



Kate Brown, Governor



OREGON
WATERSHED
ENHANCEMENT BOARD

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Agenda Item E supports OWEB's Strategic Plan priority #3: Community capacity and strategic partnerships achieve healthy watersheds.

MEMORANDUM

TO: Oregon Watershed Enhancement Board
FROM: Eric Williams, Grant Program Manager
SUBJECT: Agenda Item E – Focused Investment Partnership (FIP) 2021-2023 Solicitation
June 10-11, 2020 Board Meeting

I. Introduction

This report recommends the board postpone the 2021-2023 FIP solicitation due to Oregon lottery revenue declines because of the Covid-19 pandemic.

II. Background

OWEB solicits FIP applications each biennium. The solicitation period for 2021-2023 FIP awards opened in January 2020, with required consultations between interested partnerships and OWEB staff occurring in the spring, and applications due June 30, 2020. Following application submittals, the timeline allows for a rigorous review and evaluation process, interviews with applicant partnerships by the Focused Investments Committee, board action to select awardees, and a six-month start-up phase for partnerships to work with OWEB staff to develop partnerships agreements, prior to availability of funds in July 2021.

III. Status of Current Solicitation

Nine partnerships completed the required preliminary consultation with OWEB staff. Given that the board was scheduled to act on spending plan changes that may impact the FIP program, staff recommended that partnerships pause their work developing FIP applications until the board decides how to address revenue shortfalls. The rationale for this recommendation is to prevent a great deal of unnecessary work by applicants should the solicitation be paused.

IV. Effects of Spending Plan Changes

Agenda Item A presents options for changes to the spending plan based on available revenues. Two of the options include reductions to the 11 current FIPs with the intent to make those FIPs whole in the next biennium, while the third option would fully fund the current FIPs, but significantly reduce open solicitation funding. In that option, should revenues recover in the next biennium, there will be a need to address a backlog of open solicitation projects due to the reduction this biennium. In all of these scenarios, there is likely to be demands on existing grant programs that make it unlikely that the board would

have funding available for a new round of FIPs at the beginning of the next biennium, particularly given the uncertainty about when lottery revenues might recover.

Should lottery revenues recover, the board can activate the solicitation process such that funds could be awarded midway through the 2021-2023 biennium, as occurred during the initial FIP solicitation in 2015.

V. Recommendation

Since it is unlikely that sufficient funding will be available at the beginning of the next biennium, staff recommend the board postpone the current FIP application deadline until at least June 30, 2021.