



Oregon

Theodore R. Kulongoski., Governor

Oregon Watershed Enhancement Board

775 Summer Street NE, Suite 360

Salem, OR 97301-1290

(503) 986-0178

FAX (503) 986-0199

www.oregon.gov/OWEB



December 28, 2007

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Ken Bierly, Deputy Director

SUBJECT: **Agenda Item P: 2007-2009 Capital Partnership with U.S. Forest Service Whole Watershed Restoration Initiative January 16-17, 2008 OWEB Board Meeting**

I. Introduction

The Board allocated \$500,000 of capital funds for the U.S. Forest Service (USFS) Whole Watershed Restoration Initiative effort in May of 2006. This report describes the progress and successes of the Initiative to date. The report also seeks Board approval to allocate \$500,000 of capital funds to continue support for Initiative projects for the first year of the biennium.

II. Background

In 2005 and early 2006, staff discussed with the Board the proposed partnership with the U.S. Forest Service to complete whole watershed restoration efforts. The concept was to identify priority basins and within those basins, identify priority watersheds to complete a series of restoration activities that would address the critical needs in that watershed and allow for natural recovery. The effort was approved by the Board in May of 2006. A copy of the May 2006 staff report is contained in Attachment A. A table showing the funded projects is contained in Attachment B.

The Whole Watershed Restoration Initiative is a broad-based, landscape-scale, public/private partnership intended to expedite restoration of a core set of the Northwest's most valuable salmonid streams. This partnership, initiated in 2006, has involved OWEB, USFS, Ecotrust, National Fish and Wildlife Foundation, BLM, Oregon Trout, and Wolfree, Inc. NOAA Fisheries has joined the partnership with a \$1.2 million three-year grant (\$400,000 per year) to Ecotrust beginning in 2008, encouraging growth of the partnership and community investments.

A detailed report on the efforts of the Initiative was submitted to the Board at its September 2007 meeting. A copy of that report is included in Attachment C. Members of the partnership will be available at the January meeting to provide further updates and respond to any specific questions from Board members.

III. Proposed Continuation

A detailed proposal for continuation and expansion of the partnership is contained in Attachment D of this report. The proposal includes a significant new funding partner (NOAA Fisheries) and a focus on private lands. The proposal requests \$500,000 for the first year of projects.

The administration of the initial OWEB funding to the Initiative was more complex and difficult than anticipated. If the Board decides to continue to provide funding for the Initiative, staff will take a new approach in the administration of the OWEB funds. Specifically, staff will ask the Board to approve funding for specific projects, rather than awarding a lump sum, and to be administered by a third party (Ecotrust). A list of potential Initiative projects for the upcoming year is included in Attachment E.

By the time of the January Board meeting, staff will present funding recommendations for specific projects from this list. For each project the list will include: (1) a description the proposed restoration activities; (2) the anticipated sources of funding and match for OWEB funds; (3) a description of participating local partners; (4) the location of the proposed project and whether it is within a priority basin or focus watershed; (5) the ratio of private and public lands the project proposes to restore. Staff anticipate that between USFS and NOAA funding, OWEB funds will be matched with at least \$1.5 million.

IV. Recommendation

Staff recommend the Board approve up to \$500,000 of capital funds to match USFS and NOAA funding for projects approved through the Whole Watersheds Restoration Initiative. A list of recommended projects for specific Board awards will be presented at the January meeting.

Attachments

- A. May 2006 Staff Report
- B. USFS Whole Watershed Initiative Funded Projects
- C. The Whole Watershed Restoration Initiative Progress Report 2006-07
- D. Whole Watershed Restoration Initiative 2008 Proposal
- E. WWRI Applications