

May 18, 2009

MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Ken Bierly, Deputy Director

**SUBJECT: Agenda Item I: Partnership Investments
June 2-3, 2009 OWEB Board Meeting**

I. Introduction

This report provides an update on the status of OWEB Partnership Investment Subcommittee discussions, describes the criteria developed following Board discussion in March, and proposes a final set of partnership investments criteria for Board consideration and approval.

II. Background

Development of the Partnership Program within OWEB has been both cumulative through time by incremental decisions and through specific, guided Board discussions about investments in specific outcomes. The Partnership Subcommittee distinguished projects funded as “partnerships” from those activities funded through the regular, competitive grant processes or Special Investment Partnerships (SIP). Subcommittee members include Diane Snyder, Dan Heagerty, Ken Williamson, Jennifer Phillippi, Meta Loftsgaarden, and Dave Powers.

The Subcommittee has discussed the use of consistent criteria for evaluating and considering future partnerships. These criteria are slightly different from the criteria for the SIP that have been previously discussed and approved by the Board. At the direction of the Subcommittee, staff developed draft criteria to stimulate discussion between staff and the Board at the March Board meeting. The draft criteria included:

- A. Specific Ecological Outcomes
- B. Leverage of State Funding
- C. Unique or Limited Opportunities
- D. Administrative Efficiency
- E. Address Institutional or Physical Watershed Management Issues
- F. Strong Technical Review Process

At the March meeting, Board members discussed the proposed criteria and gave staff substantive input to prepare final recommendations for the June meeting.

III. Final Proposed Criteria

Following the March discussion, staff and the Subcommittee met to finalize the criteria that are applicable for evaluating partnership efforts and to evaluate any future proposed partnerships. The proposed criteria were modified and simplified to address issues raised in March. The result combined some of the previously proposed criteria and eliminated one as an evaluative criterion, thereby distilling the criteria to five points of consideration. The following are the final proposed criteria for Board consideration:

1. A potential partnership should address a specific ecological outcome or issue and have sufficient commitment to make progress on addressing the issue. *This criterion provides explicit goals or outcomes expected from the partnership.*
2. A potential partnership should bring partners to assist in the funding and other support to address the issue of interest. *This criterion requires specific documentation of the financial commitment of partners.*
3. A potential partnership should use strong technical standards or have a review process that evaluates expenditures. *This criterion requires an assurance of quality control.*
4. A potential partnership should be administratively efficient and share administrative responsibilities. *This criterion requires a demonstration of the administrative sharing by the proposed partner and an evaluation of the OWEB workload associated with a partnership.*
5. A potential partnership should be a catalyst for meaningful restoration actions. *This criterion looks at the role of OWEB funding in stimulating additional restoration actions beyond single projects.*

The Subcommittee recommends that the criteria be used to evaluate proposed partnerships but not as hard rules. The Subcommittee wants to be sure that the ability of the agency to remain flexible and adaptable to creative partnership proposals is retained. In this light, it proposed that the criteria would be used as evaluative criteria for all partnership proposals for consistency but the judgment of the Board not be bound entirely by the criteria.

IV. Recommendation

Staff recommend the Board adopt the final proposed criteria contained in Section III of this report, and direct staff to use them when considering funding recommendations on partnership investment proposals.