

January 10, 2006

## MEMORANDUM

**TO:** Oregon Watershed Enhancement Board

**FROM:** Ken Bierly, Deputy Director

**SUBJECT: Agenda Item K: Restoration Priorities Update  
January 24-25, 2006 OWEB Board Meeting**

### I. Introduction

This staff report updates the Board on the development of regional priorities for restoration projects. The priorities are intended to be used as guidance by OWEB in the review of grant applications and to help ensure a clear and strategic approach to prioritizing the funding of projects.

### II. Background

The Board has identified the development of funding priorities as a significant need for project review and evaluation in OWEB's grant program. In September 2002, the Board authorized staff to contract for the facilitation of efforts to develop restoration priorities in two pilot basins. The development of regional restoration priorities also comes from statutory direction. ORS 541.371(c) states that OWEB: "*Shall establish statewide and regional goals and priorities that shall become the basis for funding decisions by the board. In adopting such goals and priorities, the board shall adopt priorities for grant funding based on the Oregon Plan and on measurable goals. In carrying out this function, the board shall consider local economic and social impacts among the criteria.*"

Staff presented to the Board a report on the principles for restoration prioritization in January 2004. The five restoration principles are:

1. Restore Watershed Connectivity Limiting Key Fish and Wildlife Populations;
2. Restore Watershed Processes Impacting the Aquatic System, Water Quality-Limited Streams, and Wildlife Habitat;
3. Restore Key Habitats and Water Quality for ESA-Listed Species;
4. Reduce or Eliminate Human Impacts and Inputs into Watersheds from Land Use Activities in the Basin; and
5. Address the Symptoms of Disturbance that Impact Fish and Wildlife Populations and Water Quality-Limited Streams.

The ultimate goal is to establish investment priorities for each of the 15 reporting basins in the state using information from subbasin planning and recovery planning and the principles developed for the Board. As discussed in previous meetings, these priorities will help focus prioritization of restoration project funding recommendations.

The Board allocated funding in May 2004 to coordinate OWEB regional priorities with subbasin plans in the Columbia Basin and complete regional priorities in the remainder of the state. Since that time, OWEB staff have contracted for the development of priorities in the Rogue, South Coast,

John Day, and Willamette basins. The table below lists the previous biennia commitment and amounts allocated along with the amount remaining for this effort state wide. A total of \$500,000 was allocated in May of 2004 which was reduced by three percent to make available a total of \$485,437.

**Regional Restoration Priority Investments**

Region	Amount
Willamette	\$100,000
South Coast	\$18,000
Rogue	\$67,000
John Day (Camp Creek)	\$74,900
TOTAL	<b>\$259,900</b>

The remaining \$225,537 will be used to complete priorities in the Columbia Basin and the remainder of the state. The products being developed at this time build on that approach and complement the reporting requirements for Pacific Coastal Salmon Recovery Funds and fish recovery efforts.

**III. Status and Approach**

OWEB staff discussed the effort to establish regional restoration priorities at the January 2004 Board meeting. At that meeting, the Board discussed the principles for establishing restoration priorities and accepted a report for use to develop regional (basin) priorities. The development of these priorities has been incorporated into the performance measures for the agency. The schedule for development of basin scale priorities is a part of OWEB’s responsibility for reporting on performance measures. Under that schedule, OWEB is to adopt watershed restoration priorities in three of the 15 Oregon Plan reporting basins by January 2006, in ten additional basins by the end of 2006, and in the final two basins by 2007.

OWEB contracted with three different groups for the development of the first three basins. The John Day effort was to complete their subbasin plan which can be readily recast into restoration priorities. Draft products have been developed by each of the working groups (Willamette, South Coast, and Rogue). A consultant has worked with each watershed council in the Willamette, the Rogue Basin Coordinating Council in the Rogue, and the South Coast Watershed Council in the South Coast.

Each working group has developed a list of limiting factors and has identified priorities for watershed geography, typically at the watershed (HUC 5) scale. After significant discussion about the potential use of “priorities” by OWEB’s regional review teams and applicants, it was felt that such an approach would provide the most useful information. Attachment A is an example of the manner in which priorities would be detailed. This format could be easily used to determine, for any given project, whether it is a high, medium, or low priority for that watershed. The matrix would inform both the technical review teams and the Board as to whether the projects proposed for funding are a priority.

The regional restoration priorities approach does not presume that there is an overriding scheme to prioritize specific types of projects or geographic areas and they will not answer the question of what is the best project or where the best project should be located. Our goal is to have regional restoration priorities help the Board determine whether a project is a priority for where it is proposed.

#### **IV. Next Steps**

Staff will bring forward completed priorities for the South Coast, Rogue, and Willamette basins this spring for Board approval. Staff will pursue completion of the remaining areas of the Columbia Basin from subbasin plans and the North Coast from the recovery planning and Oregon Plan assessment. (Attachment B) Upon completion of Board-approved priority matrices for all the subbasins in Oregon, staff will propose adoption of administrative rules for implementation of the priorities through the grant application review process. It is anticipated that staff will seek Board consideration of this action around the end of the biennium.

#### **V. Recommendation**

This is an informational item. No Board action is requested at this time.

#### Attachments

- A. Priorities Matrix
- B. Basin Scale Prioritization Map