategic Plan Link

Consideration of these farmland policy changes supports the board's objectives to (1) evaluate and develop strategic investment policies and plans so that projects selected for funding meet the state's recreation and conservation needs, and (2) fund the best projects as determined by the evaluation process.

Staff Recommendation

Staff recommends that the board approve the farmland policy recommendation via Resolution #2010-05. These policies would:

1. revise and clarify the environmental values evaluation criteria
2. exclude community gardens from program eligibility
3. update the program definition of "farm and agricultural land" to include land that is used primarily for commercial equestrian related activities.

The policies, if approved, will be incorporated into RCO manual 10f (Farmland Preservation Program) for use in the 2010 grant round.

Background

The primary purpose of the Farmland Preservation Program in the Washington Wildlife and Recreation Program (WWRP) is to acquire development rights on farmland in Washington and ensure the land remains available for agricultural practices. A secondary goal is to enhance or restore ecological functions on farmland.

RCO staff worked with the following stakeholders to develop these recommendations,:

Name	Organization
Pat Powell	Washington Association of Land Trusts
Josh Giuntoli	State Conservation Commission, Office of Farmland Preservation
Jim Aldrich	Friends of the Field
Jeanne Williams	Department of Natural Resources, Farmland Preservation Program Advisory Committee
Cindy Ray	Farmer, Farmland Preservation Program Advisory Committee
Chris Hilton	Whidbey Camano Land Trust
Mike Tobin	North Yakima Conservation District
Linda Lyshall	Puget Sound Partnership
Scott Nelson	Farmer, Farmland Preservation Program Advisory Committee
Mary Embleton	Cascade Harvest Coalition, Farmland Preservation Program Advisory Committee
Jeff Harlow	Natural Resources Conservation Service, Farm Service Agency

Analyses of Proposed Policy Changes

1. Environmental Values Criteria

Staff suggested revisions to the environmental values criteria in an effort to address three issues reported by applicants and evaluators in the Farmland Preservation Program:

- Many applicants find the current environmental values criteria hard to address, and evaluators have found it difficult to score.
- It can be difficult for applicants to maximize points in the environmental values criteria section without diminishing agricultural production.
- Applicants believe it is not economically beneficial for some farms to apply for these funds because they would have to reduce agricultural productivity to meet environmental values criteria.

In November 2009, the board considered a policy change that would add criteria to the environmental values section. The criteria were designed to address the environmental benefits farms could provide while promoting agricultural production. The board discussed a variety of options and considerations regarding this policy, and ultimately deferred its decision, pending further review by key stakeholders.

Analysis: Environmental Values Criteria

The board is required by statute to consider the environmental values of farmlands brought forth by applicants seeking funding for conservation through the Farmland Preservation Program.

The Farmland Preservation Advisory Committee, applicants, and other key stakeholders recommended the criteria be revised to:

- Better address how the particular farmland benefits specific species and habitat.
- Better consider farmland that is part of a local, regional, or statewide conservation plan
- Emphasize environmental benefits that can be achieved while promoting agricultural productivity
- Be simple, short, and eliminate overlap
- Be clear, and provide examples, but be flexible enough to fit a wide range of projects

Staff Proposal: Environmental Values Criteria

Staff proposes clarifying the Environmental Values criteria as follows and maintaining the section's total point value at 22. Attachment A shows detailed policy language for both the current criteria and the proposed new criteria.

Summary of Proposed Environmental Values Criteria

Acquisition-only projects	Acquisition and restoration/enhancement projects
1. <u>Species and Habitat Support</u> : Which species does the property support? How does the property support the species that use it? (10 points)	1. <u>Species and Habitat Support</u> : How will the project further the ecological function of the land? (8 points)
2. <u>The Bigger Picture</u> : How does protecting this property fit with local, regional, statewide conservation objectives? (8 points)	2. <u>The Bigger Picture</u> : How will protecting this property fit with local, regional, and/or statewide conservation objectives? (6 points)
3. <u>Agricultural Productivity</u> : How does the agricultural productivity of this property enhance its environmental values? (4 points)	3. <u>Likelihood of Success</u> : What is the likelihood that the restoration or enhancement will achieve the anticipated benefits for species and habitat? (4 points)
	4. <u>Agricultural Productivity</u> : How will the restoration or enhancement promote agricultural productivity? (4 points)

2. Community Gardens

In 2008, the Farmland Preservation Advisory Committee expressed concerns about community gardens receiving Farmland Preservation Program funding because they are not focused on agricultural productivity.

Analysis: Community Gardens

Community gardens may not be consistent with the program's purpose of protecting farmlands to maintain them in agricultural production. Under current program policy, a sponsor may convert farmland protected with Farmland Preservation Program funds into a community garden after the project is completed. If community gardens become ineligible in the program, then a sponsor could not convert a funded project to a community garden without replacing the value of the property through the board's conversion processes.

Community gardens are not specifically included in the statutory definition of farm and agricultural land.

Staff Proposal: Community Gardens

Stakeholders and staff recommend that the board make community gardens ineligible for Farmland Preservation Program funding because they are not focused on agricultural productivity.

3. Statutory Definition Change

The enabling legislation for the Farmland Preservation Program defines "farmlands" as any land defined as "farm and agricultural land" under the current use classifications in RCW 84.34.020.

In November 2009, the board approved a policy to reflect legislative changes to the statutory definition of "farm and agricultural land" to include specific standing crops such as short-rotation hardwoods and Christmas trees.

Since then, staff learned that a separate 2009 bill (Senate House Bill 1733) further broadened the statutory definition in response to a Department of Revenue rule. This bill adds to the definition:

"any land that is used primarily for equestrian related activities for which a charge is made, including, but not limited to, stabling, training, riding, clinics, schooling, shows, or grazing for feed and that otherwise meet the [acreage and gross income requirements of the statute]"
RCW 84.34.020(2)(g)

As a result of this statutory change, land used for these activities now is eligible for current use valuation as farm and agricultural land. For example, if a horse boarding operation allows the boarded horses to graze, then the "sale" of the pasture forage constitutes the sale of an agricultural product. The board policy needs to be amended to reflect this statutory change. The

board can decide in the future whether to weight commercial equestrian projects differently than other farmland projects.

Public Comment on Policy Proposals

On January 1, 2010, RCO staff released the proposed changes to the environmental values criteria and eligibility of community gardens for public comment via email and the agency web site. We received three written comments (Attachment B).

- Two of the three respondents asked about the reference to salmonids in the first criterion. Staff responded that salmonids are specifically included because it is the only species specifically called out in the program statute. The project will not automatically receive additional points if salmonids use the site. Staff added a footnote to the word "species" at the recommendation of the Biodiversity Council in order to emphasize a wide scope of species that the questions consider.

The addition of equestrian related activities to the program definition was not in the public review draft because staff learned of the change after the comment period had closed. This change is required to align program and statutory definitions. Staff has informed key stakeholders about this change.

Next Steps

If approved by the board the policies will be incorporated into RCO policy manual 10f (WWRP Farmland Preservation Program) for use in the 2010 grant round.

Attachments

Resolution 2010-05

- A. Proposed Environmental Values Criteria
- B. Summarized Public Comment

Recreation and Conservation Funding Board
Resolution #2010-05
Changes to WWRP Farmland Preservation Program

WHEREAS, applicants and evaluators in the Farmland Preservation Program have suggested that the environmental values criteria should be clarified and should better consider how farms can provide environmental benefits while promoting agricultural productivity; and

WHEREAS, the Farmland Preservation Advisory Committee suggested that community gardens be excluded from Farmland Preservation Program eligibility in order to be consistent with the program's purpose of protecting farmlands to maintain them in agricultural production; and

WHEREAS, the 2009 Legislature amended the definition of "farm and agricultural land" to include land that is used primarily for commercial equestrian activities; and

WHEREAS, Recreation and Conservation Office (RCO) staff developed policies to address these issues; and

WHEREAS, RCO staff circulated this policy proposal for review and comment from the general public and among people that have asked to be kept informed about the Farmland Preservation Program thus supporting the Recreation and Conservation Funding Board (board) objective to conduct its work in a fair and open manner; and

WHEREAS, adopting these revisions would further the board's strategic goal to "[f]und the best projects as determined by the evaluation process";

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt the following policies:

- Exclude community gardens from Farmland Preservation Program funding eligibility;
- Revise the Farmland Preservation Program Environmental Values evaluation criteria as written in Attachment A for clarity and to consider how farms can provide environmental benefits while promoting agricultural productivity; and
- Update the program definition of "farm and agricultural land" to align with statutory authority; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement this revision beginning with the 2010 Washington Wildlife and Recreation Program grant cycle.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Proposed Environmental Values Criteria

Staff proposes replacing the environmental values section of the existing criteria as follows:

Environmental values (for evaluating acquisition-only projects)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<ol style="list-style-type: none"> 1. Is the type and quality of habitat found on this property specifically recommended for preservation as part of a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region wide prioritization effort? Does the property contribute to recovery efforts for endangered, threatened, or sensitive species? What specific role does the habitat play in supporting this/these species? (maximum 9 points) 2. Describe the ecological and biological quality of the habitat and its benefits to fish and wildlife. What species/communities benefit from habitat on this property? How is this habitat important in providing food, water, cover, connectivity, and resting areas? Are other protected lands near or adjoining this farm managed in a manner that is complementary or compatible for these species? Is the farm property part of the larger ownership? If so, describe management of the larger ownership. (maximum 9 points) 3. Is there an existing or proposed environmental management/ stewardship plan or conservation plan for the farm/ranch? Is the farm/ranch certified under some sort of sound environmental practices or sustainability program? Describe any stewardship activities undertaken by the landowner in the past and the results of those efforts. (maximum 4 points) 	<ol style="list-style-type: none"> 1. <u>Species¹ and Habitat Support</u>: Which species does the property support? How does the property support the species that use it? (10 points) <ol style="list-style-type: none"> a. Describe the species that rely on the property for all or part of their life functions. Which, if any, endangered, threatened, or sensitive species does the property help recover? What, if any, are the benefits to salmonids? b. How do the species use the property? (For example: migration, connectivity to habitat, food, water, cover, breeding and/or resting areas. The property may be important for a species entire lifecycle, or may serve a critical function during part of its lifecycle, such as seasonal habitat for migratory species). c. What is the quality of the habitat provided? (Are the size, condition and other characteristics of the habitat adequate to support the species? If not, describe the quality and indicate if the property contributes important habitat to surrounding protected lands that, when combined, adequately support the species. Be specific.) d. What would the impact to the identified species be if this habitat were converted? (How much does each species rely on this particular habitat?)

¹ Species can include, for example, invertebrates, plants, and fungi.

	<p>2. <u>The Bigger Picture</u>: How does protecting this property fit with local, regional, statewide conservation objectives? (8 points)</p> <ul style="list-style-type: none"> a. Other than benefits that support specific species, what are the other environmental benefits of protecting the property, such as aquifer recharge, flood control, connectivity to other protected land, air and/or water quality improvement, etc? b. Which local, regional, and/or statewide plans support protecting the identified species and/or habitat? (For example: a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region-wide prioritization effort). Which, if any, plans identify this property as being important for conservation? Which priorities in the identified plan(s) are addressed by protecting this property? <p>3. <u>Agricultural Productivity</u>: How does the agricultural productivity of this property enhance its environmental values? (4 points)</p> <ul style="list-style-type: none"> a. Describe how agricultural production activities on this property can benefit the environment. (For example: seasonal grazing to control weeds; hedgerows or other plantings to attract pollinators, and provide habitat for birds who factor into an integrated pest management plan; crops that provide habitat for small rodents, which in turn become food for area raptors.) Describe any past stewardship activities that have taken place on the property. What were the results of these activities?
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Environmental values (for evaluating acquisition + restoration/enhancement projects)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<ol style="list-style-type: none"> 1. Enhancement or restoration projects must further the ecological functions of the farmlands. <ol style="list-style-type: none"> a. Consider the current habitat values of the property. How is this habitat important in providing food, water, cover, connectivity, and resting areas? Has the landowner already undertaken successful stewardship activities on the farm/ranch? (maximum 2 points) b. Consider the benefits to fish and wildlife species, especially endangered, threatened or sensitive species, including benefits to plant and animal communities and the habitat on which they depend (maximum 3 points) c. Benefits to habitat forming processes, for example restoring the ability of a river or stream to transport gravel and fine sediment or restoring native riparian vegetation to provide for a future source of shade, detritus and woody debris (maximum 4 points) 2. Consider the likelihood that the anticipated benefits will be realized. This would be based on the use of accepted methods, sound project design and siting, etc. <ol style="list-style-type: none"> a. The project is based on accepted methods of achieving beneficial enhancement or restoration results (maximum 3 points) b. The project is likely to achieve the anticipated benefits. Consider siting, project type, management/stewardship plan, proposed monitoring and evaluation (maximum 6 points) 	<p>Briefly describe the restoration/enhancement activity.</p> <ol style="list-style-type: none"> 1. <u>Species and Habitat Support</u>: How will the project further the ecological function of the land? (8 points) <ol style="list-style-type: none"> a. Describe the species that will rely on the property for all or part of their life functions. Which, if any, endangered, threatened, or sensitive species will the property help recover? What, if any, are the expected benefits to salmonids? b. How do the species use the property? (For example: migration, connectivity to habitat, food, water, cover, breeding and/or resting areas) c. What's the quality of the habitat that will be provided? (Will the size, condition and other characteristics of the habitat be adequate to support the species? If not, do surrounding protected lands provide quality habitat that will adequately support the species? Be specific.) d. How will the proposed restoration/enhancement activity benefit the species identified above? (How much will each species rely on this particular habitat?) 2. <u>The Bigger Picture</u>: How will protecting this property fit with local, regional, and/or statewide conservation objectives? (6 points) <ol style="list-style-type: none"> a. Other than benefits that support specific species, what are the other environmental benefits of protecting the property, such as aquifer recharge, flood control, connectivity to other protected land, air or water quality improvement, etc? b. Which local, regional, and/or statewide plans support protecting the identified species and/or habitat? (For example: a watershed plan or habitat conservation plan, the Washington State Natural Heritage Plan, or a coordinated region-wide prioritization effort.)

Existing Language (to be Replaced): 22 Points	Proposed New Language: 22 Points
<p>3. Does the proposed restoration or enhancement address needs or priorities identified in a limiting factors or critical pathways analysis, a watershed plan or habitat conservation plan, a listed species recovery plan, the Washington State Natural Heritage Plan, or a coordinated region wide prioritization effort? (maximum 4 points)</p>	<p>Which, if any, plans identify this property as being important for conservation and/or restoration? Which priorities in the identified plan(s) are addressed by protecting this property?</p> <p>3. <u>Likelihood of Success</u>: What is the likelihood that the restoration or enhancement will achieve the anticipated benefits for species and habitat? (4 points)</p> <p>a. Describe how the proposed restoration or enhancement activities will achieve the benefits for species and habitat. Are they generally accepted methods of achieving beneficial enhancement or restoration results? (For example: Who recommended the proposed activities as appropriate for this property? Was the recommendation made as part of a conservation or stewardship plan? What is the relevant expertise of the person who wrote that plan? Do the activities enjoy widespread support?)</p> <p>b. Describe any past stewardship activities that have taken place on the property. What were the results of these activities?</p> <p>4. <u>Agricultural Productivity</u>: How will the restoration or enhancement promote agricultural productivity? (4 points)</p> <p>a. Describe how the proposed restoration or enhancement activities will promote agricultural productivity. (For example, if the proposal is to install water efficiencies, describe how that will allow the farmer to produce greater crop yields. If the proposal is to install a livestock well, describe how that will not only benefit water quality, but will support an increase in animal units. Address how the benefits to productivity do not cancel out the environmental benefits described in number 1. For example, describe how the lack of water may have been a limiting factor on the property, and how the increased number of livestock now supported by the well will not lead to exceeding the carrying capacity of the land).</p>

Summarized Public Comments on Proposal

The following remarks have been edited for brevity.

Commenter	Summarized Comments	Staff Response (if applicable)
Sandra Staples-Bortner Great Peninsula Conservancy	<p>We appreciate the revised format based on three to four themes. We feel question 1(a) might put too much emphasis on salmonids, overshadowing the presence of other endangered, threatened, sensitive, or common species that use the property.</p> <p>We suggest consolidating the queries wherever possible to simplify each section and avoid repeating questions.</p>	<p>Salmonids are specifically included because it is the only species specifically called out in the program statute. The project will not automatically receive additional points if salmonids use the site.</p>
	<p>We think you should consider combining questions 1c and 2b and use more descriptive language.... There are various ways to measure quality and intensive field research may be needed to adequately address a question of this breadth.... It is a complex question, and we think there is overlap with questions 1a through 1c, which all relate to the issue of habitat quality in some regard.</p>	<p>Stakeholders recommended that adding more questions that address specific issues will be more helpful to applicants than combining several questions in one query, which could be more confusing.</p>
	<p>Consider moving the "Bigger Picture" questions to the beginning of the Environmental Values Evaluation.</p>	<p>Question 2b asks which plans support protecting the habitat in order to identify how and whether the project is a conservation priority. It might be assumed that local, regional, and statewide plans consider habitat quality when developing conservation priorities, but question 1c allows program evaluators to more directly consider habitat quality when scoring environmental values.</p>
	<p>We agree with the addition/revision of the Likelihood of Success and Agricultural Productivity sections. The questions recognize organizational capacity as well as stewardship activities that add value to the environment. Applicants or landowners may not have been able to highlight these types of practices in the past.</p>	<p>Staff believes it will be easier for applicants to address the more narrow question before the wider question</p>
	<p>We recommend retaining community gardens as eligible for Farmland Preservation Program funds. We feel community garden projects can help preserve agricultural land and promote the restoration of habitat</p>	<p>Staff is reluctant to make this change. Stakeholder group and public response was unanimous in recommending exclusion of community gardens from eligibility.</p>

Commenter	Summarized Comments	Staff Response (if applicable)
Tom Niemann, Snohomish County Planning and Development Services	<p>We strongly support RCO's proposal to exclude community gardens from eligibility....</p> <p>Based on our experience with the RCO project evaluation process, we strongly support the revision and clarification of the environmental values evaluation criteria. However, we would like to suggest amendments to the proposed criteria for acquisition-only projects:</p> <p>Reduce the maximum number of points available for question 1 to eight points and increase the maximum number of points available for question 3 to six points;</p> <p>Add values to question 3 to those found in B3 of the current criteria to that farmers can continue to receive credit for environmental management/conservation plans and land stewardship activities;</p> <p>Under question 3, change "Describe how this property's production of agriculture can benefit the environment" to read "Describe how agricultural production activities on this property can benefit the environment."</p>	<p>Staff did not change the point values in order to be consistent with the acquisition + restoration/ enhancement section.</p> <p>Staff added language accordingly.</p> <p>Staff made the change accordingly.</p>
Cindy Ray, Soap Lake Farmer	<p>I support excluding community gardens I don't see them as farmland and think a different funding source is more appropriate.</p> <p>I also support the proposed Environmental Values Revision. I prefer the language for questions #3 and #4 in Acquisition and Restoration/ Enhancement to the language in Acquisition only. It is great to see a 'Likelihood of Success' section with requests for a plan with follow through.</p> <p>I am curious why in #1a. salmonids are the only species specified. Shouldn't we include all species?</p> <p>#1c. - I really am pleased to see the criteria specify the piece of property the application is for. Most past applicants talked about statewide or regional efforts.</p>	<p>Salmonids are specifically included because it is the only species specifically called out in the program statute.</p>

Item 8

Meeting Date: March 2010
Title: Critical Updates for Land and Water Conservation Fund
Prepared By: Jim Eychaner, Policy Specialist

Approved by the Director:

Proposed Action: Decision

Summary

The Land and Water Conservation Fund (LWCF) provides federal money to the state to help pay for variety of outdoor recreation sites and facilities.

The Recreation and Conservation Funding Board (board) administers the LWCF Program in the state of Washington. The LWCF Advisory Committee has recommended adding a "design" question to the evaluation instrument.

Strategic Plan Link

Consideration of this addition supports the board's objectives to (1) develop strategic investment policies and plans so that projects selected for funding meet the state's recreation needs and (2) fund the best projects as determined by the evaluation process.

Staff Recommendation

RCO staff recommends that the board adopt a revised evaluation instrument, also known as a "priority rating system" via resolution #2010-07. This revision would:

- Add a design question for development projects
- Add an urgency/viability question for acquisitions, and
- Allow combined acquisition-development projects to compete by responding to both questions.

Background

The board approved the evaluation instrument (priority rating system) in March 2009. Following the 2009 grant round, the LWCF advisory committee asked that the RCO add an evaluation question to measure project design. In response, RCO staff wrote a design question that would help the evaluators to identify better development projects.

RCO staff realized that the design question needed to be balanced with an additional question to ensure that acquisition and combined acquisition-development projects could compete on

equal footing with development projects. Therefore, staff is proposing to add a second question called "urgency and viability."

Analysis

Staff anticipates that use of the additional question will allow better evaluation results. The new questions would be worth a total of 10 points, which evaluators would award as follows:

- Development projects will be evaluated with the "design" question, worth up to 10 points
- Acquisition projects will be evaluated with the "urgency and viability" question, worth up to 10 points
- Combination (acquisition and development combined) projects will be evaluated with both questions (up to 5 points for each), for a maximum total of 10 points

This model has been used successfully in the Washington Wildlife and Recreation Program's "urban parks" category.

As shown in the tables below, RCO is not proposing to remove or modify any of the questions used in 2009 (questions 3 through 7 in Table 1 are renumbered as 5 through 9 in Table 2).

Table 1: Priority rating system approved in March 2009

Score	#	Question Title	Score and Multiplier	Max. Points	Priority
Team	1	Consistency with SCORP	0-5 (x 3)	15	SCORP
Team	2	Need	0-5 (x 3)	15	SCORP
Team	3	Federal grant program priorities	0-5 (x 2)	10	LWCF
Team	4	Readiness	0-5	5	LWCF
Team	5	Cost Efficiencies	0-5	5	LWCF
Staff	6	Population Proximity	0-3	3	State law
Staff	7	Applicant Compliance	0-5	5	NPS Policy
Total Points				58	

Table 2: Proposed priority rating system for 2010 applications

Score	#	Question Title	Score and Multiplier	Max. Points	Priority
Team	1	Consistency with SCORP	0-5 (x 3)	15	SCORP
Team	2	Need	0-5 (x 3)	15	SCORP
Team	3	Project Design	<i>Development</i> 0-5 (x 2) <i>Combination</i> 0-5 (x 1)	10 <i>or</i> 5	LWCF
Team	4	Urgency-viability	<i>Acquisition</i> 0-5 (x 2) <i>Combination</i> 0-5 (x 1)	10 <i>or</i> 5	LWCF
Team	5	Federal grant program priorities	0-5 (x 2)	10	LWCF
Team	6	Readiness	0-5	5	LWCF
Team	7	Cost Efficiencies	0-5	5	LWCF
Staff	8	Population Proximity	0-3	3	State law
Staff	9	Applicant Compliance	0-5	5	NPS Policy
Total Points				68	

Public Involvement

In addition to review by the LWCF Advisory Committee, the proposed criteria were made available to the public via email and the agency in February 2010. We received eight written comments (Attachment B).

- Five favored the proposal as presented, or with minor edits.
- One respondent suggested that the urgency/viability question be adopted, but that the design question be clarified.
- Two strongly opposed the proposal based on its perceived effect on smaller communities or land trusts. Staff noted that land trusts are not eligible sponsors in this program.

Next Steps

If approved, staff will publish the revised criteria in Manual 15 for the 2010 grant cycle.

Attachments

Resolution #2010-07

- A. Revised Policy Language
- B. Summarized Public Comments

Recreation and Conservation Funding Board
Resolution #2010-07
Critical Updates for Land and Water Conservation Fund

WHEREAS, RCW 79A.25.130 authorizes the Recreation and Conservation Funding Board (board) and Recreation and Conservation Office (RCO) Director to participate in federal programs respecting outdoor recreation and conservation; and

WHEREAS, the Land and Water Conservation Fund (LWCF) is managed in cooperation with the National Park Service to benefit outdoor recreation and conservation in Washington State; and

WHEREAS, projects proposed for LWCF funding are evaluated by a standing advisory committee of citizens and professionals using a priority rating system intended to identify the best projects; and

WHEREAS, RCO staff cooperated with the advisory committee to improve the priority rating system and developed and circulated a policy proposal for public review and comment, thereby promoting the board's goal to ensure the work of the board and staff is conducted with integrity and in a fair and open manner; and

WHEREAS, adopting this revision would further the boards' goal to develop strategic investment policies and plans so that projects selected for funding meet the state's recreation needs;

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt the new policy language (evaluation questions) shown in Attachment A to the March 2010 board memo to add two questions to the priority rating system; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement this policy beginning with the 2010 grant cycles.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Policy Language

Proposed Language

The following is proposed for inclusion in Manual 15, LWCF Program: Policies and Project Selection (Section 3).

Question 3. Project Design. Development or combination projects answer this question. Is the project well designed? Will the project result in a quality recreational opportunity while protecting the integrity of the environment?

Some design elements that may be considered include accuracy of cost estimate, aesthetics, maintenance requirements, materials, phasing, risk management, recreational experience, spatial relationships, universal accessibility, and user friendly design.

- What percentage of the design is completed to date? Is the design in the conceptual phase or has a master plan been developed? Was the master plan adopted by governing body?
- Does the project demonstrate good design criteria; does it make the best use of the site?
- Does the design provide equal access for all persons, including those with disabilities?
- Does the proposed design consider protecting the natural resources on site? For example, does the project include low impact development techniques, green infrastructure, or environmentally preferred building products?
- Is the site design visually integrated into the landscape features?
- How well does the design appear to accommodate the projected use?
- Suitability of the site. What is the nature and condition of existing surrounding land use as well as future concerns such as shoreline designation, zoning, comprehensive or project-specific planning?
- How likely are the proposed public use facilities given the required regulatory and proprietary approvals, funding, etc?
- Design complements the described need
- Ease of maintenance
- Realistic cost estimates provided
- For a trail project, does the design provide adequate surfacing, width, spatial relationships, grades, curves, and switchbacks, road crossings, and trailhead locations?

- | | |
|---|--------------|
| a. Poor design evidence presented | (0 points) |
| b. Design adequately addresses some of the above considerations | (1-2 points) |
| c. Design adequately addresses most or all the above considerations | (3 points) |
| d. Design addresses the considerations in an outstanding manner | (4-5 points) |

Evaluators award a maximum of 5 points that are later multiplied by 2 for development projects and 1 for combination projects.

4. Urgency and Viability. Acquisition or combination projects answer this question.

Why purchase this particular property at this time? How viable are the anticipated future uses and benefits of the site?

- If LWCF funding is not made available, will high priority outdoor recreation property be lost?
- What are the alternatives to acquiring the property?
- Is there an immediate threat or will the property be available for acquisition or development at a later time?
- What is the likelihood that the property will be converted to a non-recreational use if the property is not acquired now?
- Is there a threat to the public availability of the resources at the site?
- Will the site be available immediately for public use or will the site require some improvement to make it available for public use? If improvements are necessary, what is the timeframe for implementing future site improvements?
- Describe land management practices in the area that may affect the viability of the site?
- Who will maintain the site and what resources are necessary and available for maintenance for the site?
- Suitability of the site. What is the nature and condition of existing surrounding land use, as well as potential future concerns such as shoreline designation, zoning, comprehensive or project-specific planning?

- | | |
|--|--------------|
| a. Little evidence presented | (0 points) |
| b. Adequate evidence to address some of the above considerations | (1-2 points) |
| c. Adequate evidence to addresses most or all the above considerations | (3 points) |
| d. Thorough and convincing evidence | (4-5 points) |

Evaluators award a maximum of 5 points that are later multiplied by 2 for acquisition projects and 1 for combination projects.

Summarized Public Comments

Person/Organization	Comments (Edited for brevity)	RCO Staff Reply
Dave Schwab, Eastmont Parks	The questions seem to be applicable and worded well for acquisition consideration projects.	Thank you.
John Keats, Mason County Parks seems reasonable to me.	Thank you.
Al LePage, Director, National Coast Trail Association	Given the questions and the rationale offered relative to them, they seem both reasonable and important additions to include. Therefore, my overall response is a positive one, to indeed include them.	Thank you.
Heather Ramsay, National Park Service	For consistency, do you want to include example scoring on the acquisition question like you did on the development question? (e.g. 0-1 points, project does not meet any of the parameters above - or something like that).	Thank you. We will add example scoring for consistency.
Randy Person, State Parks	<p>This idea has worked well in the past, and I believe it would in the future.</p> <p>I don't recall the exact language used previously, but suggest not including buzz words like "innovative." Innovation and new ideas are great, but I'd also be happy to fund a project that hit all the solid basic design principles.</p> <p>Good design should be part of an LWCF project, and an acquisition project that's viable and needed is a good counterpart.</p>	<p>Thank you.</p> <p>We do not propose to use the word "innovative."</p>
Su Dowie, Thea Foss Waterway Development Authority	It is prudent to add the additional qualifiers to the evaluation in order to determine the urgency and/or readiness of a project. However, I do wonder about what you mean by "design". This is a term that likely needs definition.	We attempted to leave the definition of "design" somewhat open. We will monitor use of the question, if approved, and determine if a definition needs to be added in the future.

Person/Organization	Comments (Edited for brevity)	RCO Staff Reply
Ken Wilcox, Skookum Peak Consulting	<p>Based on my experience (20 years) working with clients, many of whom are smaller cities and rural counties, my reaction to the proposed questions was negative on both counts.</p> <p>I'm concerned that the design question might invite the review committee and RCO staff to second-guess proposals, potentially imposing their own sense of good design, rather than deferring important design decisions to the proponent. It would stifle, I think, rather than encourage creativity and innovative design. Proponents might tend to focus on tried-and-true designs that received recent grants, rather than designing to meet their own needs and desires.</p> <p>Flashier, more advanced designs from better funded cities and counties could trump conceptual or preliminary designs submitted by smaller communities which lack sufficient staff or funding to hire architects and engineers. The emphasis on design would also seem to squash opportunities for design-build projects as an option, perhaps an unintended consequence.</p> <p>The viability/urgency question again allows the RCO to second-guess the effort. Smaller counties have fewer projects to choose from in the first place and there may still be a few kinks to sort out after funding is approved, so it seems a little unfair to ask a small county to rise to the same high standard of viability and urgency as Seattle or Pierce County.</p> <p>These new questions are unnecessary and may end up doing more harm than good, and that existing criteria are more than adequate to ensure that projects are responsibly planned and designed.</p>	<p>The design question was requested by the LWCF advisory committee. The advisory committee seeks to better understand applicant's "needs and desires" as they perform their evaluation duties. Evaluation by a committee in an open public forum is intended to minimize "second guessing" or manipulation of scores.</p> <p>RCO staff assists applicants prior to evaluation. Staff may refer to past projects that were successful from a grant and implementation perspective. RCO seeks to support applicants in meeting their "own needs and desires," and defers to the advisory committee for actual project evaluation.</p> <p>In State Fiscal Year 2010, Bremerton and Port Orchard were the only grant recipients, scoring higher than proposals from King County and Tacoma MPD. In the prior grant round, Tenino and Camas were two of the four successful applicants.</p> <p>We see no evidence that smaller communities cannot submit well-designed projects, or have any less urgent need for parks and recreation sites and facilities than larger communities.</p>

Person/Organization	Comments (Edited for brevity)	RCO Staff Reply
<p>Mike Denny, Riparian Coordinator, Walla Walla Conservation District</p>	<p>I am writing to urge the RCO not to assign 10 points to acquisitions.</p> <p>This would make LWCF just like WWRP and would penalize those organizations such as conservation districts and Regional Fisheries Enhancement Groups that are not set up to acquire or hold lands. This very issue precluded conservation districts from competing in the WWRP grant evaluations.</p> <p>By providing 10 points for design and 10 points for land acquisition you still are biased towards acquisitions. Conservation districts and RFEGs are not ever going to hold lands and will therefore never get the 10 points for acquisitions. So some organization that gets both design credit and purchase credit points will always get a higher ranking.</p> <p>There are many projects that need doing for the resources sake and yet the conservation organization cannot purchase the property. Remember this is about long-term protection of a site and if it requires other agreements to protect the resource such as letting the local land trust negotiate a conservation easement. So, I would include 10 points for local Land Trust Conservation Easement. This is the only way that CDs and RFEGs could "acquire" lands.</p>	<p>We note that Conservation Districts (CDs) and Regional Fisheries Enhancement Groups (RFEGs) are not normally proponents of <u>recreation</u> projects.</p> <p>Land Trusts are not eligible to apply for or receive LWCF funds; therefore, we will not propose to add points for a land trust conservation easement.</p>

Item 9

Meeting Date: March 2010
Title: Nonprofit Eligibility
Prepared By: Jim Eychaner, Policy Specialist

Approved by the Director:

Proposed Action: Decision

Summary

In 2008-09, the Legislature amended RCW 79A.15.030 to open the Washington Wildlife and Recreation Program Riparian and Farmlands categories to the State Conservation Commission and nonprofit nature conservancy organizations. Staff is proposing eligibility criteria for nonprofit nature conservancy organizations.

Staff Recommendation

Recreation and Conservation Office (RCO) RCO staff recommends that the Recreation and Conservation Funding Board (board) adopt the revised policies via resolution #2010-08.

Specifically, these policies would:

- For the Farmland and Riparian Categories:
 - Require nonprofit nature conservancy organizations or associations to be registered with the Secretary of State, identify a successor organization as required by state law, and demonstrate 3 years experience in managing activities related to the WWRP category for which they intend to apply;
 - Require first-time applicants to meet the board's long-standing requirement to submit a legal opinion that affirms the applicant's eligibility, and
- For the Riparian Category Only:
 - Require applicants to submit a plan that meets the elements found in WAC 286-27-040.

Strategic Plan Link

Consideration of these policy changes supports the board's strategies to (1) develop strategic investment policies and plans so that projects selected for funding meet the state's conservation

needs and (2) expand the reach of grant programs by broadening applicant pool for grant programs.

Background

Staff reviewed the eligibility requirements of other board-managed grant programs that allow nonprofit organizations to complete: for example, Youth Athletic Facilities (YAF) and Firearms and Archery Range Recreation (FARR). In that review, staff found the following:

- State law requires registration with the Secretary of State and identification of a successor organization.
- Three years' experience in activities relevant to the grant in question has worked well in other programs.
- Since 1965, board policy has required that the sponsor provide a legal opinion that affirms the sponsor's eligibility because it eliminates staff error and helps prevent unnecessary disagreements over eligibility with potential applicants.
- The planning requirement is based on state law and Washington Administrative Code, and demonstrates that an applicant has the resources necessary to complete a project, if funded, and that the public has had an opportunity to become informed of the proposed actions.

Public Involvement

Staff formed a stakeholder group and provided them with a preview of an initial proposal for nonprofit eligibility in July 2009. Based on stakeholder feedback, staff revised the proposal and sent it to a broader list of interested parties in August 2009. Comments received fell into two major groups: (1) nonprofits that objected to the planning requirement details, especially public involvement, and (2) public agencies that insisted on a high standard for nonprofit planning, including public involvement.

To understand these objections and find a way forward, staff held an informal workshop on the issues on October 28, 2009. Staff used workshop results to revise the proposed eligibility requirements.

The board heard additional nonprofit comments at its November 2009 meeting and provided direction to staff, concerning approaches to public involvement in the planning requirements. Staff revised the proposed requirements and sent them to the stakeholders who had commented on previous versions. We received no substantive comments on the revised proposal.

Analysis

The proposed eligibility requirements are based on models that the RCO has used successfully in other grant programs. Only two comments were received on the final proposal. The Greater Peninsula Conservancy appreciated the new flexibility in the proposed planning requirements. Clark-Vancouver Parks asked about "successor organizations," a question answered by reference to the RCW. Although the proposed planning requirement is an attempt to meet nonprofit needs, there is continuing tension between the views of nonprofits and some local agencies regarding meaningful public involvement in the planning process. Note that the new law regarding the planning requirement applies to the riparian category only.

Next Steps

If approved, the eligibility requirements will be published in Manual 10b *Washington Wildlife and Recreation Program Habitat Conservation Account and Riparian Protection Account* and in Manual 10f, *Washington Wildlife and Recreation Program Farmland Preservation Program*.

Attachments

Resolution #2010-08

- A. Revised Policy Language
- B. Summarized Public Comments

Recreation and Conservation Funding Board
Resolution #2010-08
Nonprofit Eligibility in Certain Board Grant Programs

WHEREAS, the Legislature amended RCW 79A.15.120 to allow nonprofit nature conservancy organizations or associations and the state Conservation Commission to compete for grants in the Washington Wildlife and Recreation Program's Riparian Protection Account (RPA), and

WHEREAS, the Legislature amended RCW 79A.15.130 to allow nonprofit nature conservancy organizations or associations and the state Conservation Commission to compete for grants in the Washington Wildlife and Recreation Program Farmland Preservation Program (FPP); and

WHEREAS, the Recreation and Conservation Funding Board (board) has adopted policies regarding nonprofit eligibility for grants in other programs and used these policies as the basis for language to fulfill the statutory mandate; and

WHEREAS, Recreation and Conservation Office (RCO) staff developed and circulated a policy proposal for public review and comment, thereby promoting the board's goal to ensure the work of the board and staff is conducted with integrity and in a fair and open manner.; and

WHEREAS, RCO staff worked directly with concerned stakeholders to meet legal requirements and direction received from the board in November 2009; and

WHEREAS, adopting this revision would further the boards' strategies to (1) develop strategic investment policies and plans so that projects selected for funding meet the state's conservation needs and (2) expand the reach of grant programs by broadening applicant pool for grant programs;

NOW, THEREFORE BE IT RESOLVED, that the board does hereby adopt policies in the WWRP FPP and RPA to require nonprofit organizations or associations to be registered with the Secretary of State, identify a successor organization, and demonstrate at least 3 years experience in managing activities related to the category for which they applied; and

BE IT FURTHER RESOLVED, that the board does hereby adopt policies in the WWRP FPP and RPA to require first-time applicants to submit a legal opinion that affirms the applicant's eligibility; and

BE IT FURTHER RESOLVED, that the board does hereby adopt policies in the WWRP RPA to require applicants to submit a plan that meets the elements found in WAC 286-27-040; and

BE IT FURTHER RESOLVED, that the board directs RCO staff to implement these policies beginning with the 2010 grant cycles.

Resolution moved by: _____

Resolution seconded by: _____

Adopted/Defeated/Deferred (underline one)

Date: _____

Policy Language

Proposed Language

The following is proposed for inclusion in Manuals 10b Washington Wildlife and Recreation Program Habitat Conservation Account and Riparian Protection Account (Section 1); and 10f Washington Wildlife and Recreation Program Farmland Preservation Program (Section 1).

Nonprofit nature conservancy corporations or associations must meet the following eligibility requirements:

1. Be registered in the State of Washington as a nonprofit as defined by RCW 84.34.250
2. Consistent with RCW 24.03.220, RCW 24.03.225, and RCW 24.03.230, identify a successor organization fully qualified to ensure management continuity of any WWRP grants received by the corporation or association, and
3. Demonstrate at least three years' activity in managing projects relevant to the types of projects eligible for funding in the applicable Washington Wildlife and Recreation Program category. "Activity in managing projects" means the tasks necessary to manage an on-the-ground riparian or farmland project, such as negotiating for acquisition of property rights, closing on an acquisition, developing and implementing management plans, designing and implementing projects, securing and managing the necessary funds regardless of fund source, and other tasks.

Note: "Farmland" category applicants must also demonstrate:

- a. The preservation of agricultural lands as a priority of the organization; and
- b. An ability to manage, monitor, and enforce agricultural conservation easements.

The RCFB requires all organizations wishing to apply for an RCFB grant for the first time to submit a legal opinion that the applicant is eligible to:

- Receive and expend public funds including funds from the Recreation and Conservation Funding Board;
- Contract with the State of Washington and/or the United States of America; Meet any statutory definitions required for BOARD grant programs;
- Acquire and manage interests in real property for conservation or outdoor recreation purposes;
- Develop and/or provide stewardship for structures or facilities eligible under board rules or policies;

- Undertake planning activities incidental thereto; and
- Commit the applicant to statements made in any grant proposal.

Note that the legal opinion is required only once to establish eligibility.

The following is proposed for inclusion in Manual 10b Washington Wildlife and Recreation Program Habitat Conservation Account and Riparian Protection Account (Section 1)

Nonprofit nature conservancy corporations or associations must meet the planning requirements of WAC 286-27-040 for the riparian category. To meet the planning requirement, corporations or associations must do **one** of the following:

1. Submit a corporate or association developed plan that meets WAC 286-27-040; OR
2. Submit a shared jurisdiction plan that meets WAC 286-27-040; OR
3. Submit a cooperative plan that meets WAC 286-27-040; OR
4. Certify that the corporation or association has published a plan or document that has been accepted or incorporated into a plan or program managed by a public agency for public purposes. For example, an "ecoregional assessment" accepted or incorporated by the Washington Department of Fish and Wildlife or the Biodiversity Council or other public agency would meet this requirements; OR
5. For the state's 2011-2013 biennium only, submit a plan that in its current form may lack one or more elements required by WAC 286-27-040, accompanied by a statement of how the elements will be addressed prior to the beginning of the biennium's riparian grant evaluation process. For example, if a plan has been published, but public involvement has not been completed, submit the plan with a statement of what kind of public review will be undertaken and when the public review will be completed.

Summarized Public Comments

Commenter	Summary of Comments	Staff Response
Peter M. Mayer, Director Vancouver-Clark Parks and Recreation	<p>Are there qualifications for a successor organization to ensure that there is a high probability that the organization will be operational and capable of assuming responsibilities should the primary organization be unable to do so?</p> <p>We suggest adding the following to the definition of "Activity in managing projects":</p> <ul style="list-style-type: none"> • coordinating with partner agencies and jurisdictions, • providing for an appropriate amount of public participation, • securing necessary permits and approvals • successfully managing and maintaining projects 	<p>The qualifications are found in RCW 24.03.220, RCW 24.03.225, and RCW 24.03.230</p> <p>The tasks listed are found elsewhere in the current manual or the proposal.</p>
Sandra Staples-Bortner, Executive Director Great Peninsula Conservancy	<p>We appreciate that the revised 'legal opinion' section has been streamlined a bit to focus on matters of law. However, we still feel that a 'legal opinion' is not the correct vehicle to address some of the items on that list (for example, 'undertake planning activities incidental thereto'). I would like to stress that we are not opposed to the RCO requirement that nonprofit nature conservancy organizations conduct planning activities relative to our grant applications, we simply do not believe that a legal opinion is the way to answer this question.</p> <p>As for the revised planning requirements, we appreciate the new flexibility that has been added to this section to allow nonprofit nature conservancy organizations adequate time to meet the planning requirement, specifically the public comment requirement.</p>	<p>The legal opinion is simply a one-time submission stating that in an attorney's opinion, the organization is eligible under state law, meets additional criteria established by board, and has the capacity to undertake tasks necessary to receive and manage grants. A legal opinion is not needed to declare that a plan has been done.</p>

Item 10

Meeting Date: March 2010
Title: Incorporating Sustainability into RCO Grant Programs
Prepared By: Jim Eychaner, Policy Specialist

Approved by the Director:

Proposed Action: Briefing

Summary

This memo is a follow-up to an October 2009 staff briefing on the concept of “sustainability” and its relationship to Recreation and Conservation Funding Board (board) grant programs.

Strategic Plan Link

The board’s mission states that it will “Provide leadership and funding to help our partners protect and enhance Washington’s natural and recreational resources for current and future generations.” Consideration of sustainability is key to implementing the mission for future generations. Further, such consideration supports the board’s strategies to (1) develop and coordinate plans and strategies that look to the future and balance investments across a range of recreational activities, (2) evaluate programs that encourage stewardship, and (3) be accountable for its investments.

Background

In its previous presentation to the board, staff focused on RCW 39.35.030 (standards for major facility projects) and criteria found in Leadership in Energy and Environmental Design, better known as LEED.

The board asked staff to research additional concepts including social, economic, and environmental sustainability, a more comprehensive look at LEED, The Natural Step, potential sponsor threshold sustainability requirements, and how to encourage (rather than require) sustainability from grant recipients.

The result of staff research is the paper called “Approaches to Policies to Promote Sustainability through the Recreation and Conservation Funding Board.”

Analysis

Staff will brief the board on the major issues, policy questions, and potential actions. The attached white paper provides analysis on the possible approaches.

Next Steps

Staff will seek additional direction from the board.

Attachments

- A. Summary of ideas from the sustainability white paper
- B. Research paper, "Approaches to Policies to Promote Sustainability through the Recreation and Conservation Funding Board"

Summary of Ideas from the Sustainability White Paper

Grant Programs

- Grant programs could be restructured to give more weight, more evaluation points, or more money to projects demonstrating sustainable practices
 - Weight/points for program-relevant elements:
 - Water conservation techniques
 - Use of recycled or on-site materials
 - Use of certified green building products
 - On-site energy independence (solar, wind)
 - Native plantings or low or no mow lawns
 - Reduced use of petroleum products (asphalt, fertilizer, etc.)
 - Green infrastructure (water infiltration, wetlands, pervious surfaces, green roofs)
 - Restoring brown fields to “green” space
 - Use of features that encourage alternative transportation to the site
 - Additional money over grant limits
 - Credit match requirement with “extra” costs of sustainable elements
- Make sustainable practices a requirement for program participation.
- Approach the Sustainable Sites Initiative about making a “sustainable Grant program” part of the case studies SSI is seeking to further develop its criteria.

Policy

- Declare that RCFB’s current practices address sustainability in a sufficient manner.
- Ensure that any RCFB-funded development be executed with sustainable practices as a specific goal.
- Ask grant applicants to have adopted policies to reduce greenhouse gas emissions.
- Declare that RCFB’s varied programs act as offsets for one another.
- Find that emissions from recreation-based sources a diminutive part of the state’s overall emission profile, and that this profile will be subject to national or international action such as cap and trade, cap and dividend, or other carbon limits legislation.
- Develop an estimated carbon footprint of the impacts and benefits of funded projects in all grant programs in a given biennium or grant cycle.
- Reduce or mitigate for emissions attributable to motor boating or NOVA activities.

Planning

- Incorporate sustainability concepts in internal policy and client planning requirements.
- Incorporate sustainability issues into the state comprehensive outdoor recreation plan (SCORP); the NOVA plan; or the Boating Programs Policy Plan.
- Require potential applicants to submit an approved plan to establish programmatic eligibility. RCFB could encourage, recommend, or require a sustainability element in those plans.

DRAFT

Approaches to Policies to Promote Sustainability through the Recreation and Conservation Funding Board



Jim Eychaner
Policy and Planning Specialist

March 2010



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Background

The Recreation and Conservation Funding Board (RCFB) has expressed interest in incorporating sustainability concepts into its grant programs. This paper discusses

- How Washington state government has defined sustainability;
- RCFB grant program consistency with these definitions;
- RCFB's authority for addressing sustainability;
- Relevant state law and Governor's Executive Orders;
- Models for implementing and measuring sustainable practices; and
- Potential actions for RCFB consideration.

It is assumed that RCFB will direct Recreation and Conservation Office (RCO) staff to work with the public and grant program stakeholders to identify or recommend appropriate actions.

Sustainability as Defined by Washington State Government

To *sustain* literally means to support, keep up, lengthen or extend, nourish, or take on. *Sustainability* is the property or characteristic of being able to sustain – being able to support, keep up, lengthen or extend, nourish, or take on.

From its beginnings in 1964, the Recreation and Conservation Funding Board has been concerned with a particular form of sustainability: that is, sustaining the state's investment in outdoor recreation and habitat over time. The Board and agency's organic legislation includes the provision

... land with respect to which money has been expended under RCW 79A.25.080 shall not, without the approval of the board, be converted to uses other than those for which such expenditure was originally approved.¹

This "non-conversion" clause has helped ensure sustained access to and enjoyment of the land and facilities paid for in whole or part with state funds managed by the RCFB.²

Since the 1960s, but especially in the late 20th and early 21st Centuries, the term *sustainability* has evolved to take on an environmental and ethical emphasis.

¹ RCW 79A.25.100

² This assumes both the RCFB and its clients have the tools needed to manage portfolios forever. This is not necessarily the case. RCO, for example, is not always able to describe the exact location and boundaries of land paid for in previous decades.

This emphasis may have originated in the 1987 "Brundtland Report," which defined sustainability as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."³

Washington State Government has adapted a variation of the Brundtland definition. Both the Office of Financial Management and the Department of Ecology currently define *sustainability* as "... a holistic approach to living and problem solving that addresses social equity, environmental health, and economic prosperity. To be sustainable, the economy must support a high quality of life for all people in a way that protects our health, our limited natural resources, and our environment."⁴

Washington State Parks defines sustainability as "An ethic that guides individual and organizational decisions resulting in the conservation of environmental, economic and human resources for current and future generations."⁵

Similarly, the Recreation and Conservation Office's 2003 internal sustainability plan defines sustainability as "... a way of meeting present needs, without compromising future generations of their ability to meet their own needs, while integrating environmental protection, economic need, and social concerns."

The common themes to be found in these recent definitions are: the environment, the economy, and people (health, human resources, social concerns). The "environment" has come to include issues related to climate change, including but not limited to protection of natural resources and natural processes and the extent of human-produced "greenhouse gases" such as carbon dioxide. For this reason, much of the discussion to follow will reference carbon emissions and greenhouse gases.

Consistency with the Definitions

RCFB policy has, since the Board and agency's beginnings, reflected the themes found in modern definitions of sustainability.

Environment. In all RCFB-supervised grant programs, the natural environment is referenced either in program purpose, policy, or evaluation criteria. The Washington Wildlife and Recreation Program findings state "That Washington possesses an abundance of natural wealth in the form of forests, mountains, wildlife, waters, and other natural resources, all of which help to provide an unparalleled diversity of outdoor recreation opportunities and a quality of life unmatched in this nation." (RCW 79A.15.005)

³ Report of the World Commission on Environment and Development *Our Common Future*, Gro Harlem Brundtland (Norway) Chairman

⁴ <http://www.ofm.wa.gov/sustainability/default.asp> and *A Field Guide to Sustainability connecting concepts with action*, Ecology, publication #03-04-005 (Rev. October 2007)

⁵ *Agency Policy on Sustainability and "Being Green,"* Washington State Parks and Recreation Commission, June 2008

Policy A-2 of the Boating Programs Policy Plan reads "***RCO boating grants shall assist public agencies in providing quality opportunities for the recreational boating public—opportunities that satisfy user needs in an environmentally responsible manner.*** RCO does not own or operate facilities. In making funding available to facility providers, however, RCO will recognize its responsibility as a partner in the stewardship of the natural environment."

Sustainability as an element in grant evaluation criteria may use different wording and emphasis, but is consistently present. For example:

- The Aquatic Lands Enhancement Account (ALEA) criterion 4b (Manual 21) asks among many other questions "Will the [restoration] project lead to sustainable ecological functions and processes over time?"
- Washington Wildlife and Recreation Program (WWRP) Local Parks criterion 3 (Manual 10a) asks "Will environmental or other important values be protected by the proposed development?"
- The Nonhighway and Off-Road Vehicle Activities (NOVA) ORV criterion 3b (Manual 14) asks applicants to "Explain how the design protects and complements the environment."

It could be assumed that conservation grants from programs such as ALEA or WWRP's "Critical Habitat" program are essentially contributions to environmental sustainability. There is a fallacy, however, in assuming that nature does not change. There is no long-term, steady-state in nature. A conservation grant made to support a particular species, for example, cannot assure perpetual existence of that species when so many conditions are beyond human control. Grant compliance policy is beginning to recognize this fact and allows for a certain level of adaptability.⁶

The Economy. The Recreation and Conservation Office (RCO) is not recognized as an economic development or "jobs" agency: such tasks are typically assigned to the Department of Commerce or other agencies. Grant criteria do not measure economic development or jobs, though there is mention of consideration of youth crews in Recreational Trails Program (RTP) policy, and a "Jobs for Veterans" effort in grants managed by the Salmon Recovery Funding Board (SRFB). Also, the agency's PRISM data base is being modified to track job creation/retention attributable to grants.

People. There is no other reason for RCFB and its grant programs to exist than to satisfy public demand, whether for trails, ball fields, or land preservation for human values from scenic to ecological. Statute, policy, and evaluation criteria all emphasize human and social need, whether the integration of health and recreation in the state comprehensive outdoor recreation plan (SCORP), or asking about "need" in evaluation criteria.

⁶ Manual 7 *Funded Projects: Policies and the Project Agreement*, RCO
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Recreation is recognized as fundamental to human needs. The United Nations has declared "Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay."⁷

Accepting that leisure/recreation is fundamental to human existence, we can make a further generalization: that is, *managed* recreation is sustainable; *unmanaged* or *undermanaged* recreation may not be sustainable. This is confirmed by the Washington State Department of Natural Resources and its 2008-09 Sustainable Recreation initiative.

"Recreation occurring on state lands has dramatically changed over the course of the last forty years since the Multiple Use Act was enacted. When DNR began building its recreational facilities and trails in the 1960's most people in the outdoors participated in fishing, hiking, horseback riding, swimming, picnicking and hunting. Now... the most outdoor activities include mountain biking, camping, and motorized trail use (motorcycles, ATVs, 4x4s). Other activities like paragliding, paintball and mountain biking did not occur on the state lands until well after the 1960s. Not only has the type of recreation changed, but the amount of recreation has dramatically increased, as reflected by the fact that the state's population has doubled from 3.3 million people to 6.5 million in the last forty years.

"As DNR faces issues with drastically changing recreation trends on state lands, DNR is forced to keep up with increased demand for outdoor recreational opportunities with the same outdated facilities and trails it built forty years ago. As increased use and demand for recreation continues to grow so does the need for increased maintenance and management abilities to handle these changes. *As the gap between the public's increase demand for outdoor recreation opportunities and DNR's limited supply continues to grow the negative effects of recreation on the environment and public safety will also grow.*"⁸ [Emphasis added]

RCFB can assume that investment in the management of recreation through appropriate sites and facilities is in essence a contribution to social or human sustainability. Further, many recreation facility grants are used to protect resources, adding to environmental sustainability.

In sum, RCFB grant programs address the major elements of sustainability as defined by state agencies. Whether they do so in a deliberate, systematic, or strategic manner is a different question.

⁷ United Nations Universal Declaration of Human Rights, Article 24.

⁸ Sustainable Recreation Work Group Forum Issue: Access, Background Information 2, Preliminary DRAFT, July 2009

RCFB's Ability to Promote Sustainability

The RCFB's powers and duties are established in state law. Because the Recreation and Conservation Office, the agency that supports the RCFB, is part of the Executive Branch, both the Board and the agency must ultimately be in accord with the Governor's agenda. There are a number of issues and concepts worthy of RCFB promotion or encouragement, from healthy lifestyles through physical activity to environmental justice. Fortunately, successive Governors have taken a high level of interest in sustainability, as evidenced by Executive Orders supported by legislation. RCFB therefore can be confident that promoting sustainability is within its authority.

Statutory Context for Sustainability Policy

RCFB has some latitude in taking initiative to add the concept of sustainability to grant program direction and evaluation. However, consistent with any criteria development, it must make sure that new criteria are consistent with applicable state law and Governor's Executive Orders. Also, it must consider the institutional capacity of its clients and avoid placing unreasonable burdens on these clients.

Statutes and Executive Orders specific to sustainability are relatively few. The more important ones are

Planning

- **36.70A RCW, Growth Management Act**, in which the legislature finds "... that uncoordinated and unplanned growth, together with a lack of common goals expressing the public's interest in the conservation and the wise use of our lands, pose a threat to the environment, sustainable economic development, and the health, safety, and high quality of life enjoyed by residents of this state."

Development

- **RCW 39.04.133**, requiring a preference for the purchase and use of recycled content products in State capital improvement or construction projects.
- **RCW 39.35D.030**, establishing that "All major facility projects of public agencies receiving any funding in a state capital budget, or projects financed through a financing contract... must be designed, constructed, and certified to at least the LEED⁹ silver standard." The statute applies to buildings of 5,000 square feet and larger.

⁹ "LEED" is Leadership in Energy and Environmental Design, a program managed by the US Green Building Council. It provides third-party verification that a building was designed and built using strategies aimed at improving performance in energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts.

- **43.21C RCW, State Environmental Policy**, declares a state policy "... which will encourage productive and enjoyable harmony between humankind and the environment; (2) ... promote efforts which will prevent or eliminate damage to the environment and biosphere; (3) ... stimulate the health and welfare of human beings; and (4) ... enrich the understanding of the ecological systems and natural resources important to the state and nation."

Greenhouse Gases (CO2)

- **RCW 47.01.440**, adopts statewide goals to reduce annual per capita vehicle miles traveled: 18% reduction by 2020, 30% by 2035, and 50% by 2050.
- **70.235 RCW** directs certain agencies to participate in the design of a regional multi-sector market-based system to help achieve greenhouse gas emission reductions, assessing other market strategies to reduce emissions of greenhouse gases, and ensuring the state has a well trained workforce for a clean energy future.
 - RCW 70.235.050 requires all state agencies to achieve reductions in greenhouse gas emissions generated by agency travel.
 - RCW 70.235.070 directs that when distributing capital funds through competitive programs for infrastructure and economic development projects, all state agencies must consider whether the entity receiving the funds has adopted policies to reduce greenhouse gas emissions.

Solid Waste

- **70.95 RCW** establishes "... a comprehensive statewide program for solid waste handling, and solid waste recovery and/or recycling which will prevent land, air, and water pollution and conserve the natural, economic, and energy resources of this state." Assigns primary responsibility to local government and a supporting role to Ecology. No role for RCFB.

Executive Orders

- **Executive Order 02-03**, directs state agencies to develop sustainability plans for their own internal operations.
- **Executive Order 05-01**, directs state agencies to incorporate "green" building practices in all new construction projects and in major remodels that cost over 60% of the facility's assessed value (buildings of 5,000 square feet). Orders agencies to reduce petroleum use by 20%, paper use by 30%, and reduce energy purchase by 10%, effective 9-1-09.
- **Executive Order 07-02**, Washington Climate Change Challenge, adopting the 2005 Clean Car Act requiring certain automobiles to meet tougher emissions standards beginning with 2009 models; sets state goals for reducing greenhouse gas emissions, for increasing "green" energy sector jobs, and for reducing the amount of fuel imported into the State; and adopting high performance green building standards, as well as having one of the most energy efficient building codes in the nation.
- **Executive Order 09-05** Washington's Leadership on Climate Change, instructs Ecology to continue work in the Western Climate Initiative toward reducing greenhouse emissions, establish emissions baselines by certain large facilities, and develop emission benchmarks Ecology believes will be covered by a regional or federal cap and trade program; to work with Department of Natural Resources

on recommendations for forestry offset protocols; instructs Washington State Department of Transportation to develop plans and strategies when implemented will reduce vehicle miles traveled.

Except for 70.95 RCW, which targets action by local agencies, these statutes and Executive Orders are analyzed with RCFB grant programs in mind.

State Law

36.70A RCW: Growth Management Act

According to RCFB Manual 2, *Planning Policies*, the Growth Management Act (GMA) encourages recreation and habitat conservation planning in several ways, including –

- A GMA goal designed to guide the development and adoption of comprehensive plans is to – *“Encourage the retention of open space and development of recreational opportunities, conserve fish and wildlife habitat, increase access to natural resource lands and water, and develop parks.”* RCW 36.70A.020(9)
- *“Each county shall adopt development regulations that protect critical areas.”* RCW 36.70A.060(2)
- *“Each comprehensive plan shall include... a land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for... recreation, open spaces....”* RCW 36.70A.070(1)
- *“Comprehensive plans may include... other subjects relating to the physical development within its jurisdiction, including... recreation.”* RCW 36.70A.080(1)(c)
- *“Each county and city that is required or chooses to prepare a comprehensive land use plan under RCW 36.70A.040 shall identify open space corridors within and between urban growth areas. They shall include lands useful for recreation, wildlife habitat, trails, and connection of critical areas as defined in RCW 36.70A.030.”* RCW 36.70A.160
- *“Whenever a state agency is considering awarding grants... to finance public facilities, it shall consider whether the... requesting [agency] is a party to a county-wide planning policy under RCW 36.70A.210... and shall accord additional preference to the [agency] if such policy exists.”* RCW 43.17.250

Many of RCFB’s planning requirements parallel those in GMA, including a capital facility element with inventory, forecast of future needs, and the multi-year financing plan. Manual 2 encourages applicants to consider meeting GMA and RCFB requirements in a single plan document.

As well as providing planning guidance, RCFB policy rewards those governments that meet GMA requirements. Nearly all RCFB-managed grant programs have an evaluation question focused on meeting the requirements of the GMA; the exceptions are the Boating Infrastructure Grant (BIG) program that operates with federal evaluation criteria, and the Boating Activities Program which at present has no funding and no evaluation criteria.

RCW 39.04.133: purchase and use of recycled content products

This statute calls for preferences for the purchase and use of recycled content products as a factor in the design and development of state capital improvement projects. It appears to extend to RCFB development grants made with capital dollars:

RCW 30.04.133 (2) If a construction project receives state public funding, the product standards, as provided in RCW [43.19A.020](#),¹⁰ shall apply to the materials used in the project, whenever the administering agency and project owner determine that such products would be cost-effective and are readily available.

RCFB does not currently have a policy or directive in place that specifically references RCW 39.04.133. It could be argued that the small-scale construction typically funded by RCFB was not targeted by this statute. Many grant recipients are already incorporating recycled materials into project elements from park benches to play ground surfaces.

¹⁰ RCW 43.19A.020 makes federal product standards the standards for the State of Washington.
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RCW 39.35D.030: Leadership in Energy and Environmental Design (LEED)

This law directs that all major facility projects by public agencies receiving any funding in a state capital budget must be designed, constructed, and certified to at least the LEED silver standard.¹¹ It applies to buildings over 5,000 square feet.

LEED's measurable standards are arranged into seven categories, of which 5 appear to have relevance to the outdoor orientation of RCFB grant projects. The seven categories have a total of 25 criteria.

Staff analyzed LEED criteria against RCFB grant programs with "typical" projects in mind. The analysis considered the applicability or suitability of the 25 criteria using a scale of low, medium, high, and "not applicable." We found that overall, 15% of the criteria are not applicable (e.g., indoor environmental quality), 49% have low applicability, 23% have medium applicability, and only 12% have high applicability.¹²

The few buildings funded by RCFB tend to be significantly smaller than 5,000 square feet. Typical buildings are restrooms, winter-use warming shelters, and primitive "convenience camping structures" such as yurts. Even the largest of the structures funded by RCFB may be a few hundred square feet in size.

Other RCFB-funded facilities such as ball fields, boat launches, trails and trail heads, and play grounds "fit" the LEED criteria only in the most generic sense. Applying the criteria to these projects requires a level of subjectivity that would be difficult to defend. In short, asking a LEED inspector to use these criteria on a "typical" RCFB project may be somewhat akin to using automobile manufacturing standards to rate a bicycle.

Refining LEED: A Potential Option. LEED weaknesses are recognized by entities seeking guidance on sustainable construction for projects other than buildings. The Sustainable Sites Initiative (SSI) is a leading proponent for augmenting LEED to cover more types of construction.

The Sustainable Sites Initiative "... began as separate projects of the Sustainable Design and Development Professional Practice Network of the American Society of Landscape Architects (ASLA) and the Lady Bird Johnson Wildflower Center. In 2005, the two groups joined forces to hold a Sustainable Sites Summit in Austin, Texas.

In 2006, the United States Botanical Garden (USBG) joined as a major partner in the Initiative. A Steering Committee representing 11 stakeholder groups was selected to

¹¹ LEED points are awarded on a 100-point scale, and silver standard is 50 points or above.

¹² Percentages do not add up to 100% due to rounding.
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guide the Initiative. More than 30 experts are now on Technical Subcommittees developing sustainable benchmarks for soils, hydrology, vegetation, human health and well-being and materials selection. These subcommittees are developing the technical foundation for the *Guidelines and Performance Benchmarks*. The first interim report - the "Preliminary Report" - was released in November 2007.

The Initiative's central message is that any landscape, whether the site of a large subdivision, a shopping mall, a park, an abandoned rail yard, or a single home, holds the potential both to improve and to regenerate the natural benefits and services provided by ecosystems in their undeveloped state.¹³

The SSI work could be important, as the U.S. Green Building Council anticipates incorporating these guidelines and performance benchmarks (measurable criteria) into future iterations of the LEED system. The guidelines and benchmarks are in progress: SSI is seeking sponsors to submit planned projects as case studies to further refine the criteria.

At first glance, this set of criteria seems to have more promise for assessing RCFB-funded projects than LEED. SSI presents its criteria in eight prerequisite categories and nine credit categories. A total of 65 criteria may be measured.

To assess relevance of "typical" RCFB projects to SSI, staff conducted the same analysis done for LEED, using a scale of low, medium, high, and "not applicable." We found that virtually all criteria are applicable, but that overall 47% appear to have low applicability, 21% medium, and 31% high.¹⁴

As mentioned above, SSI is continuing to test and refine its criteria. It is worth tracking this initiative over time, perhaps proposing a future case study associated with an RCFB grant program. For the present, however, the fact that nearly half of the SSI criteria have no or low applicability to RCFB grant projects should be of concern.

Key finding. "Sustainability" standards for recreation facilities do not exist. Current efforts by recreation providers borrow somewhat unpredictably from a variety of sources from low impact development to urban forestry to invasive species prevention guidelines. While there is some overlap of facilities (e.g., parking, restrooms) among the huge variety of outdoor recreation activities, different forms of recreation require different facilities which in turn should be treated with different standards: ball fields cannot be compared to trails which cannot be compared to boat ramps.

Also, neither LEED nor SSI criteria are relevant to a substantial portion of the RCFB's portfolio. LEED and SSI standards cannot be used to measure sustainable farm lands, riparian areas, aquatic lands, or habitat of any variety.

¹³ Text quoted from www.sustainablesites.org, the web page of the Sustainable Sites Initiative, 2008.

¹⁴ Percentages do not add up to 100% due to rounding.
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43.21C RCW, State Environmental Policy Act (SEPA)

Any development or major renovation project proposed by local or state agency sponsors is subject to review under SEPA. The SEPA process, managed by the Washington State Department of Ecology, starts with a checklist of environmental and other project impacts. The purpose of the checklist is to help a project proponent decide whether an environmental impact statement (EIS) is needed.

The SEPA checklist asks about potential project impacts to 16 environmental elements from air and water to recreation and transportation. None of the elements are specific to sustainability or sustainable practices. Unlike LEED or SSI criteria, the elements are not evaluated or scored.

SEPA is useful to RCFB grant processes in many respects, for example as an applicant's major step toward securing permits or demonstrating readiness to proceed. However, SEPA as it is now designed is not particularly useful for sustainability purposes. Ecology recognizes this and has acted to improve the connection between SEPA and climate change. It has assembled a Climate Advisory Team, which has segued into an Implementation Working Group responsible for a *Report to the Climate Action Team* at Ecology. The report focused on a directive "to ensure that climate change considerations are fully incorporated into governmental decision-making, resource and development planning, permitting and approval. This addresses the broader recommendation to analyze greenhouse gas emissions and mitigation options early in decision-making, planning processes, and development projects."¹⁵

Therefore, there does not seem to be a need to further address 43.21C RCW in RCFB criteria.

Building on the SEPA Foundation: Permits as Sustainability Tools. An important function of the SEPA checklist is to help a project proponent to determine the extent of permits needed. The Department of Ecology's Environmental Permit Handbook lists 119 permits in thirteen major categories. As the name of the handbook implies, virtually all of these permits are in place to protect natural resources: air quality, water, land resources, and wetlands, among others. The permits may be issued by federal, state, or local government. Native American Tribes must be consulted for other permits, such as an archeological excavation permit.

Development and renovation projects funded by RCFB are subject to permit requirements. A water access project could be subject to a list of permits ranging from hydraulic to on-site sewage, shoreline variance to shoreline substantial development.

¹⁵ 2008 Climate Action Team, Appendix 6: State Environmental Policy Act (SEPA) Implementation Working Group, "Report to the Climate Action Team," Ecology.

RCFB does not require applicants to have permits “in hand” at the time of grant application. However, grant criteria do ask about the status of permits, usually in a “readiness to proceed” question.

RCW 47.01.440: Reducing Vehicle Miles Traveled

Burning gasoline for mobility is a known and significant source of greenhouse gases including carbon dioxide (CO₂).¹⁶ This law adopts statewide goals to reduce annual per capita vehicle miles traveled by 2050. It is intended to support implementation of RCW 47.04.280 and Executive Order 07-02 (Washington Climate Change Challenge), both of which address greenhouse gases from mobile sources. One rationale is related to sustainability: “To enhance Washington’s quality of life through transportation investments that promote energy conservation, enhance healthy communities, and *protect the environment.*” RCW 47.04.280(1)(d) emphasis added.

The focus of Executive Order 07-02 is the State’s response to evidence that “...greenhouse gas emissions are causing global temperatures to rise at rates that have the potential to cause economic disruption, environmental damage, and a public health crisis.”¹⁷

The intent of RCW 47.01.440 is partially addressed by RCW 79A.25.250, which requires RCFB grants to give priority to parks located in or near urban areas. The statute’s rationale includes “... the fact that the demand for park services is greatest in our urban areas, that parks should be accessible to all Washington citizens, that the urban poor cannot afford to travel to remotely located parks... [and] *that a need exists to conserve energy...*” *Emphasis added.* Nearby parks and trails should mean less driving. RCFB has implemented RCW 47.01 by use of an evaluation question.

Grant programs that support the goals of RCW 47.01.440. RCFB grant programs that help pay for urban bicycle and pedestrian facilities can support the goal of reducing vehicle miles traveled. The Burke-Gilman Trail in King County, for example, receives 2 million or more uses annually; about 1/3 of these uses are for commuting.¹⁸ The RCFB-managed Land and Water Conservation Fund (LWCF) recognizes this in its priorities for LWCF investment:

RCO recommends... the provision of active connections between communities and recreation sites and facilities. “Active connections” means shared use trails and paths, greenways, and other facilities and features that encourage walking, jogging, running, and bicycling for more than recreation.

¹⁶ “Motor vehicles account for at least half the carbon monoxide pollution in Washington,” Focus: Major Air Pollutants, Washington State Department of Ecology, FA-92-132 (Revised 4/98).

¹⁷ Governor’s Executive Order 07-02, February 7, 2007.

¹⁸ Puget Sound “Trends” Newsletter, Puget Sound Regional Council, November, 2000.

Reason: Leverage funding to address multiple priorities of government, including recreation, health through physical activity, and personal mobility.¹⁹

In addition to LWCF, the Washington Wildlife and Recreation Program and the Recreational Trails Program (by law) can support these facilities.²⁰

RCFB has been among the leaders in encouraging use of trails and paths for transportation as well as recreation. RCFB has adopted policy statements including "Trails need to be incorporated into transportation plans at state and local levels," and "plan for access [to parks] via trail modes: foot, bicycle, horse."²¹ These policies have been incorporated into grant criteria only for LWCF.

Uncertain grant programs. In contrast, RCFB manages and in fact depends on (for grant project and RCO administrative funding) a number of programs that at first glance appear to be inconsistent with this statute. The Boating Facilities Program, Boating Infrastructure Grant (BIG) program, the Nonhighway and Off-Road Vehicle Activities (NOVA) Program, and the Recreational Trails Program (RTP) are all based on funding derived from the consumption of gasoline.

One point of view could argue that these programs encourage gasoline consumption by rewarding vehicle miles traveled, whether motor vehicle travel to a recreation site or by recreational use of a motor vehicle or gasoline-powered boat.

A counterpoint is that the programs mitigate for minor CO₂ impacts by helping managers provide programs and facilities that minimize the environmental impacts of vehicle and boat use. The Department of Natural Resources, for example, has learned that virtually all types of recreation on its lands is essentially sustainable if the agency has the money and other resources it needs to actively manage for recreation. DNR has stated that "Human activity in nature that may appear benign can still cause significant harm to the environment if not managed properly."²²

In addition, NOVA activities often take place in a forested setting: forests are known to absorb CO₂.²³ If NOVA funds are being used to protect the environment by placing and maintaining suitable facilities that prevent resource damage, NOVA in a sense could be "off-setting" itself. The same concept could not necessarily be claimed for boating; water

¹⁹ *Defining and Measuring Success: the Role of State Government in Outdoor Recreation*, RCO, June 2008.

²⁰ RTP has flexibility under Federal law to fund urban bicycle and pedestrian facilities; RCFB policy directs RTP funds to "backcountry" trails that do not contribute to reducing vehicle miles traveled.

²¹ *Washington State Trails Plan Policy and Action Document*, RCO, June, 1991.

²² "Environmental Impacts Paper" developed by the Department of Natural Resources for the Sustainable Recreation Work Group, 2008-09.

²³ The Department of Natural Resources recently estimated that state trust forests have the potential to absorb 200 million tons of carbon, *2008 Climate Action Team, Forest Sector Workshop, Forest Sector Workgroup on Climate Change Mitigation, Final Report*, Ecology and DNR.

does absorb CO₂, but in doing so it becomes more acidic, potentially harming the marine environment.

Whether these perspectives balance or even should balance is a challenging question. To put the conversation into perspective, it is helpful to understand the potential "carbon" (CO₂) contribution of gasoline-powered recreation. We have data available with which to make an estimate of CO₂ contributed by two major recreational gasoline uses.

- RCO's 2003 fuel study found that "NOVA activities" from driving family vehicles or pickups on nonhighway roads to motorcycle and ATV riding off of roads burned 25,600,000 gallons of gas in the study period.
- According to the Washington State Department of Licensing, the motor boating community, over time, averages 1% of annual gasoline sales. WSDOT estimates 2010 gas sales at 2,772 million gallons. Boating's share of the estimate would be 1% or 27,200,000 gallons.
- Burning a gallon of gasoline creates 20 pounds of CO₂.²⁴
- With these data, we can calculate the following:

Estimated Annual CO ₂ Contribution of Boating and NOVA Activities				
Program	Gallons of gas consumed	Pounds of carbon per gallon	Pounds of carbon	Pounds converted to US tons
NOVA	25,600,000	20	512,000,000	256,000
Boating	27,200,000	20	554,000,000	277,000

As recently as 2005, Washington State's total CO₂ emissions have been estimated at about 95 million tons.²⁵ The total estimated CO₂ from boating and NOVA activities of 533,000 tons is an insignificant part of that total.

It must be noted that boat and vehicle manufacturers are increasingly aware of their responsibilities with regard to fuel efficiency (responding to consumer concerns about the price of gas) and carbon emissions. The BMW Group, owners of the Husqvarna motorcycle line, for example, promises that its products will offer "Less fuel consumption, lower CO₂ emissions, practical environmental protection...."²⁶ Honda is working to reduce emissions from its motorcycles 20% over 2001 levels by the year 2012; between 1996 and 2006 Honda claims to have increased its motorcycle fuel efficiency by 33.1%.²⁷

In the broadest terms, it could be argued that these emissions are a small part of the national "carbon" total that is subject to current and on-going national and international debate and negotiation. Certainly, it is worth noting that Ecology's SEPA Implementation Working Group found that "...only part of the future greenhouse gas reductions

²⁴ www.fueleconomy.gov web site of the United States Environmental Protection Agency

²⁵ Washington State Department of Natural Resources

²⁶ "Sustainability by Design. Taking Responsible Action." BMW Group brochure, 2009.

²⁷ Publication "Setting High Standards: Striving for Sustainability," Honda, 2006.

mandated by Washington State law is likely to be implemented through SEPA-related mitigation. Much of the eventual future reductions will likely result from multi-state, national or international "cap and trade" provisions, carbon taxes, or other Washington State laws that may not be tied directly to the SEPA process."²⁸

The Future of Gasoline and the Sustainability of the RCFB. Because RCFB and its RCO administrators depend on gasoline taxes to pay for administrative costs, it needs to be concerned about larger issues of gasoline use and supply. In the short run, per capita gasoline sales are falling, and with it gasoline tax revenue.²⁹

As total revenue declines, the share credited to NOVA and Boating Facilities will likewise decline: each is a percentage of total gas used and taxes paid, and as the total declines, the shares will decline. Note that gas taxes attributable to boating and credited to the recreation resource account have not yet declined because of a graduated rate that has not yet reached its maximum (see chart, below).

State Fuel Tax Allocations (per gallon of gasoline)			
Year	Total State Fuel Tax Rate RCW 82.36.025	Fuel Tax Rate Used to Calculate Transfer to the Recreation Resource Account RCW 79A.25.070	Fuel Tax Paid by Boaters Directed to Highways
2002	\$0.23	\$0.18	\$0.05
2003	\$0.28*	\$0.19	\$0.09
2004	\$0.28	\$0.19	\$0.09
2005	\$0.31	\$0.20	\$0.11
2006	\$0.34	\$0.20	\$0.14
2007	\$0.36	\$0.21	\$0.15
2008	\$0.375	\$0.21	\$0.165
2009	\$0.375	\$0.22	\$0.155
2010	\$0.375	\$0.22	\$0.155
2011	\$0.375	\$0.23	\$0.145
*RCW 82.36.025(2) allows this \$0.05 to expire "when the bonds issued for transportation projects 2003 are retired." Bond information is available from the Washington State Treasurer.			

After 2011, RCFB can expect the recreation resource account to erode as gasoline sales continue to decline at least through 2018.³⁰

²⁸ 2008 Climate Action Team, Appendix 6: State Environmental Policy Act (SEPA) Implementation Working Group, "Report to the Climate Action Team," Ecology.

²⁹ Transportation Revenue Forecast Council, June 2009 *Transportation Economic and Revenue Forecasts*, Volume 1, Summary Document, Washington State Department of Transportation.

³⁰ Ibid.

The big picture of gasoline supply is uncertain. How long petroleum will be available for cost-effective recovery is simply not known. The amount of recoverable petroleum is sometimes a state secret in those countries with known deposits. A recent opinion on the extent of supply comes from the International Energy Agency (IEA): it reported that "the output of conventional oil will peak in 2020 if oil demand grows on a business-as-usual basis."³¹

In the long run, there seems to be no question that the cost of petroleum and gasoline will continue to rise.³² As the cost goes up, perhaps including future "carbon taxes," society will turn to alternatives. People will continue to recreate with boats and trail machines; however, they may not be using gasoline to power them. "Hybrid" passenger vehicles are becoming commonplace. Electric vehicles are promised for the near future. Biofuels could become commonplace in recreational uses.³³ These and other, potentially cheaper, energy technologies no doubt will be adapted for recreation.

Obviously, if people buy less gasoline over time, RCFB would receive less revenue over time for its programs – and for the agency that supports it. The question could then become how long the funding sources, grant programs, the Board, and the agency will be sustainable. Losing this structure could compromise or endanger the past investments made in land and infrastructure statewide.

³¹ Reported in *The Economist*, The Peak Oil Debate 2020 Vision, December 10, 2009.

³² "...oil prices will recover as the world economy emerges from recession; North Sea Brent, the European benchmark, will average \$74 a barrel, up from \$62 in 2009." *The World in 2010*, The World in Figures, The Economist, December 2009.

³³ For discussion of alternate fuels for motor boating, see *Ecoboat – Boats for a Sustainable Future on the Norfolk and Suffolk Broads*, School of Marine Science and Technology, University of Newcastle Upon Tyne, May 2005.

70.235 RCW Limiting greenhouse gas emissions

This law focuses on state participation in the design of a regional multi-sector market-based system to help achieve those emission reductions. Responsibility is assigned to the Department of Ecology and the Department of Commerce.

A “market-based” system implies the buying and selling of carbon units of some kind, with the potential to find market values for carbon sequestration services provided by forests.

RCFB would have no direct role in implementation of this law. However, it is of interest to speculate on “market value” value of the carbon emissions that could be attributed to recreation.

For example, cap-and-trade proponents debate the value of carbon units. Value is usually expressed in dollars per ton. *The Economist* magazine suggests carbon should be priced at US \$18 per ton. *Forbes* magazine suggested that the recent Copenhagen debate might settle on US \$10 per ton (and did not).

Using a “for instance” price of \$10 US per ton of CO₂, calculated against the values for NOVA and Boating gasoline consumption discussed above, we can estimate the market value of the carbon attributable to gasoline-supported grant programs this way:

Program	Gallons of gas consumed	Pounds of carbon per gallon	Pounds of carbon	Pounds converted to US tons	Price per ton	Potential annual price
NOVA	25,600,000	20	512,000,000	256,000	\$10	\$2,560,000
Boating	27,200,000	20	554,000,000	277,000	\$10	\$2,770,000

Whether these estimates have any relevance to a multi-sector market-based system is unknown at this time. NOVA and boating, not to mention recreation generally, is probably not a major source sector: the figures above represent only 2% of CO₂ from gasoline consumption. However, these figures could find their way into Washington State’s unique emissions portfolio at some point in the future.

Recent changes to 70.235 RCW. In the 2008-09 session, the Legislature approved ESSB 5560, now codified as RCW 70.235.070. The section reads

Beginning in 2010, when distributing capital funds through competitive programs for infrastructure and economic development projects, all state agencies must consider whether the entity receiving the funds has adopted policies to reduce greenhouse gas emissions. Agencies also must consider whether the project is consistent with: (1) The state's limits on the emissions of greenhouse gases established in RCW 70.235.020; (2) Statewide goals to reduce annual per capita vehicle miles traveled by 2050, in accordance with RCW 47.01.440, except that the agency shall consider whether project locations in rural counties, as defined in

RCW 43.160.020, will maximize the reduction of vehicle miles traveled; (3)
Applicable federal emissions reduction requirements.

The Office of Financial Management (OFM) has determined that this section is not applicable to the RCFB's grant programs: parks, boat launches, trails and other sites and facilities paid for by RCFB grants do not meet the intended definition of "infrastructure."³⁴ OFM does encourage RCO to implement the provisions of this statute when feasible.

Executive Orders

02-03 Sustainable practices by state agencies

Directs state agencies to prepare and implement sustainability plans for their business practices. RCO has maintained a sustainability plan since 2003. In annual reports to the Office of Financial Management, the agency has shown real results toward the goals of this executive order. For example, the agency reported in 2003 it used 3,965 reams of paper; in 2007, 972 reams; the agency reduced gasoline purchase by over 1,000 gallons between 2008 and 2009.

The agency sustainability plan has no real applicability to RCFB policy to promote sustainability other than as a "good example."

05-01: Establishing sustainability and efficiency goals for state operations

Again, RCO has met its goals to reduce gasoline and paper use, but this executive order does not apply to policy promoting sustainability.

07-02 Washington Climate Change Challenge

See discussion under RCW 47.01.440, page 15.

09-05 Washington's Leadership on Climate Change

See discussion under 70.235 RCW, page 19. In addition to Ecology and Commerce leading on establishing emission baselines and investigating a market-based system, the Order gives the Department of Natural Resources a key role in making recommendations for making forestry offset protocols, and also gives the Department of Transportation a role in giving the public additional transportation alternatives and choices.

³⁴ IMPLEMENTATION OF RCW 70.235.070, memo from Office of Financial Management, February 8, 2010

Summary of State Laws and Executive Orders

Applicability of different state laws and Executive Orders to RCFB grant programs appears to be problematic. Not all statutes are evenly applicable to all programs, and some executive orders are aimed at the agency and are not necessarily applicable to sustainability policy affecting grant programs.

Statute or Executive Order	Applicability to RCFB Grant Programs	Comments
36.70A RCW, Growth Management Act	High	RCFB policy encourages planning and rewards compliance with GMA
RCW 39.04.133 preference for recycled materials	Mixed – uncertain connection to acquisition projects	No policy in place
RCW 39.35D.030 buildings to LEED standards	Low, funded structures do not meet minimum size	Sustainable Sites Initiative may be more relevant
43.21C state environmental policy	Low in programs funding federal projects, high in all others	SEPA check lists may be evidence of applicant's "readiness to proceed"
RCW 47.01.440 reduce vehicle miles traveled	Mixed	Boating, NOVA, and RTP may be problematic
70.95 RCW solid waste management	Not applicable	
Executive Order 02-03 sustainable practices by state agencies	Low	Agency specific, not applicable to grant clients
Executive Order 05-01 sustainability goals for state agencies	Low	Agency specific, not applicable to grant clients
Executive Order 07-02 Washington Climate Challenge	Mixed	Boating, NOVA, and RTP may be problematic
Executive Order 09-05 Washington's leadership on climate change	Mixed	Uncertain relationship

Unfortunately, this mixed or uneven applicability does not help RCFB to craft policy that is deliberate, systematic, or strategic. Especially confounding is the apparent problematic relationship between some grant programs and state law and Executive Order.

Other Guidance for Developing Sustainability Policy

Looking beyond state law and Executive Order, RCFB may consider sustainability models from other agencies, institutions, or organizations.

Living Building Challenge

The International Living Building Institute (ILBI) is a non-governmental organization (NGO) "dedicated to the creation of a truly sustainable built environment in all countries around the world." It was "...initially launched and continues to be operated by the Cascadia Region Green Building Council www.cascadiagbc.org (a chapter of both the US Green Building Council and Canada Green Building Council)...."³⁵

The Living Building Challenge offers a set of 20 criteria in seven categories for assessing development in four settings: neighborhood, building, landscape+infrastructure, renovation. A cursory examination shows that, like LEED, the LBC has low applicability to many of the projects funded by RCFB.

The Natural Step

Ecology refers to the concept called The Natural Step as a framework for decision making. "The Natural Step was developed beginning in the late 1980s by Dr. Karl-Henrik Robèrt, a Swedish oncologist, who later collaborated with physicist, Dr John Holmberg to create a framework for the conditions that are considered essential for life. The Natural Step framework strives to move beyond ongoing debate over appropriate levels of risk or potential long-term effects of a product or process. If an activity continually violates the system conditions, it cannot be sustained over the long term."³⁶

The Natural Step System Guidelines have four goals.

- Goal 1: Fossil fuels, metals, and other minerals should not be extracted from the earth and accumulate on the surface at a faster rate than their slow redeposit into the Earth's crust.
- Goal 2: Synthetic substances should not be produced faster than they can be safely used or broken down in nature.
- Goal 3: The productivity and diversity of nature should not deteriorate. We must not harvest more from nature than can be recreated or renewed. Also, we cannot change the climate such that major imbalances in global systems arise. We cannot destabilize the dynamic equilibrium necessary

³⁵ Quoted from www.ilbi.org web site 2009

³⁶ Quoted from www.naturalstep.org web site 2009

for life as we and all other creatures know it, such as the balance between oxygen and carbon dioxide in the oceans and atmosphere.

Goal 4: There must be fair and efficient use of resources. Basic human needs³⁷ should be met with the most resource-efficient methods possible, including equitable resource distribution. Economic development should be sustainable for all the economies of the world.

The Washington State Department of Ecology assessed The Natural Step (TNS) as a foundation for its own agency sustainability plan and found important weaknesses. For example, a criterion of “measurability” was rated “poor.” Ecology writes, “TNS was designed to define societal sustainability and requires estimates of substance flows compared to the earth’s ability to process those flows and to handle wastes. These measurements are very difficult and in some cases, probably beyond humankind’s current knowledge. Organizations must use measurable surrogates that may not be systematic or comprehensive as indicators.”³⁸

Another weakness of The Natural Step is its model of “backcasting” – that is, identifying a desired outcome and looking back in space and time at the steps needed to achieve the outcome. Other than the *Washington State Trails Plan* (RCO, 1991), no RCFB-approved document has established measurable goals for grant or other RCO programs from which to “backcast.”

The Natural Step is not a satisfactory model for RCFB policy on sustainability.

Salmon Safe

Salmon Safe is a nonprofit organization dedicated to restoring urban and agricultural watersheds for salmon. It has developed salmon-safe certification standards for parks and natural areas, focusing on avoiding harm to stream ecosystems. As such, it is perhaps too narrowly focused to be considered a sustainability model, though its application would be consistent with sustainability. It is of interest as it could make a connection between RCFB and the Salmon Recovery Funding Board (SRFB).

Washington State Department of Ecology

Ecology offers a major document intended to assist organizations in assessing their “ecological footprint,” *Pathways to Sustainability*. *Pathways* focuses on “business practices” such as building design and facility operations. Ecology also offers a minor document intended as a general interest or promotional piece, *A Field Guide to Sustainability*. The *Field Guide* somewhat contradicts *Pathways* by focusing on The

³⁷ “Basic human needs” defined to include leisure, Natural Step Internet site <http://www.naturalstep.org/the-system-conditions> October 2009, emphasis added.

³⁸ *Pathways to Sustainability, A Comprehensive Strategic Planning Model for Achieving Environmental Sustainability*, Washington State Department of Ecology, Publication No. 02-01-008.

Natural Step. The *Field Guide* deals in generalities. Its advice to government is to engage in: environmentally preferable purchasing, green building, and green energy.

Neither Pathways nor the Field Guide offers substantial guidance for developing sustainability policy related to RCFB grant programs.

Local Washington Communities

Many local communities refer to sustainability in parks and recreation programs and services. These tend to a grab-bag of initiatives such as tree planting, volunteerism, recycling, and "green" design such as use of artificial turf with no underlying strategy or standards.

Other States

Staff queried planners through the National Association of Recreation Resource Planners (NARRP).

California. Its sustainability web site focuses on retention and adaptive use of older and historic buildings.

Nebraska. State Parks was developing a "green cabin" project. In searching for applicable standards or criteria, it borrowed a checklist from San Mateo (CA) County. The check list includes consideration of site, water, recycled materials, sustainable products such as wood from sustainable forests, and saving energy through design.

Pennsylvania. Pennsylvania State Parks offers Community Recreation and Conservation grants. It has decided to "Go Green," and scores applications accordingly: 30 out of 100 possible points are linked to sustainable practices. Points are based on the Sustainable Sites Initiative guidelines. The points are allocated in four major sections: water, natural landscaping and trees, green design and construction (including LEED criteria for buildings), and connecting people to nature. To assist applicants, the agency offers an Internet site on "Greening Parks and Sustainable Practices"
<http://www.dcnr.state.pa.us/brc/grants/indexgreen.aspx> This site features Parks' "Green/Sustainable Project Scorecard for Grant Applicants."

Texas. Encourages but does not require grant applicants to use "environmentally responsible activities" with a grant evaluation question specific to these activities. Examples range from use of native plants to water catchment systems. It also offers a publication to grant applicants called *Environmentally Responsible Activities: Recommendations*.

Wisconsin. Generally recommends different sustainability standards for different recreation types. Detail is not currently available.

The Recreation and Conservation Funding Board may approach sustainability policy in three broad and interrelated areas: agency policy, agency planning, and grant programs. Because accepted standards for sustainability specific to recreation sites and facilities are simply not available, work in this area could be ground-breaking. As such, a proposal to develop such standards could be worthy of agency-request legislation or other means to seek research and development funds.

To avoid unintended consequences, stakeholder resistance, and poor precedence, a high level of due diligence is essential. As the Department of Ecology's SEPA Implementation Work Group found,

In other states and on a federal level, we have witnessed climate change policy under SEPA-like statutes being made on an ad hoc basis through piecemeal litigation or through piecemeal precedent set by individual environmental reviews negotiated between individual applicants and individual lead agencies. In neither case has there been consistency or predictability. Our aim is to diminish the potential for litigation (and to provide consistency and predictability) by giving state and local agencies the tools and framework they need to fully incorporate climate change considerations into their decision-making.³⁹

Policy

RCFB could consider crafting any number of general Board and agency policies regarding sustainability. It appears that RCFB could be well served by ensuring that existing policies are aligned before making new demands of its clients.

At the simplest level, RCFB could on the evidence available to it simply declare that its current practices address sustainability in a sufficient manner. The agency sustainability plan is in place, and its goals are being met. RCFB grants routinely pay for projects that contribute to sustainability, whether the acquisition of wetlands or forest habitat, or a development project that protects natural resources by directing and focusing use. RCFB does not fund capital projects subject to LEED requirements.

However, it may be desirable to ensure that any RCFB-funded development be executed with sustainable practices as a specific goal. Trails, ball fields, parks, and boat launches could be built with recyclable materials, use native vegetation, conserve water, and minimize energy use.

³⁹ 2008 Climate Action Team, Appendix 6: State Environmental Policy Act (SEPA) Implementation Working Group, "Report to the Climate Action Team," Ecology.

RCFB could assist with implementation of RCW 70.235.070, considering whether grant applicants have adopted policies to reduce greenhouse gas emissions. This action would require sensitivity to the variety of applicants we serve. For example, it may be unreasonable to ask a small nonprofit seeking a trail maintenance grant to submit its greenhouse gas policies; on the other hand, a large city such as Seattle may have already adopted and implemented its policies and considers a park project to be directly related to greenhouse gas reduction.

Regarding those programs with uncertain alignment with state law or Executive Order, the RCFB could find that its varied programs act as offsets for one another. Or it could find that emissions from recreation-based sources a diminutive part of the state's overall emission profile, and that this profile will be subject to national or international action such as cap and trade, cap and dividend, or other carbon limits legislation.

Defending offsets. To support an assertion that varied programs offset one another, it may be desirable to defend the assertion with metrics. It is possible to develop an estimated carbon footprint of the impacts and benefits of funded projects in all grant programs in a given biennium or grant cycle. The carbon footprint estimate, perhaps an initial baseline followed by regular updates, would be made up of estimates of a number of elements related to the themes identified in the State's definition of sustainability.

Potential Metrics to Estimate Biennial Carbon Footprint				
Element	Measure	Impact	Benefit	Comments
Environmental	Use of petroleum products	✓		Pavement, artificial turf, fuel used in construction
	Use of timber		✓	If certified "green" products, though different certifications are controversial
	Percent of pervious surface	✓		Farm land program has set precedent with "envelope" concept
	Estimated vehicle traffic	✓		Difficult to determine service area, could be offset with bicycle access, transit stop
	Use of native plants		✓	The public has been known to object to replacement of grass with native plantings
	Energy used on site	✓		Lighting for ball fields, parking lots, restrooms, etc.
	Energy generated on site		✓	Potential for solar, wave-energy, other generation if it does not interfere with the purpose of the grant
	Preservation of natural processes		✓	So-called green infrastructure benefits, such as carbon sequestration, water filtration, storm water control
Social	Public satisfaction		✓	Requires survey potentially limited to projects: high cost
	Promote physical activity		✓	Would tend to reward trails, ball fields, sports courts, playgrounds
	Meet "demand"		✓	"Demand" needs better definition, potential link to level of service
Economic	Jobs created or preserved		✓	PRISM report in progress
	User spending		✓	Economics of recreation poorly understood and often overstated

The challenge would be to gather the required data and make sense of it. Assigning points to criteria makes sense, though determining how many points to assign to estimate vehicle traffic versus public satisfaction would require a consensus among key clients and stakeholders. If metrics were to be developed and data collected, it would only make sense to collect data consistently over time to monitor trends from the baseline. Currently, RCO lacks the resources necessary to fully develop these metrics, in terms of expertise and available staff. At minimum, staff training would be needed, but which staff in an agency working beyond capacity would be a difficult decision.

Moving into more complex policy areas, RCFB could decide that it needs to assume it has responsibility to reduce or mitigate for emissions attributable to motor boating or NOVA activities.

Reducing: While the RCFB has virtually no influence over consumer choice in terms of recreation activities, it could for example work with user groups to publicize alternates to fossil fuel: hybrid technology, biofuels, solar, or others. This kind of activity would require additional work to address a likely decline in program revenue. In the realm of speculation, it may be possible to develop agency legislation that results in replacement of fuel taxes foregone with revenue from another source, perhaps the boating excise tax or sales tax related to the equipment needed for NOVA activities.

Mitigating: In a creative action perhaps needing new agency authority, RCFB could pay a forest landowner, such as DNR, to defer or delay timber harvest of sufficient volume to account for CO2 attributable to motorized recreation. Optionally, grant sponsors could be asked to set aside a portion of grant funds for some kind of mitigation payment.

The challenges here would include, at minimum, weighing the political risk against potential return.

Planning

RCFB could direct RCO staff to incorporate sustainability concepts in internal policy and client planning requirements.

Internal planning. Examples of internal plans that could readily incorporate sustainability issues include the state comprehensive outdoor recreation plan (SCORP); the NOVA plan; or the Boating Programs Policy Plan. The work here could be a “next step” in going from no applicable sustainability guidelines or standards to exploring activity-specific guidelines or standards.

Client planning. RCFB grant programs such as Boating Facilities, NOVA, and the Washington Wildlife and Recreation Program (WWRP) require potential applicants to submit an approved plan to establish programmatic eligibility. RCFB could encourage, recommend, or require a sustainability element in those plans. Implementation would

include amending the Washington Administrative Code and program Manual 2. Amendments could include case studies, checklists, references, and other material.

Grant Programs

Of all the activities that RCFB oversees, there is no doubt that the grant programs have the most influence outside of the agency. The RCFB could adjust grant program policies and rules to promote sustainability agenda in at least three ways.

- 1. Recommend.** Similar to the Pennsylvania State Parks approach, RCFB could direct that programs provide clients with general guidance, checklists, and resources. Clients could self-assess the extent to which they are doing or are willing to do “the right thing.”
- 2. Reward.** Grant programs could be restructured to give more weight, more evaluation points, or more money to projects demonstrating sustainable practices. The first order of business, of course, would be to determine what those practices are on a program-by-program basis.

As of this date, the word “sustainability” is found in one RCFB evaluation criteria in the WWRP State Parks category. The word “sustainable” is found only in the Land and Water Conservation Fund (LWCF) criteria. However, virtually all program evaluation criteria reference protection of the environment or natural resources.

- **Aquatic Lands Enhancement Account.** Question 4b. Project design and viability (Access Projects Only): *Does the proposed development protect the natural resources on site? For example, does the project include low impact development techniques, green infrastructure, or environmentally preferred building products?*
- **Boating Activities Program.** No criteria are in place at this time.
- **Boating Facilities Program.** Question 3b. Project Design. *Is the proposal appropriately designed for the intended use? Development only. RCFB policy rewards design standards and construction techniques intended to maximize service life, minimize routine maintenance, and avoid environmental impacts.*
- **Boating Infrastructure.** No reference in existing federal criteria.
- **Firearms Archery Range.** Question 3. Project Design. *Has this project been designed in a high quality manner? Development projects. Environment - How are aesthetic, accessibility, and environmental issues addressed? If applicable, how are lead recovery, soil, and water conditions addressed?*
- **Land and Water.** Question 5. Cost Efficiencies. *The extent that this project demonstrates efficiencies and/or reduces government costs through documented use of: Innovative or **sustainable** design or construction resulting in long-term cost savings. Examples: Use of solar energy, integration of wetlands as “green infrastructure,” new materials or construction techniques with outstanding potential for long service life. [emphasis added]*
- **Nonhighway and ORV.** All categories use Question 3b. Project Design. *Is the proposal appropriately designed for intended uses and users? Explain how the*

design: Protects and complements the environment. Question 3c. Maintenance. Are the project's maintenance goals and objectives appropriate? Is the project needed to ensure protection of an environmentally sensitive site?

- **Recreational Trails.** Question 3. Project Design. *Is the proposal appropriately designed for intended uses and users? How does the design protect and complement the environment?*
- **WWRP.** From Manual 10a WWRP – ORA, all categories, Question 3. Project Design. *Does the project demonstrate good design criteria? Does it make the best use of the site? Will environmental or other important values be protected by the proposed development?* Manual 10a, State Parks category, question 8, **Application of Sustainability.** *Does the proposed design or acquisition meet accepted sustainability standards, best management practices, and/or stewardship of natural or cultural resources?* From Manual 10b WWRP – HCA. 3. Manageability and Viability. *What is the likelihood of the site remaining viable over the long term and why is it important to secure it now? [Describe] Ongoing stewardship.*
- **Youth Athletic Facilities.** No reference in existing criteria.

To give more weight to “sustainability,” the RCFB could direct staff to simply insert the word “sustainable” in existing evaluation questions, accompanied by a definition and examples. Where questions are lacking, new questions could be written, as the State of Texas has done. The problem with adding points or a question is that the element assigned the points becomes a new requirement: in a process in which some projects are separated by tenths of a point, all points are important. Regardless, RCFB would need to develop program-specific definitions, checklists, case studies, or guidelines to help clients respond to the “sustainability” element.

Beyond points, RCFB may wish to encourage action by offering more money to grants demonstrating sustainability. For example, where policy calls for a sponsor to bring its own matching resources to bear on at least 10% of a project cost, the amount could be lowered to 5%. Another approach would be to raise grant limits; boating for example could provide 90% funding instead of the current 75%.

3. Require. The RCFB could make sustainable practices a requirement for program participation. One suggestion is to establish a sustainability threshold of some kind. A threshold would be difficult to determine. One way would be to require applicants to have permits in hand at the time of application or evaluation.

There is no doubt that an option to *require* clients to address sustainability would be the most difficult to implement. Here again, no clear standards or guidelines exist. RCFB would have to direct RCO staff to work with the public to develop acceptable guidelines based on available examples.

Additional action. Whatever the decision, RCFB could consider approaching the Sustainable Sites Initiative about making a “sustainable Grant program” part of the case studies SSI is seeking to further develop its criteria.

Public Process

To achieve any policy initiative, RCFB understands that a public process is essential. Addressing sustainability as an agency priority or requirement in the public arena would not be a simple undertaking.

At minimum, staff recommends a "sustainability steering committee." A committee could include experts and experienced people associated with each of the grant programs potentially involved. It could be charged with taking RCFB direction and providing advice to RCO staff.

Additional public involvement could include personal interviews with experts and important stakeholders, workshops, focus groups, public meetings, web polls, and other approaches.

Next Steps

Assuming the RCFB wishes to make sustainability a priority, the RCO currently has sufficient resources available for developing and implementing a public process. A caution is that the more complex the direction, the more time it will take to develop recommendations that have client and public support.

A public process should result in consensus recommendations to the Board, including an assessment of the agency's capacity to achieve the recommendations.

Appendix: Summary of Grant Programs and Estimated Applicability of State Laws and Executive Orders

36.70A RCW, Growth Management Act

RCFB Grant Program	<i>Potential Applicability of 36.70A RCW</i>	<i>Comments</i>
Aquatic Lands	High	No RCFB planning requirement
Boating Activities	High	No RCFB planning requirement
Boating Facilities	High	
Boating Infrastructure	High	No RCFB planning requirement
Firearms Archery Range	High	No RCFB planning requirement
Land and Water	High	
Nonhighway and ORV	Low	Significant number of projects take place on federal lands subject to National Environmental Policy Act (NEPA)
Recreational Trails	Low	Significant number of projects take place on federal lands subject to National Environmental Policy Act (NEPA); no planning requirement
WWRP	High	Not all categories have a planning requirement
Youth Athletic Facilities	High	No RCFB planning requirement

RCW 30.04.133, use of recycled content products

Grant Program	<i>Potential Applicability of RCW 30.04.133</i>	<i>Comments</i>
Aquatic Lands	Low	Development projects
Boating Activities	High	Development projects
Boating Facilities	High	Development projects
Boating Infrastructure	High	Development projects
Firearms Archery Range	High	Development projects
Land and Water	High	Development projects
Nonhighway and ORV	Low	On site materials may be recycled
Recreational Trails	Low	On site materials may be recycled
WWRP	High	Development projects
Youth Athletic Facilities	High	All categories

LEED Criteria

Grant Program	Potential Applicability: LEED Criteria	Comments
Aquatic Lands	Low 4 (15.4%) Medium 6 (23.1%) High 15 (57.7%) N/A 1 (3.8%)	Parking, restrooms
Boating Activities	Low 3 (11.5%) Medium 4 (15.4%) High 15 (57.7%) N/A 4 (15.4%)	Parking, docks, restrooms
Boating Facilities	Low 3 (11.5%) Medium 4 (15.4%) High 15 (57.7%) N/A 4 (15.4%)	Parking, docks, restrooms
Boating Infrastructure	Low 2 (7.7%) Medium 4 (15.4%) High 12 (46.1%) N/A 8 (30.8%)	Docks, piers, floats, restrooms
Firearms Archery Range	Low 0 (0%) Medium 8 (30.8%) High 13 (50%) N/A 5 (19.2%)	Shelters, restrooms, water use, energy use
Land and Water	Low 7 (26.9%) Medium 10 (38.5%) High 8 (30.8%) N/A 1 (3.8%)	Development: water use, energy use, restrooms, parking, "hard" trail surfaces
Nonhighway and ORV	Low 1 (3.8%) Medium 2 (7.7%) High 10 (38.5%) N/A 13 (50%)	ORV sport parks may have modest buildings, parking, restrooms
Recreational Trails	Low 1 (3.8%) Medium 2 (7.7%) High 14 (53.8%) N/A 9 (34.6%)	Use of native elements, recycled materials on site
WWRP	Low 8 (30.8%) Medium 9 (34.6%) High 9 (34.6%) N/A 0 (0%)	Affects development projects: parking, restrooms, lights, water use
Youth Athletic Facilities	Low 2 (7.7%) Medium 9 (34.6%) High 14 (53.8%) N/A 1 (3.8%)	Water use, lighting, on-site energy

Sustainable Sites Initiative

Grant Program	Potential Overall Applicability: SSI		Comments
Aquatic Lands	Low- Medium High N/A	19 (29.2%) 15 (23.1%) 31 (47.7%) 0 (0%)	Aligns well with natural systems preservation and social values
Boating Activities	Low Medium High N/A	38 (58.5%) 8 (12.3%) 17 (26.2%) 2 (3.1%)	Potential conflict with floodplain criteria
Boating Facilities	Low Medium High N/A	32 (49.2%) 13 (20.0%) 18 (27.7%) 2 (3.1%)	Potential conflict with floodplain criteria
Boating Infrastructure	Low Medium High N/A	33 (50.7%) 12 (18.5%) 18 (27.7%) 2 (3.1%)	Potential conflict with floodplain criteria
Firearms Archery Range	Low Medium High N/A	41 (63.1%) 11 (16.9%) 13 (20.0%) 0 (0%)	Water use, energy, recycled materials
Land and Water	Low Medium High N/A	16 (24.6%) 22 (33.8%) 27 (41.5%) 0 (0%)	Aligns well with social values
Nonhighway and ORV	Low Medium High N/A	42 (64.6%) 7 (10.8%) 15 (23.1%) 1 (1.5%)	On site elements, recycled materials (on site), parking, restrooms
Recreational Trails	Low Medium High N/A	42 (64.6%) 7 (10.8%) 15 (23.1%) 1 (1.5%)	On site elements, recycled materials (on site)
WWRP	Low Medium High N/A	13 (20%) 27 (41.5%) 25 (38.5%) 0 (0%)	Development projects are applicable, water use, on-site energy, site selection
Youth Athletic Facilities	Low Medium High N/A	31 (47.7%) 13 (20%) 21 (32.3%) 0 (0%)	Water use, site selection, recycled materials

43.21 RCW, state environmental policy (SEPA)

Grant Program	<i>Potential Applicability of 43.21 RCW</i>	<i>Comments</i>
Aquatic Lands	High	Development projects only
Boating Activities	High	Development projects only
Boating Facilities	High	Development projects only
Boating Infrastructure	High	Development projects only
Firearms Archery Range	High	Development projects only
Land and Water	High	Development projects only
Nonhighway and ORV	Low	Funds many federal projects not subject to SEPA
Recreational Trails	Low	Funds many federal projects not subject to SEPA
WWRP	High	Development projects, but 80% of WWRP goes for acquisition ⁴⁰
Youth Athletic Facilities	High	New or improvement projects

RCW 47.01.440, reduce vehicle miles traveled

Grant Program	<i>Potential Applicability of RCW 47.01.440</i>	<i>Comments</i>
Aquatic Lands	Potentially low	Neutral?
Boating Activities	Potentially high	Inconsistent?
Boating Facilities	Potentially high	Inconsistent
Boating Infrastructure	Potentially high	Inconsistent?
Firearms Archery Range	Potentially low	Neutral?
Land and Water	Potentially medium to high	Potential for offsets?
Nonhighway and ORV	Potentially high	Inconsistent?
Recreational Trails	Potentially high	Inconsistent?
WWRP	Potentially low	Potential for offsets?
Youth Athletic Facilities	Potentially low	Neutral?

⁴⁰ Determined by staff analysis for OFM in response to RCW 70.235.070 , December 2009.

Summarized Public Comments

Commenter	Summary of Comments	Staff Comment
Adrienne Fox, WA Project Coordinator The Trust for Public Land	Ms. Fox supports the proposed changes to the project evaluation process for the Washington Wildlife and Recreation Program (WWRP) Natural Areas Category.	
Pene Speaks Assistant Manager Washington Department of Natural Resources	The Washington Department of Natural Resources (DNR) supports the proposed changes to the project evaluation process for the WWRP Natural Areas Category. DNR has participated in this program since its inception and the proposed change provides for greater efficiency in the grant application process. Also, the proposed process would free up staff time, which could be spent on other conservation efforts.	
Laurie Cowan, Parks Planner City of Lynwood Parks, Recreation and Cultural Arts Department	The City of Lynwood supports the proposed changes to the project evaluation process for the WWRP Natural Areas category because it would be more efficient for those that live outside of Olympia	Ms. Cowan initially believed that the proposed change would apply to the entire WWRP program. Staff clarified the limits of the proposal, and the city responded favorably.
Mike Denny, Riparian Habitat Coordinator Walla Walla County Conservation District	Mr. Denny supports the proposed changes to the project evaluation process. He cited the inefficiency of driving from Walla Walla and staying overnight in Olympia to do an 18-minute presentation.	Mr. Denny's response implied he thought this proposed change would affect the entire WWRP program. The proposal is limited to the Natural Areas category.
David P. Anderson, District Wildlife Biologist Washington Department of Fish and Wildlife	<p>Mr. Anderson supports the proposed changes to the project evaluation process for the WWRP Natural Areas category because overnight travel is time consuming for field staff, and the slide presentations can distract reviewers from the merits of the proposed projects.</p> <p>Mr. Anderson suggested that the review panel meet in person to discuss findings and potentially visit controversial projects.</p>	The RCO will conduct a post-evaluation conference call at which evaluators can review the ranked lists and evaluation process. If needed for important issues, an evaluator would ask RCO a question; RCO would refer the question to the applicant, and then share the answer with all team members.

Item 5, Comment Summary

Bill Koss, Manager, Planning and Research Washington State Parks and Recreation Commission	<p>State Parks agrees that the RCO could reduce costs by eliminating travel to the review meeting and post-evaluation meeting.</p> <p>State Parks disagrees with the proposal to use written evaluations. Evaluators will spend as much time evaluating the written proposals as they do with the oral presentations. However, the current structure of the evaluations provides time for presentation and important follow-up inquires and dialog.</p>	<p>RCO appreciates the agreement on eliminating the review meeting and in-person post-evaluation meeting.</p> <p>The written evaluation is not intended to reduce the amount of time spent evaluating projects. While interaction is a worthwhile part of the process, the written tool works well in other programs.</p>
Peter Bahls, Director Northwest Watershed Institute	<p>Mr. Bahls disagrees with the proposal to use written evaluations. The current approach allows evaluators to obtain a clear understanding of the project through visual presentations. He also stated the following:</p> <ul style="list-style-type: none">• Oral presentations allow evaluators to ask questions and clarify issues and concerns, immediately and within a group setting.• With written presentations, RCO cannot ensure that reviewers will give proposals an equal level of attention or even adequate review.• There is no guarantee that the written proposals will be more efficient in terms of staff time than oral presentations.	<p>While interaction is a worthwhile part of the process, the written tool works well in other programs.</p> <p>The post-evaluation meeting will allow evaluators to review the ranked lists and the evaluation process.</p> <p>Evaluators are carefully screened to ensure professionalism in the review process.</p>

RECREATION AND CONSERVATION FUNDING BOARD SUMMARIZED MEETING AGENDA AND ACTIONS, MARCH 25, 2010

Agenda Items without Formal Action

Item	Board Request for Follow-up (<i>Due Date in Italics</i>)
Management Report	Include details of time extension data with the performance update (<i>June</i>)
Legislative Session Review	Send a final report at the end of the special session. (<i>April</i>) Review the effect of travel restrictions on evaluation and advisory committees (<i>June</i>)
Incorporating Sustainability into RCO Grant Programs	<ul style="list-style-type: none"> Staff should provide a process and timeline for developing criteria for the following WWRP categories, beginning with the next grant round: State Lands Restoration, Local Parks, and Trails. The process should consider how to work with other boards, and integrate with other policy updates/reviews of incentives where it can be efficiently combined. (<i>June</i>) Staff should consider a discussion with the Parks Commission regarding issues related to sustainability of projects and/or funding.. (<i>June</i>)
Invasive Species Council Update	Move to June or October meeting

Agenda Items with Formal Action

Item	Formal Action	Board Request for Follow-up (<i>Due Date in Italics</i>)
Consent Calendar	Approved <ul style="list-style-type: none"> November 2009 Meeting Minutes Advisory Committee Service Recognition Time Extension Requests, Washington Department of Natural Resources 	
Extension of Match Certification for Farmland Projects	Approved as amended <ul style="list-style-type: none"> Extended the match certification deadline for certain projects until June 30, 2010 	
Washington Department of Fish and Wildlife Compliance and Conversions	Approved <ul style="list-style-type: none"> Approved Phase 2 of the WDFW land exchange and authorized the director to submit the conversion to the National Park Service for approval. 	
Changes to the Evaluation Process for the WWRP Natural Areas Category	Approved as amended <ul style="list-style-type: none"> Removed the project review meetings and changed to a written evaluation process. Amendment requires RCO to develop an online process for evaluators to share comments, questions, and scores. 	Add questions to applicant survey regarding written versus in person evaluations, and report results. (<i>October</i>)
Factors for Considering Major Scope Changes – Acquisition Projects	Approved as amended <ul style="list-style-type: none"> Adopted factors for board consideration of major scope changes. Amendment changed the first and final paragraphs of the policy so that the language is directive rather than permissive. 	
Policy Changes to WWRP Farmland Preservation Program	Approved as amended. <ul style="list-style-type: none"> Revised the environmental values evaluation criteria Updated the program definition to include land that is used primarily for commercial equestrian activities Amendment removed all references to community gardens from the resolution. 	Identify the RCO grant programs that allow community gardens. (<i>June</i>) Review process to develop criteria for commercial horse activities. (<i>October</i>)
Revised Evaluation Criteria for Land and Water Conservation Fund	Approved <ul style="list-style-type: none"> Revised the criteria to include (1) a design question for development projects, (2) an urgency/viability question for acquisitions, and (3) allowance for combination projects to compete by responding to both questions. 	
Policy Regarding Nonprofit Eligibility in WWRP	Approved <ul style="list-style-type: none"> Adopted eligibility criteria for nonprofit nature conservancy organizations that apply in the Washington Wildlife and Recreation Program Riparian and Farmlands categories. 	

RECREATION AND CONSERVATION FUNDING BOARD SUMMARY MINUTES

Date: March 25, 2010

Place: Natural Resource Building, RM 175, Olympia, Washington

Recreation and Conservation Funding Board Members Present:

Bill Chapman, Chair	Mercer Island	Stephen Saunders	Designee, Department of Natural Resources
Steven Drew	Olympia	Rex Derr	Director, State Parks and Recreation
Jeff Parsons	Leavenworth		
Harriet Spanel	Bellingham		
Karen Daubert	Seattle		

It is intended that this summary be used with the notebook provided in advance of the meeting. A recording is retained by RCO as the formal record of meeting.

Opening and Management Report

Chair Bill Chapman called the meeting to order at 9:03 a.m. Staff called roll, and a quorum was determined. Dave Brittell was not present due to an excused absence.

- The Recreation and Conservation Funding Board (board) approved the agenda as amended to move item #1D to its own topic, and to remove the Invasive Species Council update due to staff illness.
- The board reviewed Revised Resolution #2010-01, Consent Calendar. The resolution was revised to remove item #1D.

**Revised Resolution 2010-01 moved by: Parsons and seconded by: Derr
Resolution APPROVED**

Management Report

Director Kaleen Cottingham presented the management report. She noted that gas tax revenues are not coming in as predicted and the reduction will be prorated across all agencies, as shown in notebook item #2b.

Grant Management Report

Section Manager Marguerite Austin noted that sponsors already have entered 320 applications into PRISM requesting about \$86 million. Most projects do not have funds associated with them yet. Marguerite also highlighted the 2009 LWCF report, which references Blueberry Park on page 7 and lists the unmet needs in the state on page 10.

Section Manager Scott Robinson discussed the portion of the Grass Lake Nature Park conversion involving a sewer line placement. The request was originally before the board in November 2008. He explained the solution approved by the director in 2010, and noted that the ultimate cost was very similar to the original proposal that the board rejected. Steven Drew noted that requests should demonstrate that sponsors made the greatest possible effort to find alternatives to the conversion and negotiate with landowners.

Policy Update

Policy Director Steve McLellan described progress made by the Lands Group, and noted that it appears that we are meeting the mark on the legislative intent. Megan Duffy discussed the staff research on ways to manage water rights that are secured through acquisitions. One approach could be the State Trust Water Rights program. Staff is hoping to test it with two pilot projects before proposing any broad policies. Kaleen noted the importance of one policy that works for both boards.

Performance

Kaleen Cottingham, Marguerite Austin, and Rebecca Connolly described efforts underway to obtain more outcome metrics from the RCO's project database, PRISM, and to provide data that board members requested regarding time extensions.

Legislative Session Review

Policy Director Steve McLellan briefed the board on the 2010 legislative session and supplemental budgets. The capital budget will not be finalized until the revenue package is determined, but the proposed Senate and House versions would not result in cuts to existing WWRP projects. He also reviewed the operating budget proposals and legislation affecting natural resources reform, state agency cutbacks, and related issues.

The board discussed the proposed restrictions on how boards and commissions operate, including the potential travel limitations. Board members agreed that going to other parts of the state is an important part of their work. Unless travel is prohibited, they would like to keep the June meeting in Walla Walla, especially since they have not been to the east side of the state for some time. Members also agreed that it would be important to use technology for testimony from Olympia and reduce the amount of staff travel. Kaleen described the efforts underway to improve the technology.

Board Decisions

The board took action on seven topics, as follows.

Extension of Match Certification for Farmland Projects

Section Manager Scott Robinson described the match certification issue, and noted that one of the projects will receive the federal grant. Additional money may be coming for two other projects. He would like to amend the resolution to be until the end of June.

Board member Parsons moved to amend the resolution to change April 15 to June 30, seconded by board member Daubert. Chair Chapman noted it was a friendly amendment.

Resolution 2010-08 moved by: Parsons and seconded by: Daubert
Resolution APPROVED as amended.

Washington Department of Fish and Wildlife Compliance and Conversions

Grant Manager Jim Anest presented an overview of staff work on compliance and how the RCO is prioritizing the work. He highlighted the efforts underway with the Department of Fish and Wildlife (WDFW), describing the situation for projects #02-1109 and #68-603. He explained that finding appropriate replacement property can be very challenging. He also noted that conversions, when well managed, serve a valuable role in helping sponsors adapt to inevitable changes in values and needs over the life of a grant.

Board member Drew suggested that staff should prioritize the most significant or egregious conversions. Jim responded that the RCO has criteria for evaluating conversions, and there is a lot of work just to determine how serious each compliance issue is. Chair Chapman suggested working with partners to identify potential replacement properties.

Grant Manager Leslie Ryan Connelly presented Phase Two of the proposed land exchange between WDFW and the Washington Department of Natural Resources (DNR). This portion of the exchange (RCO #69-609A) involves property funded through the Land and Water Conservation Fund (LWCF). The board's decision would be whether to approve the request for submission to the National Park Service. Board members and staff discussed the following:

- The Yakama Nation is participating in the cultural resources review. There will be an MOU between all parties, including the tribe, that requires compliance with Section 106 for all future activities.
- The land meets the criterion that it was "not managed primarily for recreational purposes" because it is DNR trust land, and recreation is not a primary function.
- It does not appear that the properties include spotted owl habitat because (1) DNR's Habitat Conservation Plan (HCP) does not cover such areas and (2) none of the appraisals had an adjustment for the HCP.

Resolution 2010-02 moved by: Parsons and seconded by: Saunders
Resolution APPROVED

Changes to the Evaluation Process for the WWRP Natural Areas Category

Section Manager Scott Robinson gave an overview of the Washington Wildlife and Recreation Program Natural Areas and then reviewed the staff recommendation to (1) eliminate project review meetings and (2) use a written evaluation process in this category. Scott distributed and reviewed the public comment received.

Board members generally supported the proposal, noting that it could be more efficient and less costly for both the RCO and for the agencies that apply for grants. However, they were concerned about the loss of public participation and interaction among evaluators. They discussed concerns and options as follows:

- How should the board balance the need for more efficient and cost-effective evaluations with its reputation for public participation and openness?
- Would written evaluations make it easier for individuals throughout the state to participate as evaluators?
- Should the approach be tested as a one-year pilot only?

Board member Drew moved to adopt an amendment to strike "beginning with" in the last paragraph and replace it with "for." Board member Derr seconded the amendment.

The motion failed with three in favor and four opposed,

Board member Parsons moved to adopt an amendment to include the following language in the eighth paragraph of the resolution after the word "category": *"including provision for online public review and comparison of evaluations."* Board member Drew seconded the amendment.

Board members discussed whether an online "virtual conversation" among evaluators could mitigate the loss of interaction. The board also discussed how to mimic the public process so that evaluators could get public comment before completing their evaluation. Members noted that the evaluation meetings do not allow for public comment and that public attendance at the evaluations is low. Public support is part of the criteria for many programs, and most projects in the category have considerable public review before evaluation.

Board members Parsons and Drew withdrew the motion.

Board member Parsons moved to adopt an amendment to include the following language in the eighth paragraph of the resolution after the word "category": *"including a virtual discussion/sharing of draft scores between members of the evaluation committee."* Board member Drew seconded the amendment.

The motion was approved unanimously.

Board members agreed on the following items for follow-up:

- Add questions to the upcoming applicant survey to evaluate the use of written versus in-person evaluations. Staff should report back on the findings.
- Revisit the question of how to gather public comment on all projects at some point in the future.

Resolution 2010-03 moved by: Daubert and seconded by: Parsons
Resolution APPROVED as amended

Factors for Considering Major Scope Changes – Acquisition Projects

Policy Specialist Dominga Soliz reviewed the staff recommendation and stakeholder feedback about factors that the board may consider when approving major scope changes for acquisition projects. Staff will propose the same factors to the Salmon Recovery Funding Board.

Board members discussed how to balance the needs for fairness in the process with the board's need for flexibility. Board member Parsons noted that the factors are not equivalent to criteria and that a standard package of information would be collected to give them information before considering the factors. He noted that their decisions set precedent, and that it will be important to track their decisions so they are consistent.

Board member Saunders proposed the following changes to attachment A:

- Change "may" to "shall"
- Change last sentence to "Sponsors and their outdoor grants manager shall provide..."

The board determined that a formal amendment was not needed to change the attachment. The sixth paragraph of the resolution was changed to add "as amended" after the word "policy."

Resolution 2010-04 moved by: Parsons and seconded by: Spanel
Resolution APPROVED as amended.

Policy Changes to WWRP Farmland Preservation Program

Policy Specialist Dominga Soliz reviewed the staff recommendation and stakeholder feedback about proposed policy changes to (1) revise the environmental values evaluation criteria, (2) exclude community gardens from program eligibility, and (3) update the program definition of "farm and agricultural land." Staff would look at the criteria for equestrian activities later this year.

In response to questions from board member Drew, Dominga described the outreach with the Puget Sound Partnership and the State Conservation Commission. The board noted that

the language is an improvement, and a step in the right direction. Board member Parsons moved to adopt the portion of the resolution related to environmental criteria. Board member Saunders seconded. Both members later withdrew the motion.

Although board members agreed that community gardens have great value, the board debated whether they should be eligible in the farmland preservation program, with the discussion focused on the following questions:

- What is the definition of a “community garden”?
- How do community gardens relate to the program intent to preserve a critical mass of farmland in some areas?
- Does the size and scale of a community garden make a difference for eligibility?
- How should the board consider the role of community gardens in some communities, as a primary source of local produce?
- Could the board address community gardens through program criteria rather than through eligibility?

The board asked staff to provide them with a list of RCO grant programs that currently fund community gardens at the June meeting. The board also supported the staff intent to develop policies related to equestrian-related activities in the farmland program. Staff should report on progress and/or policy recommendations in October.

Board member Parson moved adoption of resolution with the exclusion of the first bullet under paragraph seven and any other text in the resolution related to community gardens. Board member Drew seconded.

Resolution 2010-05 moved by: Parsons and seconded by: Drew
Resolution APPROVED as amended.

Revised Evaluation Criteria for Land and Water Conservation Fund

Policy Specialist Jim Eychaner reviewed the staff recommendation and stakeholder feedback about a revised evaluation instrument (“priority rating system”) for the Land and Water Conservation Fund grant program. The revision would add a design question for development projects and an urgency/viability question for acquisitions. Combination projects would respond to both.

Resolution 2010-06 moved by: Parsons and seconded by: Daubert
Resolution APPROVED

Policy Regarding Nonprofit Eligibility in WWRP

Policy Specialist Jim Eychaner reviewed the staff recommendation and stakeholder feedback regarding a policy change to allow nonprofit organizations to be eligible sponsors in the WWRP Riparian and Farmland categories.

Resolution 2010-07 moved by: Drew and seconded by: Derr
Resolution APPROVED

Briefings

Incorporating Sustainability into RCO Grant Programs

Jim Eychaner summarized his research into possible approaches for incorporating sustainability into RCO grant programs, and asked for board guidance on next steps. Jim also noted a new PRISM metric that asks about the sustainable practices currently being used. The data will inform checklists and guidelines for programs.

The board discussed several aspects of sustainability, using the white paper summary as a guide. Key themes of the discussion were as follows:

- Lower maintenance and energy costs in parks can lead to economic sustainability, but some approaches may fall into “gray areas” of environmental sustainability.
- Long-term needs for maintenance and operations are linked to sustainability. Project criteria could consider how sponsors will address long-term maintenance. Such criteria, however, can be difficult to evaluate, score, and measure.
- The approaches to sustainability manifest differently in each program. Members and staff discussed examples of habitat conservation and managed recreation as demonstrating how projects can be sustainable in very different ways.
- The board strongly favors incentives over requirements. Rewarding sustainability may lead the board to funding fewer projects because sustainable practices can be more costly. However, the board wants to be cautious that it does not give extra points for approaches that are sustainable but overly expensive or too experimental.
- Staff should consider the approaches to sustainability being used by other state agencies. Coordination and consistency are important.

Board members agreed that sustainability cannot be addressed universally across all programs. They discussed priority by project type, in particular, development versus renovation.

Summary of board direction:

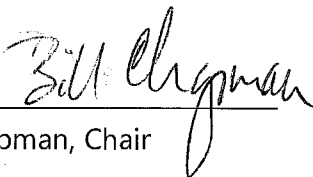
- Staff should provide a process and timeline for developing criteria for the following WWRP categories, beginning with the next grant round: State Parks, State Lands Restoration, Local Parks, and Trails.
- The process should consider how to work with other boards, and integrate with other policy updates/reviews of incentives where it can be efficiently combined.
- Staff should confer with experts and stakeholders in developing the proposals, but should not establish a standing committee. Informal workshops are an acceptable alternative.
- Staff should consider a discussion with the Parks Commission in June regarding sustainability.

State Agency Partner Reports

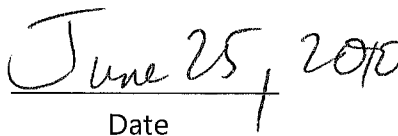
Board member Saunders noted that DNR was successful in getting biomass energy bill signed. Timber prices are starting to go back up, and they have been successful in predicting the types that are needed on the market.

Meeting adjourned at 4:05 p.m.

Approved by:



Bill Chapman, Chair



Date