National Fish Habitat Action Plan Funding Allocation Framework

Background

In response to the National Fish Habitat Board's (Board) guidance that National Fish Habitat Action Plan (NFHAP) funds should be allocated through a competitive block grant type process, the Criteria Development Committee (Committee) developed two funding allocation options, which were presented to the Board during its July 2011 meeting. At the completion of the Board's discussion on these funding allocation options, the Committee was asked to obtain Fish Habitat Partnership (FHP) input on their preference for either option 1 or option 2 and present the preferred funding option to the Board for possible approval at its October 2011 meeting.

An email was sent to all seventeen FHPs on August 11, 2011, which contained an attachment that highlights what the two options have in common as well as their principal differences (see below). A link to the full description of both options was also included. FHPs were asked to review the two NFHAP funding allocation options and to respond with the partnership's preference.

Nine of the seventeen FHPs provided input on the funding allocation option they preferred, with eight of the nine selecting option 2. The other responding FHP indicated the partnership did not favor either option (see letter from SARP for further details).

Commonalities between NFHAP Funding Allocation Option 1 and Option 2

Both options:

- Require the submission of multi-year funding requests.
- Provide FHPs with funding that can be used to support their operations.
- Call for a Board appointed panel to review the funding requests and rate each submission against a standard set of criteria.

Principal Differences between NFHAP Funding Allocation Option 1 and Option 2

Option 1:

- Contains separate frameworks for allocating funds supporting FHP operations and priority habitat conservations projects.
- Uses a process for allocating funds in support of priority habitat conservation projects that may result in some FHPs being unsuccessful in obtaining any of the available funding.

Option 2:

- Allocates lump sum funding that FHPs can use for both operations and priority habitat conservation projects.
- Includes a mechanism that ensures each FHP will receive funding that can be directed towards priority habitat conservation projects.
- Incorporates FHP performance as a funding allocation criterion.

NFHAP Funding Allocation Option 2

1. During each fiscal year, up to $400,000 in NFHAP funds will be allocated to the Board in support of the national fish habitat assessment, a data delivery system, communications, outreach, and other efforts essential to NFHAP and FHPs. To minimize its use of NFHAP funds the Board will focus on meeting as many needs as possible through other funding and in-kind sources. However, if an essential NFHAP need cannot be funded or addressed by any other means, the amount of NFHAP funding allocated to the Board's annual budget may exceed the $400,000 cap.

2. NFHAP funds that are available to support the operations and projects of the FHPs will be allocated through 3-tier framework. FHPs are authorized to use the allocated funds for operations (coordination, outreach, travel, etc.) and for priority fish habitat conservation projects (habitat restoration, assessment, planning, etc.) to maximize results, with no restrictions on how the funds are split between operations and projects.

    a. Tier 1 consists of funds that will be allocated to each FHP at a level of $75,000/year as stable base funding.

    b. Tier 2 consists of funds that will be allocated annually to support 3-year strategic implementation plans submitted by each FHP. These plans will contain the following information:

        i. The NFHAP and/or FHP priorities, goals, and objectives that plan addresses.

        ii. The approach that will be used to accomplish the identified NFHAP and/or FHP priorities, goals, and objectives.

        iii. The geographic area(s) covered by the plan.

        iv. The types of operational functions and/or projects to be funded under the plan and how each identified item relates to implementing the plan.

        v. The process that will be used to identify high quality projects, including a proposed timeline for solicitation, project sub-award, and initiation of on-the-ground implementation.

        vi. The anticipated outputs and outcomes the plan is expected to produce (acres restored or stream miles to be made accessible to diadromous fish, ecological and socioeconomic outcomes, or other measures).

        vii. The education and/or outreach method(s) that will be used to disseminate information on the plan's outputs and outcomes.

        viii. The FHP's resources and capabilities to administer the NFHAP funds allocated to the plan.

ix. The amount of NFHAP funds requested in support of the plan and the anticipated amount of matching funds.

The minimum amount of Tier 2 funding an FHP would receive is 1% of the available funding and the maximum is 20% of the available funding. The level of NFHAP funding an FHP receives in support of its 3-year strategic implementation plan will be based on a quantitative scoring process conducted by a Board appointed panel that will evaluate the following factors on a scale of 1 [lowest] to 10 [highest]:

i. The potential of the plan to implement priority conservation actions that would result in long-term improvements in ecologically and regionally significant aquatic systems.

ii. The potential of the plan to provide sustainable, long-lasting benefits including realistic goals for monitoring and maintenance to ensure longevity of conservation actions.

iii. The extent to which the plan involves multiple partner groups and operates across jurisdictional boundaries.

iv. The degree to which the individual project selection process used by the FHP is competitive.

v. The capabilities of the measures being used to demonstrate the effectiveness of conservation actions implemented under the plan.

vi. The level of administrative resources and capabilities available to the FHP to support and successfully manage grant-type funding, and the FHP's track record on project accountability and tracking.

vii. The capacity of the plan's education and outreach methods to advance public awareness of the FHP and NFHAP and transfer knowledge on lessons learned.

viii. The extent the plan leverages the investment of NFHAP funds through matching contributions and/or use of partnerships, including the amount of cash or in-kind match available to support implementation of conservation actions.

c. Tier 3 consists of funds that will be allocated to FHPs for a 3-year period based on past performance, as evaluated by application of the *Fish Habitat Partnership Performance Evaluation Measures* approved by the Board. FHPs that receive less than 50% of the performance evaluation measure points will be eligible for 1% of the available funds; FHPs that receive between 50% to 75% of the available performance evaluation measure points will be eligible for up to 10% of the available funds; and, FHPs that receive more than 75% of the performance evaluation measure points will be eligible for up to 20% of the available funds.

For the initial round of allocation, 90% of the available funds will be apportioned to Tier 2 funding and 10% to Tier 3 funding. As FHPs performance records mature, this funding allocation will shift to apportioning 75% of the available funds to Tier 2 funding and 25% to Tier 3 funding in the second round, and then to a 50/50 split between Tier 2 and Tier 3 funding in the third and subsequent rounds.