

LIO EXECUTIVE COMMITTEE APPROVAL

LIO Executive Committee Meeting: April 18, 2019

Topic: Role of LIOs in NEP Funding Model and Action Agenda Implementation

Background: Prior to the implementation of the EPA National Estuary Program (NEP) Geographic Funds funding model, representatives from Local Integrating Organizations (LIO) and Puget Sound Tribes met with EPA to encourage a regional/local allocation similar to the State Salmon Recovery Funding Board model (70% Watershed/30% Regional Funding Split). In the 70/30 model, LIOs would have influence over the vast majority of NEP funding investments towards Puget Sound recovery (see attached letter from 2014). It should be noted that an allocation formula at that level is a model EPA has not implemented anywhere else in the United States. At the time, the decision not to implement a watershed-driven 70/30 local allocation stemmed from the absence of developed/adopted local Ecosystem Recovery Plans that would prioritize NTA investments. The 2016 NEP funding model, the product of various meetings with the EPA, only allowed for a direct allocation of \$100,000 per LIO or about 4% of total NEP Funding (96% Regional/4% LIO) with the remaining funds allocated by the Strategic Initiative Leads and their respective Advisory Teams.

The 2018-2022 Action Agenda is now approved by the Puget Sound Partnership's Leadership Council and the EPA as the federal Comprehensive Conservation and Management Plan (CCMP) for the Puget Sound. Both the 2018-2022 Action Agenda and CCMP now include local Ecosystem Recovery Plans from 9 of the LIOs. The first round of funding recommendations using NEP Geographic Funds, resulting from the 2018-2022 Action Agenda, were released on February 15, 2019. So far, the level of influence provided to LIOs has included accounting for 20% of the final tier for NTAs that went into the 2018-2022 Action Agenda and a continuation of the direct \$100,000 allocation.

During a recent LIO Coordinator's meeting, we had a discussion around the current NEP funding model and the role of LIOs in implementation of that model. The conversation also expanded into the role of LIOs in Action Agenda implementation more broadly. The LIO Coordinators noted that although steps were taken toward greater collaboration and communication, LIOs are not engaged as an implementation partner within the NEP Funding Model/regional SIAT processes. LIOs are now looking for additional partnership opportunities within the NEP funding model and the broader Action Agenda implementation processes.

Some examples of specific feedback from various LIO Coordinators are listed below:

- \$100,000 is insufficient as an incentive to maintain LIO participation by its member organizations.
- Local partners are reluctant to participate because the lack of dedicated funding is minimal and not commensurate with the time it takes to engage in the process. As a result, we are losing human infrastructure and participation in the process, because the funding is much too small to justify participation.
- LIOs are not being considered in the SIAT prioritization processes; are blind to the SIAT criteria; and are unclear as to the criteria they are using to make funding decisions. We need transparency around process to maintain/build trust with NTA owners and maintain engagement/buy-in in Action Agenda.
- EPA had previously noted that once LIO Ecosystem Recovery Plans were developed and in place, it would trigger greater coordination with the LIOs. We are past that point, and results have not been seen there yet. It's time to circle back to EPA and revisit the discussion.
- This is a bigger issue than the NEP funding model. This is also a Partnership issue as well, because the Partnership created the LIOs. LIOs are under-funded, under-powered, and under-supported. The Partnership is missing an opportunity to take advantage of LIOs and their respective membership.
- There is a hope that Puget Sound Partnership will be advocating for the LIOs. Looking for the Partnership to keep a clearer more assertive role advocating for LIOs now that the LIO Ecosystem Recovery Plans are complete.
- All LIO Coordinators concurred that they will move this conversation to their ECB Representatives.

LIO Coordinators next steps: two months' timeframe (end of April) for LIO Coordinators to talk with LIO committee members and ECB representatives.

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Potential for New Opportunities:

When the existing funding model was developed, LIOs did not have Ecosystem Recovery plans. Now that each LIO has developed (and are engaged in ongoing adaptive management efforts) Ecosystem Recovery Plans we wonder if there is a new opportunity for LIOs to have increased influence over NEP investments and allow a more meaningful contribution to Puget Sound recovery. Along with the Ecosystem Recovery Plans, LIOs provide continuity to Action Agenda implementation. Outside of the local LIO processes, LIO representatives are utilized as part of the regional process to review NTAs for inclusion into the Action Agenda as well as on the Strategic Initiative Advisory Teams. This local perspective has often been highlighted as invaluable to those discussions but is occurring outside the LIO process rather than within it.

To that end, LIO Coordinators have agreed to bring this topic before their Committees in an effort to see if the Committees are supportive of engaging the LIO ECB representatives. The goal is to work through ECB to develop additional opportunities for LIOs to influence Puget Sound recovery investments/actions. Discussion points with ECB include:

- Developing alternative pathways for LIOs to influence NEP funding recommendations. LIOs are interested in opportunities that provide continuity and protect/enhance existing investments. Options that have been discussed include:
 - I. Changing the LIO/SIL allocation where LIOs allocate far more than \$100,000 per year; and
 - II. Alter the make-up of the SIATs by reserving a seat for each LIO Coordinator (or designee) on each of the SIATs (analogous to the Salmon Recovery approach).
- Utilize LIOs to develop and implement the regional Mobilizing Funding Initiative (coordinate through ECB).
- Utilize LIOs to prioritize addressing gaps and barriers to Puget Sound recovery (coordinate through ECB).

For Approval:

Option 1: LIO supportive of engaging Whidbey Basin Action Area ECB Representative, Ron Wesen, on issue with goal of finding additional utility for LIOs in the recovery framework. Identify LIO representative.

Option 2: Not supportive of engaging ECB on this issue.