

Fiscal Year 2011-12 and 2012-13 Grant Program Public Comment Paper

Background

Since the beginning of the SNC grant program in FY 2007-08, the SNC Board has authorized 221 projects in multiple rounds for a total of approximately \$40 million. In each of the previous rounds the Board approved overall guidelines for distribution of the available funds. For example, in the most recent round authorized by the Board last month, the Board established a “formula” for allocation of the available \$10 million, with \$1 million dedicated to each of the six Subregions (for a total of \$6 million) and the remaining \$4 million awarded without strict regard to geographic location. The Board also established what kinds of projects were eligible to receive those funds. In FY 2010-11, for example, eligible projects included acquisition and site improvement or restoration projects (Category One) and pre-project activities associated with specific future on-the ground projects (Category Two).

The SNC currently has approximately \$10 million remaining to award under the SNC’s Proposition 84 (Prop 84) grant program. The purpose of this **public comment paper** is to outline proposed changes to the FY 2011-12 and 2012-13 grant program, consistent with direction provided by the SNC Board at its March meeting, and to solicit public input on the proposed changes. Staff has reviewed these ideas with a committee of SNC Boardmembers to solicit their input. Committee ideas, questions and concerns were used to refine the proposal before presenting this document for public input. Staff will use public comment to further refine a more detailed proposal for Board consideration (and approval) in June, 2011.

As a reminder, the goal of potentially changing certain elements of our grant program is to maximize the strategic impact of the remaining \$10 million in funding, while at the same time addressing concerns expressed by applicants, grantees and other stakeholders regarding the grant process.

FY 2011-12/2012-13 Grant Program Discussion Items

Overall Assumptions

- Grant funding will only be awarded to projects that are consistent with Proposition 84 – i.e. those that protect and restore rivers, lakes and streams, their watersheds and associated land, water and other natural resources - and the SNC statutory authority.
- No change is proposed to Eligible Applicants.

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Proposed Grant Program Changes for FY 2011-12/2012-13

- The program will be a two-year program covering Fiscal Years 2011-12 and 2012-13.
- The \$10 million in remaining Prop 84 funds will be split to make approximately \$5 million available for grants in each of the two fiscal years.
- Eligible projects for funding must be in one of following two Strategic Areas of Focus (one in each year):
 - 1st year: Healthy Forests/Sierra Nevada Forest and Community Initiative [FY 2011-12]
 - 2nd year: Ranching and Agricultural Lands [FY 2012-13]
- In general, the guidelines will be the same across both fiscal years; however, there will be separate Grant Guidelines documents distributed each year explaining the distinct requirements and evaluation criteria associated with each of the two different focus areas identified above.
- SNC intends to focus on the following types of projects that we will authorize from the remaining funds a) in order to concentrate even more specifically on projects that will achieve on-the-ground results and b) because the SNC and to some extent other agencies will likely have limited or no funds available for implementation of projects developed under Category Two. Therefore, the following changes are proposed to eligible project types:
 - Category One projects will be focused on restoration and site improvement types of projects.
 - Category Two projects will be limited to compliance and other efforts to ready site improvement/restoration projects that are eligible for Prop 84 funding, including such activities as:
 - Acquiring permits
 - Completing the environmental review process
 - Performing necessary surveys and assessments related to a specific project.
 - Phased projects are currently being considered by the SNC, meaning grants might be awarded that contain funding for Category Two and Category One activities. The SNC has not awarded such grants in the past and this option is currently being researched.

While Category Two projects are eligible, the SNC will give priority to high benefit Category One projects. This could result in all of the available funding being awarded to Category One projects. This reflects the SNC Board's desire to focus on supporting needed on-the-ground work as much as possible with the remaining Prop 84 funds.

- Available funding for this program will be awarded in each FY without a specific allocation by Subregion or area. However, in awarding funds the SNC will consider the issues of geographic distribution and project diversity as part of the overarching evaluation criteria.
- Funding will be limited to smaller amounts per project that in past years in order to better distribute the funding across the subregions and to encourage more

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efficient use of funds through potential matches from other sources, to the extent possible [Note: matches will not be required, but projects with committed matching funds may be more competitive]:

- Category One – Site Improvement/Restoration and Acquisition Projects between \$5,000 - \$250,000 [Note: the cap for Category One projects in prior years was \$1 million]
- Category Two – Pre-project compliance efforts to ready site improvement projects that are eligible for Prop 84 funding up to \$50,000 [Note: the cap for Category Two projects in prior years was \$250,000].
- Phased – If these projects are eligible for funding, the limits would be the same as those listed for Category One above.

Proposed Process Changes for FY 2011-12/2012-13

- All applicants will be required to submit a pre-application. The goal of requiring a pre-application will be to provide maximum opportunity for potential applicants to develop viable, well-considered projects and submit full and complete applications for evaluation. Pre-applications will be a tool for SNC staff and potential applicants to use in project development, as well as a form of prescreening that will result in a “go/no-go” decision by SNC as to whether a pre-applicant will be invited to go through the more detailed process of submitting a full application.
 - The purpose of the pre-application period will be to provide a more formal mechanism for staff to work with applicants to fully develop their projects. It is anticipated that some projects will not move beyond the pre-application phase, thereby limiting the number of full applications that go into the full review process to those that will be the most competitive for funding under Proposition 84 and the SNC programmatic goals and focus areas. This will also help to address stakeholder/applicant concerns about committing time and money to completing a full application that ultimately isn't competitive and would be unlikely to be funded.
 - Upon receiving a pre-application, SNC staff and management will review it and decide whether to:
 - Continue working with pre-applicant to further develop or refine the project and resubmit the pre-application (e.g. to address missing information, missing documentation, etc.)
 - Invite the applicant to submit a full application
 - Decline the pre-application if the project has a poor nexus with the funding opportunity and/or programmatic goals/focus areas.
 - SNC will develop a process and criteria to facilitate SNC staff's making transparent and supportable decisions about which projects are invited to submit a full application and which are not.

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Focus Area Descriptions and Project type examples

Healthy Forests

The SNC defines our Healthy Forests focus area to include the upland ecosystems that generally include conifer forest lands in the Sierra Nevada Region. Many forests in the Sierra are unhealthy stemming from past forest management practices, including fire exclusion. Consequently, these stands are often overly dense with small-diameter trees. This program aims to improve ecosystem conditions within the healthy forest focus area by funding projects that reduce the risk and consequence of large damaging fires and the restoration ecosystem function in the watershed. Examples of potential projects include the following:

- Vegetation treatments, including thinning by mechanical means, prescribed fire or other fuel reduction activities, to increase forest resilience, improve habitat conditions and reduce the risk of large damaging fires;
- Meadow and riparian restoration to improve habitat function and water retention;
- Reforestation and implementation of suitable stand maintenance activities after wildfire, when appropriate;
- Ensure the retention and sustainability of forests, forest resources, and forest carbon over the long term through forest pest and invasive species treatments;
- Provide for the sustainable utilization of biomass resulting from activities associated with improving forest health; and,
- Collaborative forestry efforts resulting in on-the-ground forest restoration project plans and their associated environmental documents.

Ranch and Agricultural Lands

The ranching and agricultural lands area of focus is intended to support the persistence and sustainability of working rangelands and other agricultural lands; support opportunities for the expansion of sustainable ranching and agriculture; and promote the balance of ranching and crop production with protection of sensitive habitats such as wetlands and endemic plant communities. All projects on private lands must have a clear public benefit to be eligible for funding. Examples of potential projects include the following:

- Stream enhancement or watershed restoration and protection projects that contribute to improved use and management of agricultural lands, including the following:
 - Removal, replacement or improvement of structures, roads or stream barriers to reduce erosion, restore riparian integrity and provide for natural streamflow and stream structure.

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- Fencing or other management practices to prevent grazing along riparian corridors or meadows to restore, stabilize and/or re-vegetate where necessary.
- Restoration of native species in upland, riparian, wetland and aquatic ecosystems to promote natural ecosystem function and ecological services.
- Protection of ranching and agricultural lands from conversion to other uses through the use of conservation easements.
- Grazing management or agricultural management practices that improve overall habitat conditions for habitat or stream connectivity for fish and wildlife species across working landscapes.

To comment on the above described changes to the SNC Fiscal Year 2011-12 and 2012-13 Grant Program, please follow the link below and complete a short survey. Questions in the survey allow space for further comment. Comments and suggestions about the proposed grant program changes will only be accepted via the survey.

<http://www.zoomerang.com/Survey/WEB22CAG6V9YYC/>