United States Department of the Interior

FISH AND WILDLIFE SERVICE
Washington, D.C. 20240

APR 09 2013

In Reply Refer To:
FWS/AFHC/FARC 054076

Memorandum

To: Regional Directors, Regions 1-8
Assistant Director-Migratory Birds
Science Advisor
Chief-National Wildlife Refuge System
Assistant Director-Wildlife and Sport Fish Restoration Programs

From: Deputy Director Rowan W. Gould

Subject: New funding approach for fish habitat conservation projects
(Response requested within 15 days.)

The Fish and Wildlife Service has adopted the approach of Strategic Habitat Conservation to achieve goals of sustainable populations of fish and wildlife in functional landscapes. The National Fish Habitat Action Plan (Action Plan), adopted in 2006 and updated in 2012, is an important tool to help the Service and its partners achieve strategic conservation goals for aquatic resources. Since 2006, the Service has funded cost-share projects that address strategic priorities of Fish Habitat Partnerships organized under the Action Plan.

In 2014, the Service will modify its approach to funding Action Plan projects to encourage more strategic conservation delivery. The modification is within the scope of current Service policy guiding Action Plan funding (717 FW 1), and will not require a change to the policy. The starting point for development of a new competitive, performance-based methodology will be an approach developed by the National Fish Habitat Board (Attachment). This memorandum provides guidance and a timeline for revision and refinement of the approach for use by the Service.

The Assistant Director-Fish and Aquatic Conservation will convene a work group that will identify specific procedures for the funding process to be implemented in FY 2014. The work group will include one representative from each Region, as well as one representative each from the Office of Science Advisor, Migratory Birds / Joint Ventures, National Wildlife Refuge System / Partner for Fish and Wildlife, and Wildlife and Sport Fish Restoration Programs. **Within 15 days, please identify your representative to the work group.**

The work group will convene within 45 days of the date of this memorandum. The group will meet by conference call or other electronic means only and will consider the document in the Attachment as the basis for creating a decision-making process appropriate for use by the

Service. The process must be a competetive and perfomance based methodology. The new funding process needs to be completed and submitted to the Assistant Director-Fish and Aquatic Conservation by July 1. If a new process cannot be agreed to by July 1, the Assistant Director-Fish and Aquatic Conservation will decide on the process and make the recommendation to the Director. The work group's final product will be submitted to the Director no later than July 15, 2013.

The Service will notify Fish Habitat Partnerships of the details of the new funding approach on or about August 1, 2013. In the meantime, Regional personnel are authorized and encouraged to communicate with the Fish Habitat Partnerships in their Regions about the role of the work group and the timeline for its work.

If you have questions, contact Jeff Underwood, Acting Assistant Director-Fish and Aquatic Conservation, at 202-208-6393 or Tom Busiahn, National Fish Habitat Partnership Coordinator at 703-358-2056 or tom_busiahn@fws.gov.

Attachment

ATTACHMENT

NFHAP Funding Allocation
Approved by the National Fish Habitat Board, October 19-20, 2011

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.