

# Appendix J:

## Targeted Investments Program



The SRFB adopted a policy enabling targeted investments on September 16, 2020. A targeted investment is a project that addresses a SRFB-identified priority to accelerate progress towards achieving salmon recovery. The general parameters of the policy are to fund targeted investments if: 1) the annual regional status quo allocation<sup>17</sup> has been met, 2) the project addresses one or more strategic priorities as determined by the SRFB, and 3) the project cannot be funded within the current allocation or sub-allocation to lead entities. Proposals are submitted by the salmon recovery regional organization (also referred to as “region”) and must be endorsed by the lead entity.

The policy, described in this appendix, is inspired by several years of SRFB discussions and the piloting of targeted investments in 2019.

### Process Overview

Each biennium the SRFB determines if there are funds available and chooses one or more policy priorities to target investments. If funding is available, project applications will be accepted during the regular grant round of the second year of the biennium (even years). Each salmon recovery region may promote one project application. The application must be submitted no later than June 27, 2022; the date final revised applications are due according to the 2022 SRFB grant schedule. Applications must meet all regular salmon recovery project application requirements.

Targeted Investments must be endorsed by the lead entity, but they are not part of the annual lead entity ranking process. The project will follow the initial review timeline of the lead entity where the project is located. However, once the preliminary review panel process is complete, the regional recovery organization must select one project for final submittal by the June 27 due date.

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<sup>17</sup>Status-quo refers to an \$18 million annual grant round allocation. The annual allocation is a combination of federal and state funds.

On June 2, 2021, the SRFB determined funding is available for targeted investments in the 2021-2023 biennium and selected one policy priority: **Southern Resident orca recovery**. The 2021-2023 targeted investments project review process will be conducted during the 2022 annual SRFB grant round and will include the steps outlined below.

## **Project Submittal**

Each salmon recovery region may promote one final project application, according to the 2022 SRFB grant schedule timeline. Applicants must follow the application timelines and requirements for the 2022 grant round outlined in this manual, and by the lead entity where the project is located. Targeted Investment projects also must satisfy additional requirements described in this appendix and found in the application questions in PRISM.

## **Evaluation and Review Process**

Applications will follow Steps 1 through 4 established in Section 3: How to Apply of this manual.

Applications will follow Section 4: SRFB Evaluation Process of this manual. This includes review of projects by the SRFB Review Panel for technical merit. Applications may have additional review as determined by the lead entity or region and must be submitted no later than the date indicated on the 2022 SRFB calendar. In addition, each targeted investment project will be scored by the review panel using the evaluation criteria included in this appendix. A list of scored projects will be provided to the SRFB. The SRFB will make the final decision on which project(s) to fund.

## **Award Administration**

The SRFB will approve funding for one or more targeted investments at the September 2022 meeting. Targeted investment awards will be administered through contracts between project sponsors and RCO.

## **Funding and Priority Determination**

### **2021-2023 Funding**

The SRFB may request project proposals for targeted investments only if funding remains after allocating the annual statewide status quo funding of \$18 million. Status quo funding is a combination of the state capital budget and the Pacific Coastal Salmon Recovery Fund.

On June 2, 2021, the SRFB approved a \$20 million grant round in 2021, thereby meeting and exceeding the status quo allocation of \$18 million. In addition, the SRFB determined up to \$3.7 million is available for targeted investments.

Projects may be proposed to the SRFB with a combination of targeted investment funding and other SRFB awarded funds (regular SRFB funds, Puget Sound Acquisition and Restoration funds, or Puget Sound Acquisition and Restoration large capital funds), but these funding sources may not be used to fulfill targeted investment project matching requirements. The same project may simultaneously apply for multiple fund sources (e.g. apply for targeted investments and also be included on the lead entity ranked list). Applicants seeking funding from multiple funding sources should work closely with their RCO grants managers and lead entity coordinators to determine the best way to structure the application and funding. PRISM will track each fund separately to ensure the SRFB and partners can account for the use of the funds.

## **Priorities**

Each biennium, the SRFB will adopt one or more targeted investment priority from the list below.

**Approaching recovery:** The investment improves habitat for an Endangered Species Act-listed species nearing recovery goals, as set by the National Marine Fisheries Service status reviews. The targeted investment would address an outstanding habitat restoration and/or protection issue or threat that, if corrected, would move the listed species closer to the recovery goal.

**Southern Resident orca recovery:** The investment focuses on actions that benefit specific stock groups that are a high priority in the Southern Resident Killer Whale Task Force recommendations.

**Populations at risk:** The investment focuses on improving habitat for endangered, threatened, or non-listed populations in decline or at-risk of extinction, where at-risk populations are identified by indicators such as fishery closures or updated status reviews.

**Future threat abatement:** The investment focuses on removing or contributing to the abatement of a threat that will nullify recovery efforts (e.g. climate change, predation).

**Emergency response:** The investment focuses on advancing salmon habitat protection and restoration in watersheds that have experienced natural and/or anthropogenic disasters that have or will result in significant adverse impact on a population.

## Project Eligibility

Each regional recovery organization may submit only one project for SRFB consideration that meets the biennial priority(ies). In addition to the eligibility requirements found in Section 2: Eligible Projects, of this manual, each project proposal must satisfy all of the following eligibility criteria:

1. Address a SRFB-selected targeted investment priority.
2. Improve long-term habitat quality and productivity, and therefore resiliency, of salmonids.
3. Advance a project that cannot be funded by the current sub-allocation to lead entities or the current regional allocation.<sup>18</sup>
4. Leverage additional funds (not including federal Pacific Coastal Salmon Recovery Fund).
5. Restore and/or acquire habitat (may include design).
6. Letter of support from the lead entity where the project is located.
7. The only project selected by a salmon recovery region for funding.

## Match

Consistent with all SRFB salmon recovery grants, applicants must provide money or resources to match a minimum of 15 percent or more of the grant, from non-SRFB administered funds. The additional leveraged funds required under eligibility criteria may be used to satisfy the match requirement.

## Evaluation and Technical Review Process

### Technical Review

Targeted Investments initially will be reviewed by an RCO grants manager to ensure the proposed application is complete and the project meets the minimum eligibility criteria. Applicants must follow the preliminary application review timeline of the lead entity where the project is located to ensure the project application materials are submitted at least 2 weeks before SRFB Review Panel site visits and initial review. After the site visits, the SRFB Review Panel will indicate whether a project is *Clear, Conditioned, Needs More*

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<sup>18</sup>If the proposal is under the regional allocation, a letter of justification from the region must be included in the application.

*Information*, or a *Project of Concern*. Project with a status of *Needs More Information* or *Project of Concern* will be returned to applicants and given an opportunity to answer questions and comments, and resubmit. Projects will be re-reviewed after the final application is submitted June 27, 2022. Only one project per salmon recovery regional organization is considered for final review by the SRFB Review Panel. The SRFB Review Panel will indicate whether the project is cleared or conditioned for funding, or whether it remains a *Project of Concern* and is not recommended for funding. See Sections 3 and 4 of this manual for more details on the technical review.

## **Evaluation and Scoring by the Review Panel**

The review panel will score final applications using the targeted investments evaluation criteria. No more than one project per region will be scored. The review panel will include a written evaluation with findings to support scoring to be presented to the SRFB. The evaluation and scoring will occur after the final application deadline in late June once projects have been cleared or conditioned through the review process. Projects that are identified as a final status *Project of Concern* will not be scored or recommended for funding.

## **Role of the SRFB**

In addition to setting priorities and determining the availability of funds, the SRFB has the authority to fund targeted investments.

The SRFB will determine which project(s) to fund by considering all the following:

1. Meets all eligibility criteria
2. Meets all evaluation criteria
3. Is not designated a *Project of Concern*
4. The review panel's written evaluation and score of a project's technical merits
5. The degree and extent to which a project addresses the selected strategic priority or priorities
6. The extent to which the project will be resilient to climate change
7. Whether a project addresses a critical recovery need or issue
8. The extent to which a project leverages resources and/or supports broader recovery efforts

The SRFB will not partially fund more than **one** targeted investment project proposal per biennium. For a project to be fully funded, the requested project funding has been met with any of the following funding sources: SRFB, Puget Sound Acquisition and Restoration, or Puget Sound Acquisition and Restoration large capital. For example, a \$3 million project may need only an additional \$1 million from targeted investments to be fully funded.

### Evaluation Criteria

Each project will be evaluated for technical merit using the evaluation criteria in the PRISM application and the scoring criteria developed for targeted investments. The applicant’s proposal will address how the project meets the criteria for acquisition and restoration projects (see Criteria 1-13 established in Appendix F of this manual) and planning projects. In addition, the applicant’s PRISM proposal will address the scoring criteria listed below. The criteria evaluate targeted investments priority benefit, species and habitat benefit, likelihood to succeed, and cost. The highest score possible is 60 points. The priority benefit for the 2022 grant round is Southern Resident orca recovery. The most competitive proposals will protect salmonids in areas determined critical to successful feeding for orca. This means the entire application will be scored based on its benefit to orca recovery.

Priority Benefit–10 points		
<b>Orca Recovery Benefit</b>	0-10 based on stock group	The project focuses on habitat actions that benefit specific stock groups that are a high priority in the Southern Resident orca task force recommendations, as listed below. Proposals that protect, restore, and enhance salmonid production in areas determined critical to successful feeding will receive the highest score. Scores based on NOAA Fisheries and Washington Department of Fish and Wildlife (2018) Southern Resident Killer Whale Priority Chinook Stocks Report.
		<b>ESU/ Stock Group</b> <b>Run Type</b> <b>Score</b>
		Northern Puget Sound      Fall      10
		Southern Puget Sound      Fall      10
		Lower Columbia      Fall      10
		Upper Columbia and Snake      Fall      8
		Lower Columbia      Spring      8
		Middle Columbia      Fall      8
		Snake River      Spring-Summer      8
		Northern Puget Sound      Spring      8

Priority Benefit–10 points				
		Washington Coast	Spring	7
		Washington Coast	Fall	7
		Middle and Upper Columbia Spring	Spring	7
		Southern Puget Sound	Spring	5

Species and Habitat Benefits–20 points		
<b>Species</b>	0-5	<p>Proposal addresses multiple orca prey stocks, and multiple life history stages for one or more orca prey stocks will receive the highest score.</p> <p>5= multiple life stages of a single orca prey stock or multiple stocks</p> <p>3= single life stage of a single orca prey stock</p> <p>0=no orca prey stock</p>
<b>Ecological Processes and Limiting Factors</b>	0-10	<p>Projects that recover habitat through process-based solutions will receive the highest scores.</p> <ul style="list-style-type: none"> <li>• Project identifies limiting factor and life history stage for target stocks</li> <li>• Project results in a high functioning site that restores or protects ecosystem processes</li> <li>• Surrounding conditions support the project</li> <li>• The site is resilient to future degradation</li> <li>• The project is designed to be resilient to climate change</li> <li>• Sustainable over time, self-sustaining, or naturally increasing benefit; temporary fixes will score lower</li> <li>• Hardened infrastructure solutions are acceptable but will score lower</li> </ul> <p>8-10 The project restores significant natural processes to the site and significantly improves limiting factors</p> <p>5-7=The project restores moderate levels of natural processes and/or moderately improves limiting factors</p> <p>0-4=The project has limited restoration of natural processes and doesn't adequately address limiting factors</p>
<b>Scale of Benefit</b>	0-5	<p>A higher number of quantified benefits and measurable restoration benchmarks will receive the highest score.</p> <p>Restores access to and/or protects high quality, functional habitat for the target Chinook stocks measured by metrics such as:</p> <ul style="list-style-type: none"> <li>• Salmon habitat gain in miles</li> <li>• Salmon habitat improved in acres</li> </ul>

		<ul style="list-style-type: none"> <li>• Salmon habitat protected in acres</li> <li>• Measurable improvements in flow conditions</li> <li>• Measurable improvements in water quality</li> <li>• Improvements in life-stage specific survival rates</li> </ul> <p>5=A significant gain in salmon access or habitat from restoration or prevention of habitat loss from protection measures</p> <p>3=A moderate gain in salmon access or habitat from restoration or prevention of habitat loss from protection measures</p> <p>0=Little or no gain in salmon access or habitat from restoration or prevention of habitat loss from protection measures</p>
<b>Likelihood to Succeed–20 Points</b>		
<b>Appropriate Scope with Clear Goals and Objectives</b>	0-5	<p>Goals and objectives of the project have been clearly communicated within a scope that is achievable and fitting for the project.</p> <ul style="list-style-type: none"> <li>• Project addresses root cause of problem identified.</li> <li>• Objective’s support and refine biological goals.</li> <li>• Objectives are specific quantifiable actions to achieve stated goal (See Manual 18).</li> <li>• Proposals that demonstrate the project is in the correct sequence and is independent of other actions being taken first will receive the highest score.</li> </ul> <p>5=Goals and objectives are clearly communicated and achievable with implementation of the proposed project</p> <p>3=Goals and objectives are not entirely clear or may not all be achievable with implementation of the proposed project</p> <p>0=Project does not address root causes of identified problems or unlikely to meet objectives</p>
<b>Logical Approach and Schedule</b>	0-5	<p>Proposals that demonstrate readiness to proceed will receive the highest score.</p> <ul style="list-style-type: none"> <li>• An appropriate and achievable time frame and order of events to complete the project</li> <li>• Level of design complete</li> <li>• Permit stage</li> </ul> <p>4-5=Project is ready to proceed with an appropriate level of design completed and most permitting requirements completed</p> <p>0-3=Project must still complete important design elements or still require significant permit review</p>
<b>Landowner Support</b>	0-5	<p>Evidence of project support from directly impacted landowners (written or verbal during site visit) will receive the highest score.</p> <p>4-5=Project has evidence of support from impacted landowners (letter of support, landowner acknowledgement)</p>



		0-3=Project does not have strong evidence of landowner support
<b>Sponsor/ Participants Experience</b>	0-5	Past experience with restoration and/or acquisition projects reflects a higher likelihood of future success. Proposal sponsors that have successfully implemented salmon restoration projects will receive the highest score. 4-5=Project sponsor has demonstrable experience with successful project implementation. 0-3=Project sponsor has little or no demonstrated experience with project implementation.
<b>Cost - 10 Points (All Projects)</b>		
<b>Best Use of Public Funds</b>	0-5	A well justified funding request that demonstrates good use of funds, availability of matching funds, and a clear and complete budget will receive the highest score. 4-5 Project has a clear budget and justified costs. 0-3=Project has a less clear budget and justification of costs.
<b>Leverage Additional Funds</b>	0-5	The proposal leverages additional funds (not including federal Pacific Coastal Salmon Recovery Fund). Any project that leverages 50% or more of the total project cost will receive the highest score. Leveraged funds must be clearly documented in the Cost Estimate Spreadsheet, but do not need to be used as official match for the application request as long as the 15% match requirement is met. 4-5=Project leverages 50% or more in matching funds. 0-3=Project leverages less than 50% in matching funds.

## How to Apply

To apply for targeted investment funds, work with the lead entity coordinator to enter project information into the Salmon Recovery Portal and create an application in PRISM. Additional information about the portal is in Section 5 of this manual. Once the project application is submitted through the portal, the portal will assign the project a PRISM project number. Use that project number to find the project in PRISM and complete the application. All applicants must use PRISM Online to complete applications. See Section 3 of this manual for further information about how to submit an application.

## Funding Timeline

All applications will follow the same timeline and requirements as all other SRFB applications.

## **Project Amendments**

Sponsors must follow the amendment process outlined in Section 6 and Appendix I: Amendment Request Authority Matrix in this manual.