

# Manual 25

## Community Forests Program

---

February 2024

# Table of Contents

<b>At a Glance .....</b>		<b>2</b>
<b>Section 1: Introduction .....</b>		<b>3</b>
The Community Forests Program.....		3
About RCO .....		5
Who Makes Decisions.....		5
Where to Get Information.....		6
Grant Process and Timeline .....		7
Time Limits and Extensions.....		9
<b>Section 2: Policies .....</b>		<b>12</b>
Eligible Applicants.....		12
Eligible Project Types .....		15
Eligible Project Activities.....		16
Environmental Requirements.....		19
Property Requirements .....		21
Other Requirements .....		24
Project Area Stewardship and Ongoing Obligations .....		30
<b>Section 3: Money Matters.....</b>		<b>32</b>
Grant Limits.....		32
Matching Requirements.....		33
Types of Match.....		35
Other Things to Know.....		37
<b>Section 4: Project Evaluation .....</b>		<b>38</b>
The Evaluation Process.....		38
Evaluation Criteria .....		39

# At a Glance

Community Forests Grant Program	
<b>Purpose</b>	Provide funding to conserve land for timber harvest and community benefit.
<b>Who may apply?</b>	<ul style="list-style-type: none"> <li>• Local government entities</li> <li>• Native American tribes</li> <li>• Nonprofit conservation organizations</li> <li>• A state agency working with one or more of the above entities</li> </ul>
<b>When are applications due?</b>	May 1, 2024
<b>When are grants awarded?</b>	June 2025 estimate
<b>What types of projects are eligible?</b>	<ul style="list-style-type: none"> <li>• Acquisition</li> <li>• Combination acquisition and development or restoration</li> </ul>
<b>What are the grant limits?</b>	<ul style="list-style-type: none"> <li>• \$3 million maximum</li> <li>• No minimum grant</li> </ul>
<b>What must the project sponsor contribute?</b>	15 percent
<b>Is a plan required?</b>	A community forest management plan must be submitted to RCO before project completion.
<b>How is the project evaluated?</b>	An advisory committee reviews written materials and scores the projects.
<b>What's new this year?</b>	Included in this manual existing rules for time limits, extensions, inspections, acknowledgments and signs, administrative costs, competitive bids, and carbon and ecosystem service credits.

# Section 1: Introduction

---

**This section covers the following:**

- ✓ The Community Forests Program
- ✓ About RCO
- ✓ Who makes decisions
- ✓ Where to get information
- ✓ Grant process and timeline
- ✓ Time limits and extensions

## **The Community Forests Program**

In 2020, the Washington State Legislature directed the Recreation and Conservation Office (RCO) to establish eligibility criteria and a list of community forest projects for funding consideration. RCO used these criteria to create the Community Forests Program. Community forests provide many public benefits including forest products, forest management, forest products manufacturing jobs, money for public services, environmental services such as clean air and water, carbon dioxide storage, climate resiliency, and opportunities for recreation, education, and cultural enrichment. As the population and urban footprint of the state continues to grow, the Community Forests Program provides communities with a valuable tool for conserving forests for the benefit of current and future generations.

## **Focus on Forest Conservation**

The purpose of this program is to protect and maintain actively managed forestlands, consistent with local land-use planning. Fragmentation and development of forestlands results in greater risks of impact to communities from wildfire and climate change and deprives communities of the economic, environmental, cultural, recreational, and educational opportunities a community forest can provide. The Community Forests Program provides funding to help communities protect and enhance their surrounding

forestlands by acquiring land and developing collaborative models of community-based forest management and use.

## **Definitions**

Except for the definition of "forestland," the definitions below are reprinted from Washington Administrative Code [286.04.010](#).

**Acquisition project**—A project that results in the purchase or donation of fee or less-than-fee interests in real property. These interests include, but are not limited to, conservation easements, access or trail easements, covenants, water rights, leases, and mineral rights. Additional guidelines and rules for acquisition projects may be found in [Manual 3: Acquisition Projects](#).

**Development project**—A project that results in the construction or work resulting in new elements including, but not limited to, structures, facilities, and materials to enhance outdoor recreation resources. Additional guidelines for development projects may be found in [Manual 4: Development Projects](#).

**Forestland**<sup>1</sup>—Property that is at least five acres in size, suitable to sustain natural vegetation, and at least 75 percent forested or capable of being reforested. Forestland includes the trees and the infrastructure and other elements necessary to manage and operate the forest or for the production, preparation, or sale of the trees and non-timber forest products.

**Project**—The undertaking, which is, or may be, funded in whole or in part with money administered by RCO.

**Project area**—A geographic area that delineates the grant-funded site that is subject to RCO application and grant agreement requirements.

**Restoration project**—A project that brings a site back to its historic function as part of a natural ecosystem or improving the ecological functionality of the site. For this grant program, restoration projects may include activities that improve forest health or the ability of the forest to produce trees and other non-timber forest products. Additional guidelines for restoration projects may be found in [Manual 5: Restoration Projects](#).

---

<sup>1</sup>Forestland as used here was devised specifically for this program and informed by the definition of forestland used in the U.S. Forest Service's [Community Forests Program](#), Revised Codes of Washington [84.34.020](#), and [84.33.035](#).

## **About RCO**

RCO is a small state agency that manages multiple grant programs to create outdoor recreation opportunities, protect the best of the state's wildlife habitat and working farms and forests, and help return salmon and orca from near extinction.

## **Manual Authority**

This manual, which has been approved by the RCO director, was developed under the authority of the 2020 Supplemental Capital Budget and reflects specific requirements of Title 286 of the Washington Administrative Code. This manual explains eligibility and project requirements for the Community Forests Grant program, how to apply for grants, and the evaluation and scoring process. This manual also outlines the primary responsibilities of grant recipients and references several other RCO manuals, grant materials, and procedures applicable to applying for and managing a Community Forests Program grant. All materials are available on the RCO website. To obtain more information please contact RCO.

## **Who Makes Decisions**

### **Staff Decisions**

Staff review grant applications to ensure they are complete, the projects are eligible to compete, the grant applicants are eligible to apply, and the match is certified. Staff also score objective evaluation criteria, such as the amount of match provided by applicants. Finally, staff make routine grant management decisions about billings, reports, minor scope changes, short time extensions, and more.

### **Advisory Committee Decisions**

An advisory committee evaluates grant applications and scores them to create a ranked list of projects for the director to consider. Advisory committees also review proposed program policies and criteria changes, and in some cases make recommendations to the director about scope changes and how funding should be distributed.

### **Director Decisions**

The RCO director makes the final decisions for funding, policies, and project changes. In addition, the director, or designee, makes many project decisions ranging from authorizing payments to approving cost increases to approving payment of charges in excess of lower bids to terminating projects.

## Not a Public Hearings Officer

The RCO director does not serve as a public hearings officer and does not decide land-use issues. To the extent possible, each project proposal should demonstrate adequate public notification and review and have the support of the public body applying for the grant.

More detailed information about director decisions is available in *Manual 3: Acquisition Projects*, *Manual 4: Development Projects*, and *Manual 5: Restoration Projects*.

## Where to Get Information

Recreation and Conservation Office:

Natural Resources Building  
1111 Washington Street Southeast  
Olympia, WA 98501

[Email](#)

Telephone: (360) 902-3000

FAX: (360) 902-3026

Hearing Impaired Relay Service: Call 711

[Website](#)

Mailing Address

PO Box 40917  
Olympia, WA 98504-0917

RCO outdoor grants managers are available to answer questions about this manual and grant program. Please feel free to call. In addition, manuals, forms, and most other materials referenced in this manual are available on RCO's website on the [Community Forests Program grant page](#)

## Other Grant Manuals Needed

The manuals below provide additional information for RCO grant-funded projects and are available on the [grant manual page](#) of the RCO website. Each can be made available in an alternate format. Applicants are strongly encouraged to review the other manuals that apply to their specific project types and activities.

- *Manual 3: Acquisition Projects*
- *Manual 4: Development Projects*
- *Manual 5: Restoration Projects*
- *Manual 7: Long-Term Obligations*
- *Manual 8: Reimbursements*

## Grant Process and Timeline

RCO offers grants in even-numbered years, in conjunction with the state budget. The grant process, from application to grant award, spans eighteen months and is outlined below. While the order of the steps in this process remains consistent, for precise dates, visit the RCO website.

### Even-numbered Years

**Webinars.** RCO conducts webinars (an online meeting) in the winter or early spring to provide information about the grant programs offered that year.

**Entering Applications.** RCO strongly encourages an applicant to start the online application early. PRISM Online will open usually by March 1.

To enter an application, the applicant must sign up for a [SecureAccess Washington](#) account and submit a [PRISM account form](#). When using either of these databases for the first time, the applicant must complete a double sign-in.

1. Using SecureAccess Washington credentials, login to PRISM.
2. When redirected to the SecureAccess login page, enter the SecureAccess credentials.
3. When redirected to a one-time PRISM sign-in page, enter the PRISM login credentials.
4. The applicant will be directed back to the PRISM home page.

This double sign-in will happen only once. After completing the double sign-in, the applicant will use SecureAccess Washington credentials to log into PRISM.

To begin an application, log into PRISM Online and select the + *New Application* button to enter grant application information. RCO uses this information to assign an outdoor grants manager. This manager guides the applicant through the process, reviews application materials, helps determine whether the proposal is eligible, and may visit the project site to discuss site-specific details. More information about [PRISM's components and technical requirements](#) may be found online.

**Applications Due.** An application is typically due in early May of even-numbered years. The application includes the data entered into PRISM and all required attachments. The applicant should *submit* the application before the deadline. The *Check Application for Errors* button on the *Submit Application* screen will indicate which pages are incomplete. An incomplete application and an application received after the deadline will be rejected



unless RCO's director has approved a late submission in advance. Follow the requirements in the Applicant's To-Do List online.

**Technical Reviews.** Grants managers review the application to ensure it is eligible, identify any issues of concern, and provide feedback on the strengths and weaknesses of the proposal. The applicant then may make changes to improve the project, if needed. The applicant must complete all modifications and resubmit the applications by the technical completion deadline.

**Technical Completion Deadline.** RCO establishes a technical completion deadline by which the application must be in its final form. After this date, an applicant will not be able to make any further changes. RCO will score applicable evaluation criteria as of this date.

**RCO Submits Biennial Budget Request.** RCO sends the Governor a recommended funding amount for the Community Forests Program for the next biennium.

**Project Evaluation–Written Process.** Advisory committee members use the application materials, which include the responses to the evaluation questions, cost estimates, maps, graphics, and photographs, to score the proposal against a set of criteria approved by the RCO Director.

**Post-Evaluation Conference.** After project evaluations, RCO staff tabulate the scores and share the results with the advisory committee. The committee discusses the preliminary ranked lists and the application and evaluation processes. The public may join these advisory committee conference calls; however, to ensure a fair and equitable process, guests may not testify. Shortly after the conference call, staff post the preliminary ranked list on RCO's website. The resulting ranked list of projects is the basis for the funding recommendation to the RCO director.

**Director Approves Project List.** The RCO director considers the recommendations of the advisory committee and any written public comments received and then approves a list of projects for submittal to the Governor.

**Board Reviews Projects.** In an open public meeting, the Recreation and Conservation Funding Board will review the projects, consider written public comments submitted before the meeting, and hear public testimony at the meeting. The applicant is encouraged, but not required, to attend.

**Governor Submits Budget Request.** Typically, the Governor's capital budget request to the Legislature includes a list of projects and funding for the Community Forest Program.

## Odd-numbered Years

**Legislature Approves Projects.** When it develops the state capital budget, the Legislature considers the project list submitted by the Governor and funding for the project proposals.

**Proof of Matching Funds.** An applicant with match included in an application must provide proof of the availability of matching funds by the match certification deadline, which is at least one calendar month before director approval of funding.<sup>2</sup>

**Director Awards Grants.** After the Legislature and Governor approve the capital budget, the director makes the final grant awards.

**Grant Agreements Issued.** After grant awards, the applicant has two calendar months<sup>3</sup> to submit pre-agreement documents (checklist provided by grants managers.) RCO staff then prepare and issue the grant agreement. The applicant must return the signed agreement within three calendar months from the date RCO sends the agreement to the applicant for signature.<sup>4</sup> Once the agreement is signed, the applicant, now referred to as a project sponsor, may begin the project, according to the terms of the grant agreement. Each agreement will be written and monitored for compliance by RCO staff. See *Manual 7: Long-Term Obligations* for more information.

**Successful Applicant Webinar.** After the RCO director approves funding, RCO publishes online a recorded webinar for successful grant applicants. This webinar covers sponsors' responsibilities to comply with grant agreements, issues that might come up when implementing projects, billing procedures, amendments for changes and time extensions, closing project procedures, and long-term compliance.

## Time Limits and Extensions

The sponsor must complete the funded project promptly. For this reason, RCO staff, with applicant assistance, establishes a timetable for project completion, including enforceable milestones and a project completion date. To avoid the risk of the director withdrawing the grant, RCO uses the following guidance for each project phase.

## Application Phase

An applicant must provide reasonable assurance that the project can be completed on time and meet milestones. Reasonable assurance may include such evidence as the following:

---

<sup>2</sup>Washington Administrative Code 286-13-040(3)

<sup>3</sup>Washington Administrative Code 286-13-040(4)

<sup>4</sup>Washington Administrative Code 286-13-040(5)

- Appraisals and review are completed.
- Designs are completed.
- Bid documents are prepared.
- Environmental assessment is completed.
- Hazardous substances review is completed.
- Option agreements are signed.
- Permits are in-hand.
- Property is in escrow.
- Waiver of Retroactivity is in-hand and signed.

At least one calendar month before the RCO director awards grants, when requested by RCO, the applicant must provide written certification of matching fund availability.<sup>5</sup>

Applicants should only submit projects that are likely to be completed within four years.

### **Pre-Agreement Phase**

- An applicant must submit the pre-agreement materials requested by RCO within two calendar months of funding approval.<sup>6</sup>
- With RCO staff assistance, the applicant must develop milestones, to be included in the grant agreement and a timeline that does not exceed two to three years.

### **Implementation Phase**

To help ensure reasonable and timely project completion, accountability, and the proper use of funds, the sponsor must do the following:

- Develop milestones for project implementation as shown below:

○ Acquisition projects	Two years
○ Combination projects	Three years
○ Exceptionally complex projects	Three and a half years

---

<sup>5</sup>Washington Administrative Code 286-13-040(3)

<sup>6</sup>Washington Administrative Code 286-13-040(4)

RCO staff monitors critical project milestones (for example, ordering appraisals and reviews, starting construction). Unsatisfactory progress may be cause for project termination or other remedies (See the grant agreement section on termination and other remedies).

- Begin project implementation quickly and aggressively to show measurable progress towards meeting project milestones.
- Submit a reimbursement request at least once a year.<sup>7</sup>
- Submit progress reports at intervals as designated by the RCO grant agreement.

## Extensions

Sponsors must complete projects within the period of performance included in the grant agreement. Extension requests must be in writing and provided to RCO not less than sixty days before expiration of the project's completion date.<sup>8</sup> The request must justify the need and commit to a new set of specified milestones.

## Project Completion

The grant agreement end date will be written into the grant agreement. It is the date that is the end of the period of performance and all project work must be complete and may be extended only when authorized by the director. The director may approve a project for up to four years.

When one RCO grant is used to match another, RCO staff will use the earliest grant to determine the four-year window.

When a project is completed, the sponsor must submit the final bill, final report, and supporting documents needed to close the project as specified in the agreement.<sup>9</sup> If the bill and documentation are not submitted within six months of the end date in the agreement, RCO may terminate the agreement without payment.

---

<sup>7</sup>Washington Administrative Code 286-13-040

<sup>8</sup>Washington Administrative Code 286-13-040(8)

<sup>9</sup>Washington Administrative Code 286-13-040(7)

# Section 2: Policies

---

## This section covers the following:

- ✓ Eligible applicants
- ✓ Eligible project types
- ✓ Eligible costs
- ✓ Environmental requirements
- ✓ Property requirements
- ✓ Other requirements
- ✓ Project area stewardship and ongoing obligations

## Eligible Applicants

- Local government entities, including:
  - City or county government agencies
  - Special purpose districts and other political subdivisions of the state (e.g., park and recreation districts, port districts, public utility districts)
  - Public development authorities (as authorized under Revised Code of Washington 35.21.730)
- Native American tribes
- Nonprofit conservation organizations
- A state agency *working directly* with one or more of the above entities

## **Applicant Requirements**

### **Nonprofit Organizations**

Nonprofit organizations must meet all the following eligibility requirements:

- Be registered in the State of Washington as a nonprofit corporation as defined by Chapter 24.03 Revised Code of Washington AND meet the definition for nonprofit nature conservancy in Revised Code of Washington 84.34.250<sup>10</sup>
- Consistent with Revised Codes of Washington 24.03.220, 24.03.225, and 24.03.230, identify a successor organization to ensure management continuity of any RCO grants received by the corporation or association.
- Demonstrate experience and capacity to actively manage projects relevant to the types of activities eligible for Community Forests Program funding. Experience can be demonstrated through the capacity and knowledge of individuals within the organization, their partners, or contracted professionals and should not be based on how long the organization has existed.
- Provide a copy of articles of incorporation and bylaws including any amendments.

### **Public Development Authorities**

Public development authorities must meet all the following eligibility requirements:

- Submit the resolution or ordinance that authorizes the public develop authority.
- Demonstrate legal authority to own property and operate in the proposed project area.
- Identify an organization that will be responsible for receiving and maintaining the public community forest property, subject to RCO's Deed of Right, in the event of insolvency or dissolution.
- Demonstrate experience and capacity to actively manage projects relevant to the types of activities eligible for Community Forests Program funding. Experience can be demonstrated through the capacity and knowledge of individuals within

---

<sup>10</sup>Revised Code of Washington 84.34.250 defines nonprofit nature conservancies as having as one of its principal purposes, among other possible purposes, conserving natural resources. For this grant program, conserving natural resources should be interpreted to include conserving forestlands for timber management and harvest.

the organization, their partners, or contracted professionals and should not be based on how long the organization has existed.

## State Agency Applicants

A state agency must demonstrate it is *working directly* with another entity that is eligible to apply in this grant program. The state agency must submit a written agreement formalizing the partnership with the other entity. The agreement must specifically describe all the following:

- The community benefits for which the forest is being acquired
- Each entity's roles and responsibilities
- How community input will be integrated into forest planning and management decisions
- How future revenue generated by the community forest that exceeds operation and management expenses will be shared with the community

## Legal Opinion for First-time Applicants

RCO requires all organizations wishing to apply for a grant for the first time to submit a legal opinion that the applicant is eligible to do the activities below. The legal opinion is required only once to establish eligibility.

- Contract with the State of Washington and/or the United States of America
- Meet any statutory definitions required for RCO grant programs
- Receive and spend public funds including funds from RCO
- 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
- Commit the applicant to statements made in any grant proposal

## Eligible Project Types

Projects must acquire fee-simple title of real property. Projects also may include forest and habitat restoration activities or development of recreational facilities on the property acquired.

### Acquisition Projects

Grants may be used for fee-simple acquisitions only. The value of conservation easements or other rights donated or acquired using other funding sources on property that will contribute to the community forest's public benefits may be eligible to satisfy the match requirement.

Acquisition projects may include incidental costs including but not limited to administrative costs, due diligence, fencing, initial invasive species treatment, property line adjustments, signs, and transaction fees. See RCO's Manual 3: Acquisitions for a more complete list of eligible incidental costs.

### Combination Projects

Combination projects include property acquisition and one or more other activities: forestland restoration, habitat restoration, or development of recreational opportunities. Restoration and development activities must occur on the property acquired using the community forest grant. The total cost of the restoration and development activities combined cannot exceed 10 percent of the overall project budget.

Restoration activities may include forest health treatments, habitat or ecosystem restoration, aquatic restoration, planting or reforestation, and fish barrier removal or repairs.

Grants cannot be used for mitigation or to satisfy regulatory requirements for activities that are not related to the establishment or development of the community forest. See *RCO Manual 5: Restoration Projects* for more information on projects that include restoration activities.

Development activities may include developing trails and trailheads, parking, restrooms, campgrounds, picnic areas, day-use facilities, challenge courses, signs, interpretive displays, and other recreational opportunities that are compatible with the management objectives of the community forest. See RCO manual 4 for more information on projects that include development activities.



## Other Considerations

### Multiple Parcel Acquisition Projects are Allowed

All parcels must either be identified in the project application or the applicant may identify a geographic envelope containing all parcels under consideration and provide a written description of how the parcels will be prioritized for acquisition within the envelope. Proposed parcels should be contiguous with one another or contiguous with property currently managed under the community forest. Parcels may be non-contiguous if the applicant can demonstrate that acquiring land anywhere within the geographic envelope will achieve the goals of the community forest. Regardless of the size of individual parcels, the total of all parcels acquired using grants must be at least five acres.

### Phased Projects

Large acquisition projects can be complex, multi-year, and multi-partner efforts, and require extensive analysis, coordination, and implementation. A project sponsor should consider the potential complexity that large-scale or multi-million-dollar projects may create and should discuss phasing with RCO staff. Phased acquisition projects are subject to the following criteria:

- Approval of any single phase is limited to that phase. No endorsement or approval is given or implied toward future phases.
- Each phase must stand on its own merits as a viable project and not be dependent on the completion of future phases or work.
- Each phase must be submitted as a separate application.

## Eligible Project Activities

### Incurring Pre-Agreement Costs

RCO may reimburse a sponsor for certain allowable expenses incurred before the start date of a grant agreement if the grant is awarded.

For acquisition projects, most incidental costs incurred before a RCO grant agreement are allowable for reimbursement. Land costs are not allowable as a pre-agreement cost unless a Waiver of Retroactivity has been approved. See *Manual 3: Acquisition Projects*.

For restoration and development projects, preliminary costs necessary to get a project ready for the construction phase (i.e., architecture and engineering, permits) are allowable for reimbursement.

The sponsor may not incur any construction cost (except cultural resources, permits, or surveys) before the period of performance in the agreement. See *Manual 5: Restoration Projects* and *Manual 4: Development Projects* for more information.

## **Acquiring Property**

Acquiring property includes purchasing or receiving a donation of fee-title interest in real property. Acquisition may include the underlying land, timber, any associated mineral and water rights, and any other fixed assets that accompany the property. Other non-fixed assets such as heavy equipment or movable structures are not eligible in this program.

Incidental costs related to acquisition are eligible. Examples include appraisals, administrative costs, title reports, recording fees, closing fees, cultural resource surveys, fencing, invasive species control, surveys, signs, taxes, and relocation, removal, or demolition of unwanted existing structures. Additional rules for land acquisition are in RCO manual 3.

## **Developing and Restoring Activities**

Development and restoration costs are for actual construction activities. These activities include costs for labor, materials, and equipment use. They start with site preparation and end with completion of the final punch list. Development and restoration costs together may not exceed 10 percent of the total project budget. Additional rules for recreational development projects can be found in *Manual 4: Development Projects*. Additional rules for restoration projects can be found in *Manual 5: Restoration Projects*.

## **Other Eligible Costs**

### **Administrative, Architectural, and Engineering Costs**

Administrative costs are necessary to prepare a project for development or restoration, but do not involve direct construction activities. These activities may occur before and during actual project construction and may include bidding, construction supervision, environmental site planning, project administration, project closeout, recording documents, surveys, etc. Note: In RCO's online PRISM system, these activities are categorized as "architectural and engineering (A&E)" costs.

### **Community Forest Management Plan**

A sponsor is required to submit a community forest management plan to RCO before project completion. The sponsor may use up to \$30,000 of the grant to develop this plan. If the sponsor already has a management plan for the community forest, an update to the plan that includes the acquired properties is an allowable cost not to exceed \$10,000.

## **Ineligible Activities and Costs**

Grants cannot be used for the following project activities:

- Any costs associated with the preparation or presentation of the grant application
- Acquisition of lands already owned by an applicant or eligible sponsor except under a waiver of retroactivity
- Properties acquired by a condemnation action of any kind
- Restoration costs required by permit or other regulatory requirements to mitigate for activities that are not related to establishment of, or development on, the community forest or the responsibility of the seller
- Costs not directly related to implementing the project such as overhead or indirect costs
- Environmental cleanup of illegal activities (contaminated materials, derelict vessels, trash pick-up, methamphetamine labs, etc.)
- Animal species introduction or propagation, other than biological controls for invasive species
- Fish or other wildlife production facilities, such as fish hatcheries to produce sport fish
- Construction or renovation of indoor facilities such as community centers, environmental education or learning centers, gymnasiums, swimming and therapy pools, and ice-skating rinks
- Routine operation and maintenance costs
- Purchase of maintenance equipment, tools, or supplies

## Environmental Requirements

### Cultural Resources Review

Governor's [Executive Order 21-02](#), *Archaeological and Cultural Resources*, directs state agencies to review state-funded acquisition and construction projects for potential impacts to cultural resources, which are defined as archeological and historical sites and artifacts, and traditional tribal areas or items of religious, ceremonial, and social uses. As part of this review, state agencies must consult with the Department of Archaeology and Historic Preservation and affected Native American tribes and ensure that reasonable action is taken to avoid adverse impacts to these resources. The federal government, through section 106 of the National Historic Preservation Act, requires the same compliance for federally funded projects and projects with other federal involvement, for example, projects on federal lands, with federal funds, or those that require a federal permit.

RCO will review all acquisitions and ground-disturbing actions for potential impacts to cultural resources and initiate consultation with the Department of Archaeology and Historic Preservation and tribes before issuing a grant agreement. As a result of this review and consultation, sponsors may be required to complete a cultural resources investigation and additional requirements may be added to the grant agreement.

### Cultural Resources Background Study

#### For Acquisition-only Projects

As noted in the [Washington State Integrated Forest Management Plan Guidelines and Template](#), the sponsor is responsible for protecting any cultural and historic resources present in the project area. To fulfill this requirement, the sponsor must attach Cultural Resources Background Studies to the forest management plan. These studies may be undertaken as desktop analyses and may not require field work. The studies must be completed by people who meet the Secretary of Interior's [Professional Qualifications Standards](#) as described in 36 CFR Part 61. Site-specific Inadvertent Discovery Plans for unanticipated discovery of human remains or archaeological resources, also must be included in the management plan. The Cultural Resources Background Study should include (at minimum) the following content:

- Study area location and extent
- Physical and environmental setting
- Ethnography and historical setting
- Archaeological setting

- Archaeological and historic built-environment records search
- Assessment of the potential for additional buried and above-ground cultural resources
- Management recommendations for the known and newly discovered cultural resources

### **Combination Projects (Acquisition with Development or Restoration Actions)**

Combination projects may require a full cultural resources assessment, inclusive of field work, to address any ground-disturbing actions.

For all projects, archaeological and historical data may be proprietary or sensitive. If data is proprietary, the sponsor must identify it as such and use discretion if including data in the plan. Please do NOT include any information that identifies the locations of archaeological sites or the sites of traditional religious, ceremonial, or social uses in plans. This information is protected by state and federal laws to help prevent looting and destruction of these sites. Site-specific and location data should be kept on separate documentation marked "Proprietary—for landowner only" and kept in a secure location by the sponsor.

The sponsor must include costs to complete Cultural Resources Background Studies and the cultural resources consultation process in the project budget. The studies and all forms must meet requirements outlined in the [Washington State Standards for Cultural Resources Reporting](#). RCO encourages sponsors to work with qualified cultural resources professionals to estimate costs. The Association for Washington Archaeology provides [a list of qualified consultants](#) on its website.

This study does not exempt future projects or actions from undergoing a formal review by the Washington Department of Natural Resources or another regulatory agency when the landowner proposes activities that require a Forest Practices Application/Notification from the Department of Natural Resources. RCO encourages sponsors to submit subsequent plan updates, if applicable.

For more details on the process required, see *Manual 3: Acquisition Projects*, *Manual 4: Development Projects*, or *Manual 5: Restoration Projects*.

### **Invasive Species**

The Washington Invasive Species Council developed [protocols](#) for preventing the spread of invasive species while working in the field. RCO encourages grant sponsors to consider how their projects may spread invasive species and work to reduce that possibility. Invasive species can be spread unintentionally during construction, maintenance, and restoration activities. Here is how it could happen:

- Driving a car or truck to a field site and moving soil embedded with seeds or fragments of invasive plants in the vehicle's tires to another site. New infestations can begin miles away as the seeds and fragments drop off the tires and the undercarriage of the vehicle.
- Moving water or sediment infested with invasive plants, animals, or pathogens from one stream to another via boots, nets, sampling equipment, or boats.
- Moving weed-infested hay, gravel, or dirt to a new site, carrying the weed seeds along with it, during restoration and construction activities. Before long, the seeds germinate, and infest the new site.

The key to preventing the introduction and spread of invasive species on a restoration project is twofold: Use materials that are known to be free of invasive plants or animals in the project and clean equipment both before and after the job. Equipment to clean should include, but not be limited to, footwear, gloves, angling equipment, sampling equipment, boats and their trailers, and vehicles and tires.

## **Sustainability**

RCO encourages sponsors to use sustainable design, practices, and elements in their projects. Examples may include use of recycled materials; native plants in landscaping; pervious surfacing material for circulation paths, access routes, trails, and parking areas; energy efficient fixtures; onsite recycling stations; and composting.

## **Property Requirements**

### **Property Acquired Must be Forestland**

Forestland is defined as property that is at least five acres, suitable to sustain natural vegetation, and at least 75 percent forested or capable of being reforested. For projects that acquire multiple parcels, the sum of all parcels must create an area that is at least five contiguous acres of forestland. Use and management of the property must maintain the property as forestland.

If the property being acquired is enrolled in the county's designated forestland, timberland, or open space current use tax program, the sponsor is encouraged to continue the property's enrollment in the program if eligible. If the property is not enrolled, the sponsor is encouraged to apply for enrollment. The County will help a sponsor determine which properties are eligible for which program upon acquisition and development of the community forest management plan.

## Local Jurisdiction Review

Before applying for a grant to acquire property, an applicant must review the proposed project with the county or city with jurisdiction over the project area. The applicant then must provide documentation that the applicant has conferred with the local county or city officials.

The jurisdiction's legislative authority may submit a letter to the RCO director stating its support of, or opposition to, the project. The director shall make the letter available to the Governor and the Legislature when submitting its prioritized project list as part of RCO's biennial capital budget request. The applicant must complete this local review for each new application even if resubmitting a project from a previous grant cycle.

## Landowner Acknowledgement for Acquisition Projects

As part of any grant application for property acquisition, the applicant must demonstrate that the landowner is aware of the applicant's interest in buying the property. Applicants may meet this requirement by completing one of four options detailed in RCO's Manual 3; however, the landowner's receipt and acknowledgement of notice must be clearly documented in writing.

## State-Owned Aquatic Lands

If a project will occur over, in, or alongside a navigable body of water, an authorization to use state-owned aquatic lands may be needed.

All marine waters are, by definition, navigable, as are portions of rivers influenced by tides. Navigable rivers and lakes are those determined by the judiciary, those bounded by meander lines, or those that could have been used for commerce at the time of statehood. The Department of Natural Resources' aquatic land managers will help the grant applicant determine if the project will fall on state-owned aquatic lands and provide more information on its authorization process. See the [land manager coverage map](#) online for contact information for the Department of Natural Resources aquatic land managers.

If the project is on state-owned aquatic lands, the grant applicant will need to secure a lease or easement (use authorization) to use those lands from the Washington Department of Natural Resources. Securing a lease or easement may take up to a year. RCO requires the executed lease or easement within sixty days after director funding approval to show control and tenure for the site. The lease or easement is required before the project will be placed under agreement, unless RCO's director approves an extension in advance. Review the control and tenure requirements in *Manual 4: Development Projects* or *Manual 5: Restoration Projects*.

The following online resources may be helpful to review:

- [\*Grant Projects on State-owned Aquatic Lands\*](#)
- [\*Leasing State-owned Aquatic Lands\*](#)
- [\*Boundaries of State-owned Aquatic Lands\*](#)
- [\*Caring for Washington's Nearshore Environments\*](#)

## Department of Natural Resources' Review of Project Scope

Local government applicants that need to secure a use authorization meeting RCO policy must do all the following:

- Meet with the Department of Natural Resources to review the proposed scope of work.
- Complete a Joint Aquatic Resource Permit Application (JARPA) and give a copy to the Department of Natural Resources.
- Attach to the grant application a Scope of Work Acknowledgement Form (signed by the Department of Natural Resources) by the technical completion deadline.

A state agency applicant must follow the same procedure when developing a new facility where one currently does not exist. RCO will coordinate an interagency in-person review of proposals for all other state agency projects.

## Acquiring Land with Severed Mineral Rights

While a sponsor may acquire land with severed mineral rights, the sponsor is strongly encouraged to perform additional due diligence to determine the feasibility and risk of a third-party mineral owner exercising the rights. Development of the mineral rights by a third party could be treated as a conversion under RCO's long-term obligations policy. In such an event, the sponsor may encounter a legal obligation to find, fund, and acquire replacement land with similar community forest benefits and value.

## Complimentary Easements or Covenants

If an acquisition project includes funding from other sources that also require some form of encumbrance on the property such as a Notice of Grant, deed restriction, or other encumbrance, the project sponsor must provide a copy of the encumbrance to RCO for review. Other funding sources may include private foundations; other local, state, or federal grant programs; payments for ecosystem services; transfer of development or other property rights; etc. RCO will review the encumbrance for consistency with RCO's



Deed of Right and the grant agreement. RCO's Deed of Right includes reference to encumbrances from other funding sources and requires any future conversion be valued without the other funding source's encumbrance on the title. As long as the encumbrance from the other funding source is consistent and compatible with RCO's funding, the project may remain eligible for funding.

If any easement is required after the completion of the RCO project, the sponsor must provide a copy of the draft easement for RCO to review. As long as the easement is compatible with the purpose of the community forest, no conversion will occur per the policies in *RCO Manual 7: Long-Term Obligations*.

## **Deed of Right**

RCO requires a Deed of Right to be recorded on each parcel acquired with RCO funding assistance. The Deed of Right grants to the State of Washington the right of public access, and grants to RCO the right to inspect the property, to enforce the terms of the grant agreement, and protect the property for the primary purpose of the grant funding. For more information on RCO's Deed of Right, recording process, and an example see *Manual 3: Acquisition Projects*.

## **Other Requirements**

### **Number of Grant Proposals Allowed**

In general, RCO does not limit the number of grant proposals from a single applicant during the biennial grant cycle. However, each proposal must be for a different scope of work. Each application must stand alone on its own merits as viable forestland and not be dependent on other projects or future phases of work.

A grant proposal for the same project or scope of work may be submitted to another RCO grant program only if it is being used as match. Each proposal must identify the other RCO matching grant proposal. RCO recommends the applicant contact staff to discuss options for phasing a costly, interrelated, or complex project proposal.

### **Community Forest Management Plan**

A community forest management plan must be submitted to RCO before project completion. Forest management plans must follow the [Integrated Forest Management Plan Guidelines](#) produced by the Washington State Department of Natural Resources, Washington State Department of Revenue, U.S. Natural Resources Conservation Service, U.S. Forest Service, and American Tree Farm System.

In addition to the elements included in the Integrated Forest Management Plan Guidelines, a community forest management plan must include the following:

- A description of the public benefits provided by the community forest
- A plan for community engagement and decision making
- A financial management plan, consistent with the income use policy below, that includes a description of how any revenue generated that is in excess of the community forest's stewardship, management, and operational needs will support the stated public benefits

When another plan already exists, the RCO director or designee may approve an alternative plan format that meets the intent of the community forest management plan guidelines.

## **Permitted and Prohibited Uses**

Property acquired for a community forest must be managed according to the sponsor's Community Forest Management Plan and future updates to the plan. Generally, communities have wide discretion in the use and management of the community forest so long as the property is actively managed and maintained as forestland.

### **Permitted Uses of Community Forests**

Following is a list of some of the permitted uses:

- Timber harvest and forest management
- Harvest of non-timber forest products
- Public hunting, gathering, and other subsistence activities
- Managed grazing compatible with forestlands
- Development of recreational and educational facilities
- Habitat conservation and ecosystem restoration
- Transferring development rights before acquisition; transferring water rights
- Payments for ecosystem services
- Utility development that does not significantly reduce the percent of forested land on the property at the time of acquisition

## Prohibited Uses of Community Forests

- Residential development
- Commercial mining or mineral extraction<sup>11</sup> (except as it supports the community forest management and operations—i.e., small gravel borrow pits for roads, trails)
- Permanently selling or severing any acquired mineral rights
- Activity that is incompatible with the purpose of the Community Forests Program or that significantly reduces or alters the percent of forested land that was on the property at the time of acquisition

## Public Access

Regardless of whether the property is developed, all property acquired in fee-title with RCO grants must be available for public use. Public use means that the general public has regular, legal access and use of property acquired with RCO grants. For more information on public access requirements, see manual 3.

Limiting or restricting public access to part or all of a project area is allowed for the following reasons:

- Protection for the safety of the public. For public safety closures, the sponsor must identify a specific hazard with known consequences to visitors.
- Protection of water quality or critical, important, or sensitive species, habitats, or ecosystems.
- Protection of significant research and education sites or resources that might otherwise be compromised by public access, and areas where there is active research or education.
- Protection of historical or cultural resources. However, the sponsor shall allow exemptions to limits on public access in the case of cultural and spiritual uses that do not damage or otherwise adversely affect the protected resources.

The director or designee may approve additional limits to public access on a case-by-case basis.

---

<sup>11</sup>See disclaimer on exercise of mineral rights by a third party.

## Carbon and Ecosystem Service Credits

Land acquired or encumbered with a RCO grant may be enrolled in carbon credit and other payments for ecosystem service programs. These programs issue credits or direct payments to landowners for activities such as protecting land, planting trees, or improving management practices that reduce, sequester, or prevent future carbon and other greenhouse gas emissions. Read more information in *RCO Manual 3: Acquisition Projects*.

## Existing Buildings and Structures

Buildings and structures may remain on the property if they support the purpose and function of the community forest. If a sponsor wishes to retain a building or structure on the property, the intended use of the structure must be identified in the grant application. If a sponsor wishes to retain a structure that does not support the purpose and function of the community forest, then the structure and associated land and support facilities must be excluded from the grant application. Grants may be used to remove or demolish unwanted structures.

## Compliance with Forest Practices

Community forest owners must comply with the Forest Practices Rules or other equally protective standards of forest management when conducting timber management or harvest activities. For more information on compliance with the Forest Practices Act, contact the Washington State Department of Natural Resources at (360) 902-1400, [fpd@dnr.wa.gov](mailto:fpd@dnr.wa.gov), or [www.dnr.wa.gov/programs-and-services/forest-practices/rule-implementation](http://www.dnr.wa.gov/programs-and-services/forest-practices/rule-implementation).

## Inspections

The sponsor shall provide the right of access to the project area to RCO to conduct pre-award inspections. After project funding, this access is expanded to include RCO, or any of its officers, or to any other authorized agent or official of the State of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and quality assurance. Normally, RCO staff conducts four types of project site visits:

- **Pre-award.** Made during the application phase, normally with the applicant to assess the project area and scope of work for eligibility concerns and compatibility with the grant program.
- **Interim.** This inspection, normally coordinated with the sponsor, is made sometime during the project implementation phase to help resolve any apparent or anticipated problems and to monitor project progress.

- **Final.** Before final acceptance of the contractor's work or accepting a project as complete, the sponsor shall request a final inspection by RCO. This request must be made only after the project is complete, architects and/or engineers have made their inspections, and defects have been corrected. It should be scheduled near project completion but still within the performance period of the contractor. The project must be constructed and functional as described in the grant agreement. The final inspection will review the following:
  - Completion of the project scope of work as described in the agreement.
  - Site appearance and construction quality.
  - Location of the funding or grant program acknowledgement sign. See Grant Program Acknowledgement and Signs, below.

When RCO staff's final inspection verifies that the project is complete, the final payment, including retainage, will be made.

- **Compliance.** RCO staff are responsible for implementing the compliance policy. RCO has a policy to inspect completed projects about every five years to ensure the site is managed and maintained as specified in the grant agreement. Inspection will result in a determination of compliance, non-compliance, or conversion. An inspection may be done at any time during the life of a RCO funded project. RCO encourages sponsors to regularly inspect their projects and to advise RCO if potential compliance issues exist. For more information see RCO *Manual 7: Long Term Obligations*.

## Accessibility

Facilities or elements constructed with RCO grants and sponsor match are required by law to be accessible regardless of whether there are specific standards adopted in the State Building Code, Americans with Disabilities Act, or Architectural Barriers Act, as amended. Other federal laws, guidelines, and best practices also may apply to achieve accessibility. In case of conflict between minimums, the one providing the most access shall prevail. RCO shall have final determination.

RCO encourages sponsors to exceed the minimum accessibility standards and use a design principle that maximizes universal accessibility for all. See *Manual 4: Development Projects* and the [RCO website](#) for detailed information about how to make the facility meet accessibility requirements. Plans, project applications, cost estimates, and construction drawings must reflect compliance with facility access and signing requirements.

## Competitive Bid Requirements<sup>12</sup>

Grant sponsors shall follow current state procurement procedures or write their own. When buying things, the grant sponsor shall provide open and free competition, to the maximum extent practical. Be aware of organizational conflicts of interest. Contractors that develop specifications, requirements, statements of work, invitations for bids, or requests for proposals cannot be hired for the resulting work. The grant sponsor receiving federal money also must follow federal laws and regulations.

## Grant Program Acknowledgement and Signs<sup>13</sup>

### Acknowledgement

A sponsor must acknowledge RCO funding assistance, by program if possible, in all projects. This includes the following:

- Written acknowledgement in any news release or publication developed or modified for the funded project.
- Verbal acknowledgement during all ground-breaking and dedication ceremonies.

A sponsor should notify RCO at least two weeks before any project dedication ceremony. A sponsor should notify RCO thirty days in advance if a representative or speaker from RCO is requested at the ceremony.

### Signs

The sponsor must provide prominent placement of signs at entrances and other locations unless waived by the RCO director. The sponsor may build such signs to harmonize with an existing design standard or request a standard acknowledgement sign from RCO.

For sponsors developing their own signs, below are suggestions for how to incorporate appropriate acknowledgement:

- Funding provided by the Community Forests Program.
- Grant funding from the Community Forests Program made available from the Washington State Recreation and Conservation Office.

---

<sup>12</sup>RCO's grant agreement standard terms and conditions, Compliance with Applicable Law and Procurement Requirements.

<sup>13</sup>Washington Administrative Code 286-13-120

Funding acknowledgement signs must be posted before the grant agreement end date and final reimbursement. RCO may provide a free funding acknowledgement sign upon request. A sponsor must provide proof of the funding acknowledgement by attaching photographs or other evidence to PRISM.

## **Public Disclosure Rules**

RCO records and files are public records that are subject to the Public Records Act.<sup>14</sup> More information about the [RCO's disclosure practices](#) is available on the website.

## **Administrative Rule Exception**

RCO administrative rule, "[286-13-110](#) Income, Income Use," does not apply to the Community Forests Program.

## **Additional Rules and Instructions**

RCO may issue additional or modified rules, instructions, interpretations, and guides from time to time as it believes necessary for the effective conduct of the grant program. Such changes may apply to all projects. Whenever possible, sufficient lead time will be given between the announcement and the effective date to minimize impacts to projects already in process at the time of announcement.

## **Project Area Stewardship and Ongoing Obligations<sup>15</sup>**

A RCO grant comes with long-term obligations to maintain and protect the project area<sup>16</sup> after a project is complete. The long-term obligations are in RCO's grant agreement. A [sample grant agreement](#) may be found on RCO's website.

RCO recognizes that changes occur over time and that some facilities may become obsolete or the land needed for something else. The law discourages casual discards of land and facilities by ensuring that grant sponsors replace the lost value when changes or conversions of use take place.

In general, the project area funded with a RCO grant must remain dedicated to the use as originally funded, such as outdoor recreation, habitat protection, farmland preservation, or salmon recovery purposes, for as long as defined in the grant agreement.

---

<sup>14</sup>Revised Code of Washington 42.56

<sup>15</sup>Revised Code of Washington 79A.25, Washington Administrative Code 286, RCO's grant agreement standard terms and conditions, and *Manual 7: Long-Term Obligations*.

<sup>16</sup>Washington Administrative Code 286-04-010(19) Project area is the geographic area that delineates a grant-assisted site that is subject to application and grant agreement requirements.

A conversion occurs when the project area acquired, developed, or restored with RCO grant funding is used for purposes other than what it was funded for originally. See *RCO Manual 7: Long-Term Obligations* for a discussion of conversions and the process required for replacement of the public investment. Non-compliance with the long-term obligations for a RCO grant may jeopardize an organization's ability to obtain future RCO grants.

After a project is complete (that is, after RCO's final reimbursement and acceptance of the project), RCO documents that were signed by the sponsor continue to govern the project area described in the boundary map for which funds have been granted.

Changes may be made only with the prior approval of the director. If a compliance issue arises, RCO staff works with the sponsor to resolve the issue. Unresolved, identified issues could result in restrictions on applying for or receiving future grants.

## **Stewardship Monitoring and Reporting**

A community forest monitoring report must be submitted to RCO at least once every five years. The report must include a description of resource management that occurred within the past five years including harvest, stewardship, development, or restoration activities; any anticipated changes to the operation or management of the community forest; and any natural or unplanned human alterations to the land. The report may be the same report developed or used for other funding sources such as the U.S. Forest Service's Community Forest Program.

## **Accounting Assurances**

The sponsoring organization must maintain financial oversight of the community forest regardless of community engagement, governance, and decision-making structure. Transferring property and financial oversight responsibilities to another eligible sponsor is allowed at any time upon approval by RCO.

All project sponsors must follow and comply with generally accepted accounting principles, financial reporting, and audit requirements for their organizational structure. Sponsors must ensure accounting practices for community forests allow for the tracking of revenues and disbursements to ensure funds are used to further the public benefits identified in the community forest plan.

For the first five years after establishment of a new community forest, and once every five years thereafter, sponsors must submit to RCO a copy of the annual financial report for the community forest that includes an accounting of all income, expenditures, and transfers of revenue from the community forest during that reporting period. The financial report can be the same report used to satisfy annual Internal Revenue Service or Washington State financial audit and reporting requirements.



# Section 3:

## Money Matters

---

### This section covers the following:

- ✓ Grant limits
- ✓ Matching requirements
- ✓ Types of match
- ✓ Other things to know

### Grant Limits

Grants are intended to supplement the capacity of a sponsor. They are not intended to supplant existing programs or fund projects that would have been undertaken without a grant. Therefore, applicants should not seek grants from RCO to replenish their cash accounts. Grants should be used to expand an applicant's existing capacity to provide facilities to its users.

There is no minimum grant request. The maximum grant request is \$3 million.

### Administration, Architecture, and Engineering Costs

Direct administrative costs for acquisition of real property are limited to no more than 5 percent of the total acquisition cost.

Administrative (including architecture and engineering) costs for development, renovation, and restoration are limited to 20 percent of the total development, renovation, and restoration costs.

Additional information about eligibility and reimbursement maximums for these elements is contained in the administrative costs sections of *Manual 3: Acquisition Projects*, *Manual 4: Development Projects*, and *Manual 5: Restoration Projects*.

## **Matching Requirements**

### **Matching Share**

Applicants must contribute matching resources at least equal to 15 percent of the amount of the grant requested. For example, if an applicant requests a \$100,000 grant, the applicant must contribute \$15,000 for a total project cost of \$115,000.

Match is the project sponsor's contribution to a project. By requiring a match for grants, RCO intends to foster and demonstrate local commitment to the projects and to spread the money from the grant program to a greater number of projects. Before RCO awards a grant, the required match must be secured so the project can move forward.

All matching resources must meet the following criteria:

- Be an integral and necessary part of the approved project
- Be part of the work identified in the application and grant agreement
- Be for eligible work types or elements
- Be committed to the project

RCO rules governing projects apply to the grant applicant's match. For example, if a grant applicant uses donated land as a match, RCO rules requiring the land to remain in forest forever apply to the donated land as well.

RCO may require the applicant to provide a portion of its matching resources in local resources.

### **Match Availability and Certification**

To help ensure the project is ready for implementation when approved, the applicant must have matching funds available for expenditure before RCO approves funding. The applicant must sign and submit a Certification of Match Form to ensure the project is included in the funding recommendations to the Legislature. The applicant is advised to plan for projects with match dependent on a citizen vote or ballot measure. This certification is due at least one calendar month before director action. The form and deadlines for certifying match are on the RCO website.

RCO may declare a project ineligible if there is no guarantee that matching funds are available. That project may be passed over in favor of a project with match in place. Such decisions are based on RCO's confidence in the applicant's ability to have the match in place when required.

## Eligible Match

RCO policy allows match sources that are eligible for reimbursement in the program. Examples of eligible match sources include one or a combination of the following:

- Appropriations or cash.
- Bonds—council or voter.
- Conservation futures.
- Corrections labor.
- Donations—the value of using donated cash, equipment, labor, land, materials, property rights, or services (see “Types of Match” section below).
- Force account—the value of using the sponsor’s equipment, labor, or materials (see “Types of Match” section below).
- Grants—federal, state, local, and private (see “Types of Match” section below).
- Local impact and mitigation fees (see “Types of Match” section below).
- Proceeds of a letter of credit or binding loan commitment.
- Other RCO grants that meet the requirements outlined below.
- The value of an acquired conservation easement or other less-than-fee property interest that protects forestland next to the project area or enhances the public benefits of the community forest may be eligible as match. Examples include easements acquired using grants from the U.S. Forest Service’s Forest Legacy or Washington Wildlife and Recreation Program’s Forestland Preservation category.

In such cases, the value of the interest must be based on an appraisal or fair market valuation of the interest to be acquired, or if already acquired, the actual purchase price or donated value. Valuation of the interest cannot be completed using Community Forests Program grants. The acquisition must occur within the period of performance for the community forest grant project or under a Waiver of Retroactivity. RCO must review any easements to ensure consistency with the purpose of the Community Forests Program. The sponsor must grant RCO a third-party right of enforcement on any conservation easements acquired for the duration of the easement term.

## Not Allowed as Match

- Costs that are not eligible for grant assistance, unless specified as eligible match, such as the value of less-than-fee-property interest described above.
- Costs that are not necessary or an integral part of the project scope.
- Costs that are double counted. (A cost incurred by a sponsor in a project that already has been reimbursed or used as match on one RCO project shall not be used as a match on another RCO project.)
- Cost associated with meeting a mitigation requirement unrelated to the funded project. See "Mitigation Funds as Match" below.
- Existing sponsor assets such as real property or developments.

## Types of Match

### Donations

Donations are eligible only as matching funds and are not reimbursable. This means RCO will not pay more than the sponsor's out-of-pocket expenses. Valuing donations of equipment, labor (including inmates, community service labor, and volunteers), and material is discussed in *Manual 8: Reimbursements*. RCO strongly encourages applicants to secure written confirmations of all donations planned as match and to attach the donation letters to the applications.

Donated land must expand existing forestland or stand on its own as a viable forest. Review *Manual 3: Acquisition Projects* before taking title to property that will be donated and used as match. Manual 3 outlines the requirements for valuing the property and for securing a donation statement from the seller.

### Force Account

Force account refers to use of a sponsor's staff (labor), equipment, or materials. These contributions are treated as expenditures for billing purposes.

### Other Grants

In some cases, a sponsor may use funds awarded from a separate grant program as its match. Other grants are eligible if the purposes are similar and grant sources do not restrict or diminish the use, availability, or value of the project area. These grants are eligible only as matching funds and are not reimbursable.

The eligibility of federal funds to be used as a match may be governed by federal and state requirements and thus will vary with individual program policies.

The applicant must clearly identify in the grant application all grants to be used as match. RCO will help determine if the source is compatible with RCO grants.

### **Other RCO Grants as Match**

Another RCO grant may be used to help meet the match requirements if the following conditions apply:

- The grants are not from the Community Forests Program.
- Only elements eligible in both grant programs may count as the match.
- Each grant is evaluated independently and on its own merits, as if the match were coming from elsewhere.
- The applicant provides a minimum of 10 percent of the total costs of the eligible elements being matched. This sponsor match may not be from federal or state funds, and may include in-kind contributions. This policy does not apply to Native American tribes.
- The grant applications are submitted in the same biennium.<sup>17</sup>

For evaluation scoring purpose, a RCO grant used as match will not count toward the award of matching share points.

Matching resources also must conform to the deadlines discussed in section 1, "Grant Process and Timeline."

### **Mitigation Funds as Match**

RCO allows use of impact fees and mitigation cash payments, such as money from a fund established as a mitigation requirement, as match if the money has been passed from the mitigating entity to an eligible applicant, and the RCO grant does not replace mitigation money, repay the mitigation fund, or in any way supplant the obligation of the mitigating entity.

---

<sup>17</sup>Washington Administrative Code 286-13-045(7)

## **Other Things to Know**

### **Sponsors Must Pay First**

RCO pays grants through reimbursement. A sponsor may request reimbursement only after having paid the employees and vendors. RCO does not provide money before vendors are paid. Except as otherwise provided below, RCO will pay only at the percentage identified in the grant agreement after the sponsor has presented an invoice documenting cost incurred and compliance with the provisions of the grant agreement.

RCO will not pay more than the sponsor's out-of-pocket costs.

Reimbursement shall not be approved for any donations, including donated land.

RCO may pay an escrow account directly for RCO's share of the approved cost of land and related costs if the sponsor indicates a temporary lack of money to buy the land on a reimbursement basis. Before release of RCO grants into escrow, the sponsor must provide RCO with a copy of a binding agreement between the sponsor and the seller, all required documentation, and evidence of deposit of the sponsor's share, identified in the grant agreement, into an escrow account. See *Manual 3: Acquisition Projects* for more information on escrow payments.

Billing procedures are explained further in *Manual 8: Reimbursements*.

### **Federal Rules**

For all projects funded with federal funds or other grants that are used by RCO as match to a federal source, grant sponsors must comply with [Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#) and RCO may require additional information.

### **Records**

The sponsor must keep detailed records of all funded project costs including force account values and donated contributions. Refer to *Manual 8: Reimbursements* for details and instructions regarding audits, record retention, and documents required for reimbursement.

### **Audits**

All records relevant to a project funded by RCO must be on file with the grant sponsor and are subject to audit by the State and inspection by RCO. If the auditor's inspection of the records discloses any charges incorrectly claimed and reimbursed, cash restitution of the incorrect amount must be made to RCO.

## Section 4: Project Evaluation

---

**This section covers the following:**

- ✓ The evaluation process
- ✓ The evaluation criteria

### The Evaluation Process

The evaluation process begins when RCO adopts the evaluation process and evaluation criteria.<sup>18</sup>

The RCO director appoints people to serve on an advisory committee to evaluate each grant proposal. In recruiting members for the committee, RCO seeks to appoint people who possess a statewide perspective and are recognized for their experiences and knowledge of forestland in Washington. The director may appoint *ex officio* members to the advisory committee to provide additional representation and expertise. Visit RCO's website for [membership and other details](#).

An applicant prepares written responses to address the evaluation criteria. Advisory committee members individually review the written responses, graphics included in the applications, and summary application materials, and score the projects. Scoring is confidential.

The resulting ranked list is the basis for funding recommendations to the RCO director. Before making a decision, the director will consider written public comments and any comments shared with the Recreation and Conservation Funding Board at its review meeting.

---

<sup>18</sup>Washington Administrative Code 286-13-020

## Evaluation Criteria

All of the project criteria are scored by the advisory committee.

### Criteria Summary

Criteria	Evaluation Elements	Points
Project Introduction	Elements: map, project goals and objectives	Not scored
1 Forestland Benefits	Elements: forest resources, property features, landscape context	All projects 15 points
2 Public Benefits	Elements: economic benefit, recreational and cultural benefits, environmental benefits, income use	All projects 15 points
3 Stewardship and Management	Elements: finances, operation and management, future development and restoration, organizational experience	Acquisition projects 15 points Combination projects 12 points
4 Development and Restoration	Elements: development and restoration goals, budget and timeline, risks	Combination projects 3 points
5 Community Engagement	Elements: community engagement process, governance structure, organizational capacity	All projects 15 points
<b>Total Points</b>		<b>60</b>



## Detailed Evaluation Questions

### Project Introduction (Not scored)

This is an opportunity to set the stage for the project. The following detailed criteria will provide an opportunity to describe the project in more depth; however, the intent here primarily is to help orient the evaluators to the project.

- Locate the project on statewide, regional, and site maps to help orient the evaluators to the project area and its context within the landscape.
- Briefly provide a broad overview of the project goals and objectives, surrounding ownership, and land-use patterns.

### 1. Forestland Benefits

What are the specific forestland values this project will protect? Please describe in detail the characteristics of the property to be acquired, current land uses, zoning and land-use restrictions, how much of the property is forested, and whether any property rights were previously severed or will be severed before acquisition. Include all the following in the description:

- A summary of the timber and non-timber forest resources on the property, their condition, and the potential of the property to support future forests.
- A summary of other features of the property such as wetlands, streams, buildings, roads, and other notable natural or manufactured elements and their condition.
- A summary of the landscape surrounding the project area including non-forest land uses and connectivity to other working forestlands, protected habitat lands, or public recreation opportunities.
- A summary of additional benefits that will be achieved and why this project should be prioritized at this time. Additional benefits are beyond those which exist under current ownership and could be public access, avoided threat of conversion to land uses other than forestland, avoided impacts from changing ecological conditions, climate resiliency, or other factors.

▲ Point Range: zero to fifteen points

## **2. Public Benefits**

How will the community forest be developed or maintained to provide public recreational, educational, cultural, environmental, and economic opportunities? Please provide a socioeconomic description of the community that will primarily benefit from the community forest and describe:

- How the project area will provide economic benefits including anticipated financial returns (and timing), job creation, and how the project area will support infrastructure critical to the forest products industry, tourism, and other public services.
- How the public will experience the project area including opportunities for recreation, hunting and gathering, environmental education, and cultural enrichment.
- The project's anticipated environmental benefits including how the project area will benefit ecosystem services, water quality, and other sensitive natural resources, or how it supports the goals of a state or local plan (climate action plan, wildlife habitat plan, forest action plan, salmon recovery plan, comprehensive plan, etc.).
- How any income that exceeds the costs of ongoing operation and management of the community forest will be redistributed to benefit the public.

▲ Point Range: zero to fifteen points

## **3. Stewardship and Management**

What are the primary anticipated management objectives for the community forest and how will they likely be funded and achieved? Please include an assessment of the following:

- A summary of the forest's financial plan, including costs and anticipated funding sources to support the goals of the community forest.
- The ongoing stewardship, operation, and maintenance needs on the property.
- Future anticipated restoration or development needs including forest health treatments, upgrades to fish passage and other infrastructure, forest road improvements, and any other development to facilitate public access, and how these activities will be funded.
- The expertise and capacity of the applicant's organization and partners for long-term management of the site including staff, volunteers, partners and contractors, financial resources, and any other relevant factors.

- ▲ Point Range: zero to fifteen points for acquisition projects; zero to twelve points for combination projects

#### **4. Development and Restoration**

What are the plans for development and/or restoration activities on the property acquired? In the description, include details about the following:

- The development and/or restoration project goals
- A budget narrative and timeline
- Anticipated risks to achieving the project goals
- How the development and/or restoration activities will support the forest's economic and community benefits

- ▲ Point Range: zero to three points for combination projects only.

#### **5. Community Engagement and Support**

What is the community engagement process used for developing or implementing this project? How will the community participate in future decisions on the management and use of forest resources? In the response please describe the following:

- How residents, elected officials, tribal governments, and community organizations are or will be engaged, and how their input is or will be incorporated into the project.
- Strategies used or planned to seek input from segments of the population that have been historically marginalized or underrepresented in land-use management decision making.
- The anticipated governance structure of the community forest and who will have final decision-making authority over the community forest management.
- The capacity and experience within the applicant's organization and partners that will be dedicated to facilitating continued, long-term governance and community engagement.
- Community support or partnership commitments secured for this project.

- ▲ Point Range: zero to fifteen points