



Oregon

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Oregon Watershed Enhancement Board

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February 28, 2008

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Roger Wood, Special Projects

SUBJECT: **Agenda Item D: Special Investment Partnerships**
March 19-20, 2008 OWEB Board Meeting

I. Introduction

This report seeks Board authorization for the Executive Director to negotiate project details and enter into agreements to obligate up to \$6 million in Lottery capital funds this biennium for implementation of the Willamette Special Investment Partnership.

II. Background

The goal of the Special Investment Partnerships (SIP) is the same as that of OWEB overall – to help create and maintain healthy watersheds and natural habitats that support thriving communities and strong economies. SIP is a tool that OWEB may elect to use in situations where an important and extremely beneficial project (or group of related projects) requires an interaction or funding mechanism different than those provided by OWEB's grant programs.

Partnerships through SIP are defined by these characteristics:

- 1. Ecological Significance.** The ecological impact, significance of the issues addressed, and the anticipated outcome(s) are large. Ideally, a Partnership contributes to a historic change or surge of progress in, for example, the recovery of a species, the restoration to self-sustainability of an ecosystem, the restoration to health of a river system or watershed, or the launching of an initiative that addresses widespread issues.
- 2. Importance of OWEB's Contribution.** OWEB's contribution will be critical, not only to funding the effort, but also to attracting the other support and catalyzing the action necessary for achievement of the objectives. In particular, a SIP investment will tend to launch important efforts that otherwise have been stalled or delayed.
- 3. Robust Partnerships.** SIP investments will be made where other partners, with significant funding or other contributions to offer, are available, interested, and likely to join the effort within a reasonable period of time.
- 4. Triple Bottom Line.** Projects implemented by Partnerships will produce ecological, community, and economic outcomes – the "triple bottom line" – through a deliberate effort to produce benefits that sustain themselves over time because they've become a part of local custom and culture.

5. **Captures the Imagination/High Visibility.** The scale, importance, and sustainability of a Partnership will attract public attention not only to the work of that one project but also to the importance of watersheds and of watershed enhancement generally.
6. **Ripeness.** To receive a funding allocation from the Board, a Partnership: (a) needs to be ready to form and begin functioning to finalize objectives and a work plan; (b) must have a likely time frame for implementation and completion that is reasonable and fits OWEB's needs; and (c) must be at the point developmentally where it both needs and can take advantage of the OWEB funding commitment to further the project.

III. SIP Status

At its September 2007 meeting, the Board reserved up to \$12 million in Lottery capital funds for potential allocation to SIP in this biennium. Up to \$6 million of that was reserved for the Willamette SIP. At its January 2008 meeting in Astoria, the Board approved up to \$4 million for the Deschutes SIP and authorized the Director to follow through with the contracts and agreements necessary to begin implementation of a list of projects and project concepts.

Since September, staff and the SIP Subcommittee have worked with a number of partners to further develop the details of the Willamette SIP and its projects and project concepts. There is a brief summary of the Willamette SIP below; greater detail is included in Attachments A and B.

Other potential partnerships are evolving slowly due partly to the emphasis on the Deschutes and Willamette SIPs, and partly to the possibility of settlement regarding the Klamath River dams.

IV. Willamette SIP Overview

The Willamette SIP has twin objectives for the Willamette mainstem and major tributaries:

- A. Re-establish channel complexity and length.
- B. Re-connect flood plains with adjacent active channels wherever feasible.

Attachment A describes the Willamette SIP in terms of the format established by the September 2007 (and earlier) staff reports. Attachment B is the ecological objectives and project table listing immediate high priorities identified by staff in conjunction with other key funding and implementing partners. This list includes the projects to which OWEB funds will be allocated in the current biennium and also includes projects and ecological objectives that will be highest on the list for any OWEB funding that may be available in the next biennium. Attachment C offers notes on the project table. A collection of maps showing the SIP focus areas in the basin will be available at the Board meeting.

OWEB's role in the Willamette SIP has been significantly different than for the Deschutes SIP. In the Deschutes, the Board adopted the pre-existing objective of reintroducing anadromous fish into the basin above the Pelton and Round Butte dams, and then provided a framework for coordination, prioritization, and funding development for a core group of partners already active in addressing that purpose. In the Willamette SIP, OWEB staff created new objectives in order to address a suite of critically important recovery needs that have not been well represented by applications received by OWEB's regular grant program.

In the Deschutes, a healthy collection of site-specific and mostly designed projects was ready for Board consideration of the Partnership agreement. In the Willamette, we found (as expected) that the ecological objectives were identified, but site specific projects had not been fully developed. OWEB's active partners in the Willamette, understandably, had instead directed their staff-limited project development capabilities toward restoration of the tributary watersheds.

OWEB's exploration of the Willamette SIP over the last year has kindled a great deal of interest in new projects to address the restoration needs of the mainstem river. One effort of the Willamette partnership will be to help locally based groups and other non-governmental organizations further develop the details of promising projects.

V. Notes on Process

If granted the authorization requested in Section VII below, the OWEB Director (and staff) will pursue the following course of action (with timing in parentheses):

- A. Lead the identification of specific projects from the ecological objectives identified in Attachment B. We will strive for *at least* one exemplary project from each of the ecological objectives in Attachment B. (Spring 2008)
- B. Sign agreements with a number of key public and private partners with funding, land, or other resources to offer the Willamette partnership. (Spring 2008)
- C. Work with our partners to secure funding for the engineering and technical design phase of project development. (Spring 2008)
- D. Recruit partners to do the detail work of readying specific projects for review and funding. (Spring 2008)
- E. Solicit from these and other partners detailed project descriptions based on the standard OWEB Restoration and Acquisition application forms. (Starting spring 2008 and ongoing)
- F. Create a special Willamette SIP Technical Review Team (spring 2008 and ongoing) to scrutinize the project descriptions:
 1. According to the two Willamette SIP objectives.
 2. Against the usual OWEB criteria relating to the technical rightness, prudence, and cost-effectiveness of proposed actions. (See evaluation criteria OAR 695-010-0060 and 695-045-0040.)
 3. In consideration of high levels of match and other support from other partners.
 4. Regarding appropriate project public outreach, monitoring, and reporting.
- G. Sign funding agreements with the implementing partners for the best and ripest projects. (Spring 2008 and ongoing)
- H. Report on progress frequently to the OWEB SIP Subcommittee and to the Board at each of their regular meetings. (Ongoing)

Attachment D provides more detailed information on proposed processes for initial screening of project concepts and more intensive technical review of detailed project descriptions.

VI. Notes on the Ecological Objectives and Project Table, Attachment B

The projects and ecological objectives on this table define eligible Willamette SIP activities for purposes of spending the \$6 million from the current biennium. It is not intended as a comprehensive list of all work necessary to achieve the twin Willamette Partnership objectives of re-establishing channel complexity and re-connecting flood plains. The list will be modified based on experience from implementation this biennium. The list may be modified this biennium after initial Board adoption, but only to embrace an unanticipated opportunity of extraordinary merit.

The site-specific projects (e.g. those for Metro and Portland) result from 18 months of detailed conversations with these early partners in the SIP. Also, these projects have been in the public eye for months and thus are more ready for exposure on OWEB's list. They will be bundled into agreements with each partner designed to spread OWEB's SIP funding across several ripe and high priority projects.

The ecological objectives are intended to broadly describe restoration activities that have been discussed with the relevant partner(s), but that require further development before specific sites and projects can be revealed. In many cases these projects will require the willing cooperation of private parties who either own land that will be directly affected or are neighbors to the project sites. Since these conversations have not yet run their course, it is premature to list specific projects and locations. While specific projects may not yet be listed to address these ecological objectives a number of high priority potential activities and locations have been identified and are being actively developed.

VII. Recommendation to the Board.

Staff and the SIP Subcommittee recommend that the full Board:

1. Endorse the merit and objectives of the Willamette SIP contained in Attachment A of the staff report and the value of likely outcomes.
2. Allocate to the Willamette SIP up to \$6 million of capital funds from the \$12 million previously reserved for SIP for the 2007-2009 biennium and delegate the distribution authority to the Executive Director.
3. Place the following conditions on the Willamette SIP funding allocation:
 - a. The central partners must sign a Partnership Agreement by May 1, 2008, and before project implementation agreements are signed.
 - b. Any projects and actions in the implementation work plan for which OWEB funds will be used will be subject to detailed scrutiny and approval by a technical review process designated by OWEB.
 - c. If the entire \$6 million is not committed in a timely manner, the Board reserves the right to redirect the uncommitted amount for other uses.
 - d. OWEB SIP funds may be used for acquisition of land or water interests, including conservation easements or fee title, only if OWEB's standard acquisition program criteria and due diligence requirements have been satisfied.

4. Authorize the Executive Director to enter into Willamette SIP negotiations necessary to:
 - a. Identify which of the high and immediate project priorities are right for OWEB funding.
 - b. Certify that these projects are technically sound.
 - c. Identify which activities and line item expenses for each project are appropriate for OWEB funding.
 - d. Identify any special conditions that should apply to the OWEB funding.
 - e. Enter into agreements and contracts with the appropriate implementing partners.

Attachments

- A. Willamette SIP Summary
- B. Willamette SIP Project Table
- C. Notes on Attachment B
- D. Notes on Project Screening and Review Process

Willamette Special Investment Partnership (SIP) Summary

1. Measurable Ecological Outcomes

The main objectives of the Willamette SIP are to (a) re-establish channel complexity and length and (b) re-connect flood plains in the historic meander corridor of the Willamette main stem and the major tributaries, wherever feasible. These objectives will restore aquatic and riparian habitats for a wide variety of species, and also will contribute significantly to restoration of river processes that contribute to improved water quality and native aquatic species habitats. Partners who share OWEB's objectives may also have other objectives of their own in the Willamette. One foundation of the Willamette partnership is that all partners will do what they can to mutually support one another's objectives, with particular emphasis on the areas of overlap.

One example of this – and a principal objective of two central partners in the SIP, the Oregon Parks and Recreation Department (OPRD) and Congresswoman Darlene Hooley (through her Willamette River United Act, H.R. 3574) – is public access to the river for aesthetic and recreational purposes. Another example is the commitment of the Meyer Memorial Trust to achieving meaningful and measurable improvements in the health of the Willamette and selected tributaries by 2015 and, in the process, to create a national model for restoring large, complex ecological systems. All of these objectives are readily supported by the projects necessary to achieve the SIP ecological objectives of increased channel complexity and reconnected floodplains.

Objectives for various reaches of the river and for each project within a reach will be developed in terms of specific benefits to:

- a. Fish and Wildlife habitat: Quantity and type of habitat, species affected, types and amounts of improvements.
- b. Water quality: Types and amounts of water quality increase or pollution reduction, and beneficial uses supported.
- c. Recreation: Types and amounts of public access and recreation opportunities (e.g. opening additional navigable channels for water access).
- d. Private sector: Benefits to landowners, business and industry – e.g. an avenue to “green” labeling and recognition; a way to make farming on marginal, flood-prone or high maintenance lands more viable; an alternative to expensive bank stabilization; a way to address Total Maximum Daily Load (TMDL) and Endangered Species Act (ESA) compliance; tax reduction opportunities; or opportunities for private land owners to leave a special legacy for future Oregonians.
- e. Public sector: Benefits to public program objectives (e.g. parks and recreation, fishing and hunting, management of state lands, or achievement of TMDLs and Recovery Plans).
- f. Local communities: Benefits to education, recreation, open space, wastewater treatment, and capacity of local stewardship organizations [e.g. watershed councils and soil and water conservation districts (SWCDs)].

The Willamette Basin has many important ecological and watershed needs beyond OWEB's SIP objectives. Those other needs may still be addressed through OWEB's regular grant program and other restoration investment opportunities.

2. Impact of the SIP Investment

OWEB has assumed a leadership role in convening and guiding the central partnership toward re-establishment of channel complexity and flood plain connection. Many site-specific and project-specific details are yet to be worked out, but OWEB's \$6 million funding reservation (September 2007) has underscored that progress is possible and has encouraged our partners to invest time in SIP project development that likely would not otherwise have occurred. We know that OWEB's funding reservation is an important tool for members of Oregon's congressional delegation as they advocate for Congresswoman Hooley's Willamette River United Act. We now regularly hear our SIP partners talking in terms of a "30- to 50-year" effort to restore Willamette River hydrologic complexity and functioning.

3. Partners

The list of partners in the Willamette is long and diverse. Any watershed council, SWCD, land trust, unit of government, or other entity is welcome to participate in this partnership as they may develop projects that meet the ecological objectives. OWEB has been talking with the Oregon Department of State Lands (DSL), Department of Geology and Mineral Industries (DOGAMI), OPRD, Metro, the cities of Portland, Eugene, Springfield, Corvallis, and Albany, the Willamette Riverkeeper, and several watershed councils, soil and water conservation districts, and land trusts to identify "early action" project implementation opportunities. We also have been talking with several other funding sources to explore and promote contributions from them. Finally, the willing participation of private landowners will be crucial to the success of the Willamette SIP partnership

4. Sustainability

The Willamette SIP development and implementation is:

- a. Cooperative.
- b. Incentive-based.
- c. Science-based.

Partnerships of public and private organizations and landowners will be formed or expanded at the local and regional level to design, fund, and implement projects. The Willamette SIP combines ecological restoration with expanded public access to and involvement with the river, enhancing the likelihood that residents will strongly identify with the SIP's bottom land restoration objectives.

5. Implementation Activities

- a. Lengthening and diversifying the shore line through restoration of old channels and construction of alcoves.
- b. Reconnection of river channels to adjacent flood plains.
- c. Restoration of hydrologic processes that optimize water quality.

- d. Creation or expansion of opportunities for public access to the river area for a variety of recreational uses.
- e. Acquisition of title or easements from willing sellers for fair market value.
- f. Restoration and protection, consistent with natural hydrologic processes, of aquatic, riparian, and wetland habitats for all native species and particularly for listed or at-risk species.

Work will focus initially on:

- a. Publicly owned lands, and state owned lands in particular.
- b. Project proposals that fit the SIP objectives very well and are relatively far along in the development process because they were initiated by our partners prior to approval of the Willamette SIP funding.
- c. Areas of highest opportunity and lowest constraint.

6. Ripeness and Timing

OWEB has been exploring “early action” opportunities with DSL, OPRD, DOGAMI, Metro, several cities, and several watershed councils and land trusts. A sufficient number of these exist for us to move ahead to request allocation of \$6 million from the capital funds reserved by the Board from this biennium's funding. We expect that final project details will be developed and reviewed (by OWEB staff and by a technical review process) and contracts will be signed in the spring of 2008, with implementation on some projects starting immediately thereafter.

7. Costs

A preliminary and informal inventory of restoration activities to meet the Willamette SIP ecological objectives shows that OWEB’s entire reservation of \$6 million could be dedicated to projects within a few months of authorization from the Board. For the Willamette SIP, as for the Deschutes SIP, we have not attached funding amounts to specific projects in order to retain maximum flexibility in final fund distributions. The following table is intended only to suggest approximate distribution of the available \$6 million and does not represent an OWEB Board allocation. Final amounts will depend on many factors relating to specific project details as they are developed. A relatively large amount is left “un-targeted” to provide for that variability.

a. Channel and flood plain restoration: (Includes misc. acquisitions)	\$2,000,000
b. Restoration on DSL lands:	500,000
c. Restoration on OPRD lands:	500,000
d. Effluent cooling partnerships:	400,000
e. Aggregate site reclamation:	400,000
f. City of Portland projects:	400,000
g. Metro projects:	400,000
h. Scappoose Bottoms:	<u>200,000</u>
Preliminary Sub-Total:	\$4,800,000
 Preliminary Un-Targeted:	 \$1,200,000

Willamette Special Investment Partnership Ecological Objectives and Projects
February 20, 2008

Ecological Objectives and Projects	Lead Partner(s)	Summary and Outcomes	Status and Timing	Other Participants	Notes
Objective: Channel and Flood Plain Restoration.	Various partners who are able to recruit willing land owners, design projects, assemble the many parts, partners, and dollars necessary, and (where appropriate) to manage the acquisition process and hold titles or easements in perpetuity.	Acquire, restore, and protect bottom land parcels suitable for OWEB's twin Willamette SIP objectives of re-establishing channel complexity and re-connecting channels and flood plains. The results of that will be improved habitat, improved water quality, and improved response to flood events.	There are many potential sites throughout the Basin. OWEB and partners have identified a number of target reaches, often based around tributary confluences, state-owned lands, ag lands that frequently flood, and inactive aggregate mining sites. Three candidate acquisition proposals are presently in consideration. A number of other projects are in the recruitment or development phase now and could start implementation in 2008. Greater specificity at this time would be counter-productive.	Many and various. Many confluence areas include public land parcels. Land trusts, watershed councils, Willamette Riverkeeper and other NGOs, and government agencies interested in water quality and in fish and wildlife habitat restoration and protection.	This is the over-arching concept that includes the public lands work listed below as separate project concepts.
	Restoration on DSL lands. (Projects would be undertaken by local partners.)	Re-establish silted-in channels and alcoves, reconnect oxbows and cut-off side channels, reconnect channels and flood plains where appropriate, restore native vegetation where appropriate.	In development, with implementation on a few sites possible starting in 2008. By statute, DSL owns the "beds and banks" of navigable Oregon waters, including many oxbow lakes and other former Willamette channels.	Local partners, NGOs.	Numerous potential project sites on state owned land offer the benefit of focusing available funding on restoration.
	Restoration on OPRD lands. (Projects would be undertaken by local partners.)	Re-establish silted-in channels and alcoves, reconnect oxbows and cut-off side channels, reconnect channels and flood plains where appropriate, restore native vegetation where appropriate.	In development, with implementation on a few sites possible starting in 2008. OPRD owns many bottom land parcels that include channel and flood plain features appropriate for SIP.	Local partners, NGOs.	Numerous potential project sites on state owned land offer the benefit of focusing available funding on restoration. Restoration could also enhance public access for passive recreation.
Objective: Effluent Cooling through floodplain interaction	Various waste water dischargers, primarily municipalities or waste water districts.	Re-establish silted-in channels and alcoves, reconnect oxbows and cut-off side channels, reconnect channels and flood plains where appropriate, restore native vegetation where appropriate.	In development. Generic technical work to model, site, and design such cooling projects is underway. Conversation has begun with certain dischargers; a few potential sites identified. Commitment to sites is possible this biennium, but construction is more likely starting in 2009 and beyond.	Association of Clean Water Agencies (ACWA), various cities and special districts. Land trusts, watershed councils.	OWEB's contribution would focus on restoration and protection relating to our two Willamette SIP objectives rather than the hyporheic cooling and would be above and beyond any actions required of the dischargers by regulatory permits.
Objective: Aggregate Site Reclamation to reconnect floodplain and complex channels.	Projects would be undertaken by local partners, including mine site owners.	Acquire and/or restore aggregate mine sites in the bottom land suitable for OWEB's Willamette SIP objectives. Create off-channel habitat, eliminate or reduce the risk of accidental and catastrophic re-capture by the River.	In development. Conversation begun with certain site owners and project implementers. A few potential sites identified. Commitment to sites is possible this biennium, but construction is more likely starting in 2009 and beyond.	Mine site owners, Oregon Dept. of Geology and Mineral Industries, Dept. of State Lands, Meyer Memorial Trust.	OWEB's contribution would focus on restoration and protection relating to our two Willamette SIP objectives and would be above and beyond any actions required of the mine owners by regulatory permits
Objective: Edge Habitat Restoration to reconnect floodplain habitats.	Various. Projects would be undertaken by local partners.	Create alcoves at outfalls, at piped confluences of small tributaries, and where riverside fill is no longer needed for built use. Reconnect with flood plains and side channels where feasible. Create off-stream loitering habitat and refugia along critical migratory reaches.	Many projects in the Portland-Metro area, with some ready to start implementation in 2008.	Public and private urban groups, including local governments, special districts, and watershed councils. Other funding sources interested in whole-basin restoration (e.g. Ecotrust).	"Roughening" the river side is a viable approach to restoring loitering habitat in heavily built-up and channelized areas, such as Portland Harbor and any reach flowing through an urbanized area. This is the overarching concept for several of the Portland and Metro projects in the packages listed below, and also is applicable to other urban areas in the basin. <u>Not</u> to be confused with rock barbs, j-hooks, and other flow re-direction techniques intended for bank stabilization.

Ecological Objectives and Projects	Lead Partner(s)	Summary and Outcomes	Status and Timing	Other Participants	Notes
Project: Scappoose Bottom Restoration.	Scappoose Bay Watershed Council.	Restoration of wetlands and habitat, reconnection of channels and adjacent flood plains.	Area-wide action plan done. Much outreach to landowners and other partners. Some related projects started. Next projects will be ready within the year.	The Nature Conservancy, state and federal fish & wildlife agencies, City of Scappoose, LCREP, Ore. St. Parks, DSL.	This is a collection of projects addressing different site-specific objectives but all contributing to restoration of bottom land functions. Compliments work on Sauvie Island.
Project: Lower Portland Reach Package (Terminal 1 South, Centennial Mills, Swan Island Beach South, Balch Creek Confluence, Tanner Creek Confluence)	City of Portland.	Shallow water habitat, reshaping banks for flood plain reconnect, alcoves at Tanner and Balch Creek confluences, "roughening" the River's edge.	Initial design work done for most sites. Some projects could proceed this biennium.	Port of Portland, Metro, Portland Development Commission, private land owners, watershed councils.	These and other projects in the package listed below will be allocated SIP funds according to their ripeness in terms of design, match funding, land owner participation, and other factors.
Project: Upper Portland Reach Package (Oaks Bottom, Stephens Creek Confluence, Tryon Creek Confluence, Johnson Creek Confluence).	City of Portland.	Restore off-channel habitat, assure full hydrologic connection, replace invasives with natives, improve banks and riparian areas, reconnect flood plain.	Initial design work done for most sites -- detailed design work for some, which could proceed this biennium. Oaks Bottom project is large and might need to be done in several phases over several years.	Metro, Portland Development Commission, private land owners, watershed councils.	Along with adjacent Ross Island, Oaks Bottom constitutes the best and largest remaining undeveloped flood plain and side channel habitat in the central city. Refuge attracts many visitors.
Project: Columbia Slough.	City of Portland, Metro.	Restoration and protection of aquatic, riparian, and flood plain habitat and watershed functions. At confluence with Willamette: bank reshaping to create alcoves and to assure proper connection of Slough to the River at all flow levels.	Initial design work done for most sites. Some projects could proceed this biennium.	Columbia Slough Watershed Council, Metro, private land owners, Port of Portland.	The Slough, Smith and Bybee Lakes, and associated corridor are the principal natural area habitat in the north city.
Project: Johnson Creek Watershed.	Metro, City of Portland.	Reconnect flood plain, restore remnant alcoves and overflow channels, restore and protect habitat and connection corridors	Initial design work done for many sites. Some projects could proceed this biennium.	Johnson Creek WSC, Cities of Gresham and Milwaukie, ODFW, Counties of Clackamas and Multnomah.	Much of this work will be done well to the east of the Willamette main stem but will contribute to lower Willamette functions and values.
Project: Lower Willamette Greenway.	Metro, City of Portland.	Secure and restore critical native habitats and edge ecology at select locations from Lake Oswego downstream.	Parcels already acquired or identified for acquisition. Metro has acquisition funds. Site-specific details now being explored. Implementation likely in 2009-2010.	Local groups, private land owners, land trusts.	These parcels would offer opportunities for edge roughening in the lower river.
Project: Clackamas River Greenway.	Metro.	Protect and restore undeveloped flood plains, remnant side channels, gravel bars, and associated ecology and watershed functions.	Parcels already acquired or identified for acquisition. Metro has acquisition funds. Site-specific details now being explored. Implementation likely in 2009-2010.	Three Rivers Land Conservancy, Clackamas Co. Parks, North Clackamas Park Dist., Ore. St. Parks., PGE., Oregon City, Gladstone, watershed councils.	An example of the bottom land SIP objectives pursued on a major tributary to the Willamette.
Project: Tualatin River Greenway.	Metro.	Acquire, restore, and protect habitat, flood plain connections, and watershed functions along the lower reach of the Tualatin River.	Parcels already acquired or identified for acquisition. Metro has acquisition funds. Site-specific details now being explored. Implementation likely in 2009-2010.	Tualatin Riverkeeper, Three Rivers Conservancy, Clean Water Services, multiple local cities, state and federal fish and wildlife agencies, watershed councils..	An example of the bottom land SIP objectives pursued on a major tributary to the Willamette.
Project: Small Watershed Focus.	Meyer Memorial Trust. Local conservation partner	Contribute to restoration over a number of years in each of several selected small watersheds (e.g. 6 th field hydrologic units). The specific restoration objectives will be appropriate to each watershed.	This biennium, Meyer Memorial Trust will coordinate a process for identifying candidate small watersheds and will establish the program mechanism, which then may be contracted out to a suitable partner.	Forest Service Whole Watershed Program, Bonneville Environmental Foundation, watershed councils, land trusts, local governments and NGOs.	This effort will include projects that address the Willamette SIP objectives but also will address the larger matters of ecosystem restoration and protection and of refugia and connective corridors for species of concern. These other matters must be addressed in the Willamette in order for the SIP to have its full effect.

Notes on Willamette SIP Project Table

Lead Organization(s)

1. Even for work on public lands, local government or NGOs may take the lead on project design and implementation.
2. OWEB will make every effort to see that the SIP funds are passed through to local entities.

Summary and Outcomes

1. Most projects focus on the main stem Willamette and tributary confluences.
2. All relate to the twin OWEB SIP objectives of (1) restoring channel complexity and edge roughness and (2) of reconnecting active channels with flood plains.
3. The physical and cultural geography of the Basin reduces bottomland opportunities from about Newburg down through Portland Harbor as well as wherever other cities (Eugene, Corvallis, Albany, Salem, etc.) have built right up to and around the river. The nature of SIP investments in those areas will adapt to support projects that are viable in heavily developed urban areas – for example, the restoration of edge habitat complexity.

Status and Timing

1. Project ripeness, at this time, ranges from conceptual to ready for implementation.
2. The length of time to project implementation will range from a few months to several years, but many can begin implementation during 2008 (if funding is available), and most can move forward in the current biennium (prior to July 2009).
3. The sensitivity of conversations with land owners makes speculation about sites counter-productive at this time.

Other Partners

1. It should be understood that OWEB is open to working with any and all partners who can bring energy and other resources to the projects.
2. The danger of listing potential “other partners” is that some will invariably be left out by accident. OWEB regrets any omissions.

OWEB Funding 2007-2009

1. As with the Deschutes SIP project matrix, we have not attached numbers next to specific projects for the Willamette in order to retain maximum flexibility in final fund distributions.
2. The following table is intended only to suggest approximate distribution of the available \$6 million and does not represent an OWEB Board allocation. Final amounts will depend on many factors relating to specific project details as they are developed. A relatively large amount is left “un-targeted” to provide for that variability.

Channel and flood plain restoration:	\$2,000,000
(Includes misc. acquisitions)	
Restoration on DSL lands:	500,000
Restoration on OPRD lands:	500,000
Effluent cooling partnerships:	400,000
Aggregate site reclamation:	400,000
City of Portland:	400,000
Metro:	400,000
Scappoose Bottoms:	200,000
Preliminary Sub-Total:	\$4,800,000
Preliminary Un-Targeted:	\$1,200,000

Willamette SIP Project Screening and Evaluation Process

OWEB staff will provide information on the availability of Willamette SIP funding to all partners. The notice will identify the ecological objectives, application process and decision framework for proposed projects. Staff will develop a form for the abbreviated description of project concepts intended for screening. The SIP staff will receive these initial project concept descriptions at any time and review them for completeness and against the threshold and screening shown below.

Threshold Review

The project concept must meet the ecological objectives of the Willamette SIP, to:

- ❑ Re-establish channel complexity and length, and/or
- ❑ Re-connect active channels with adjacent flood plains.

Screening Review

OWEB staff and SIP partners will evaluate project concepts to identify high value, cost-effective projects that warrant the effort to further develop project detail. Each project concept will be evaluated to the extent that it:

1. Is in an area of high value for habitat or other restoration needs and outcomes as identified in the Synthesis Mapping Project.
2. Contains an oxbow lake, cut-off or seasonal side channel, alcove, restorable wetland, disconnected flood plain, or other similar feature. In roughly decreasing order of value, the site:
 - a. Entirely contains the feature.
 - b. Partially contains the feature.
 - c. Must be obtained and/or modified in order to take advantage of the feature.
 - d. Connects two or more SIP projects or features.
 - e. Contributes to a connection that could be completed in the future.
3. Is proposed on land already owned by (or otherwise controlled by) a SIP partner (e.g. DSL, OPRD, TNC) and thus offers immediate restoration opportunities.
4. Has been identified for work and a SIP partner has allocated funding, collected support, done significant design work, or otherwise has jump-started the project (e.g. OPRD and the Luckiamute WSC at Luckiamute Landing; or OPRD, the Corps, and Riverkeeper at Willamette Mission).
5. Has a relatively high concentration of partner land ownership.
6. Has one or more previous SIP projects and would benefit from further blocking up of projects
7. Is of only moderate importance by itself, but would be the “ice breaker” or catalyst in an area with high value and potential for other SIP projects.
8. Is in an area of only moderate importance but would be a valuable demonstration project or “door opener” with a particular constituency.

Technical Review

Screened project concepts that are deemed high priorities for further review will then be written up in detail on forms nearly the same as the Restoration and Acquisition applications for the regular grant program. This will provide the detail necessary for a rigorous technical review by the special team empanelled for this purpose.

OWEB staff will assemble a technical review team that includes the following expertise:

- ❑ Fluvial geomorphology
- ❑ Aquatic ecology
- ❑ Water quality management
- ❑ Floodplain management
- ❑ Riparian vegetation
- ❑ Engineering

The review team will meet and (with help from OWEB staff) provide written evaluations of the project proposals. The review team will be asked to identify whether the applications meet the basic funding criteria, are technically and fiscally sound (pursuant to OAR 695-010-0060 and 695-045-0040), and merit consideration for funding. The reviewers will also be asked to provide recommendations to enhance the application(s).

Funding decision by the Director

Based on the review team recommendations and on consultations with our SIP partners, staff will prepare findings for the Director's consideration. The findings will include at least:

- ❑ a recommendation to fund or not to fund the application,
- ❑ an explanation of the significance of the proposed application in relation to the ecological objectives of the Willamette SIP, and
- ❑ any special conditions that are recommended for the Director's consideration.

The director will provide the Willamette SIP staff with a written approval to fund or not to fund the application. OWEB staff will work with other partners to ensure the grant agreement provided to the applicant compliments the partner's objectives as well.