



Oregon

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Oregon Watershed Enhancement Board

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MEMORANDUM

TO: Oregon Watershed Enhancement Board

FROM: Renee Davis, Deputy Director

**SUBJECT: Agenda Item B: Focused Investment Partnership Process and Priority-Setting
March 18, 2015 OWEB Board Meeting**

I. Introduction

This staff report updates the Board about the status of the Focused Investment Partnership process to date and presents information about the Focused Investment Partnership Priority categories that the Board outlined at the January 2015 meeting. Following public comment about Focused Investment Partnership Priorities, the Board will discuss the Priority categories and provide guidance to staff about additional work to be completed for the priority-setting process in preparation for a Board decision about Priorities at the April 2015 meeting.

II. Background

In June of 2013, the OWEB Board approved its Long-Term Investment Strategy Framework with four major areas of investment: Operating Capacity, Open Solicitation, Focused Investments, and Effectiveness Monitoring.

Though OWEB has participated in efforts that align with the qualities of ‘focused investments’ in the past, there has been no formal definition, process or solicitation approach for the program. In October of 2013, OWEB kicked off two processes. First was a nine-month process to develop the definition, criteria, and program design (including solicitation approach and process) for the Focused Investment category of OWEB funding. The process involved work groups of both external stakeholders and internal staff to provide input to the Board on the program and its design and implementation. The initial nine-month process included the following milestones and opportunities for public comment:

- January 2014 Board Meeting (Portland) – Board reviewed draft documents and solicited public comment; work groups then continued design process.
- March 2014 (all six OWEB regions) – OWEB staff held listening sessions in all regions of the state to receive input on the first draft of the solicitation process for Focused Investment Partnerships.
- April 2014 Board Meeting (Bandon) – OWEB Board received public comment on the draft solicitation process and other aspects of the Focused Investment Partnerships program as outlined above.
- July 2014 Board Meeting (The Dalles) – OWEB Board approved definition, criteria, solicitation approach, timeline and priority selection processes.

Attachment A describes the definition, criteria and solicitation approach that the Board adopted in July of 2014. The document describes a two-phase process for the Focused Investment Partnership program: 1) Priority-setting by the Board for Focused Investment Partnership and 2) Solicitation for Focused Investment Partnerships. These two phases are distinct and sequenced, with the Board first setting priorities that have clear ecological significance to the state, then soliciting for partnership proposals within the broader priorities set by the Board.

The Board currently is in Phase 1, the priority setting phase for the Focused Investment Partnerships program. This phase will conclude in April of 2015, at which time the Board will select Focused Investment Partnership Priorities for use during the first solicitation for Focused Investment Partnerships. Following priority setting, OWEB will solicit for Focused Investment Partnership proposals (see Attachment B for an outline and schedule of the solicitation process that was approved by the Board in October of 2014).

III. Focused Investment Partnership Priority Setting Process

In August of 2014, OWEB initiated the priority setting process, which is the second process and is described in Attachment C. The process began by soliciting input from stakeholders around the state about suggestions for Priorities, which were due October 15, 2014. At the October 2014 Board meeting, staff provided a brief update about the 42 submissions. Following submission of these priority suggestions, the staff and the Board subcommittee on Focused Investments reviewed the input received and grouped related submissions into 12 priority theme areas. This grouping assisted technical experts convened to answer questions and provide input to the OWEB Board to inform its deliberations about Priorities of significance to the state.

At the January 2015 meeting, staff summarized the 12 priority themes (Attachment D), and the Board received public comment. The Board discussed both broad issues related to priority setting (e.g., how to leverage previous work to identify limiting factors for habitats/species of interest, at what scale can priorities be set to help achieve ecological outcomes of significance to the state) and specific questions about each of the 12 priority theme areas (Attachment E). The Board also considered other options for organizing the priority themes that would result in a more defined focus on habitat, the species supported by these habitats, the primary limiting factors for these habitats and species, and actions that can be taken to address limiting factors.

Ultimately, the Board discussed reframing the themes into seven areas, which serve as the framework for subsequent work on priority setting:

- 1) Sage-grouse/Sage-steppe habitat,
- 2) Dryside forest habitat,
- 3) Oak woodland habitat,
- 4) Closed Basin wetland habitat,
- 5) Coastal coho habitat and populations,
- 6) Inland anadromous fish habitat and populations, and
- 7) Inland non-anadromous fish habitat and populations.

In addition to reframing, the Board determined an interim Board meeting in March of 2015 was necessary to continue the priority-setting conversation in advance of adopting priorities at the April meeting.

IV. Reframed Themes for Priorities for Discussion at the March Board Meeting

Following the January Board meeting, staff worked with the Board Subcommittee on Focused Investments and technical experts to flesh out the priority themes based on the Board's guidance and respond to questions raised at the January meeting that were relevant to their deliberations (see Attachment F for a list of the experts consulted). In addition, staff met with fish experts (including focused conversations with staff from Oregon Department of Fish and Wildlife's Fish Division) to discuss the aquatic habitat themes described by the Board in January. Experts recommended combining the inland anadromous and non-anadromous themes, given that anadromous and non-anadromous species often use the same inland aquatic habitats and share limiting factors. Staff proceeded with this recommendation in mind, noting that if the Board prefers to again split the combined fish theme into separate anadromous and non-anadromous themes, this change will be possible to complete relatively simply given that the difference is primarily one of lumping versus splitting of species depending on the same or similar habitats.

Based on this additional input from experts, staff refined the thematic titles for six priority categories:

- 1) Sagebrush/Sage-steppe Habitat,
- 2) Oregon Closed Lakes Basin Wetland Habitat,
- 3) Dryside Forest Habitat,
- 4) Oak Woodland and Prairie Habitat,
- 5) Coastal Coho Habitat and Populations, and
- 6) Inland Aquatic Habitat for Native Fish Species.

Attachment G describes the evolution of the priority themes between October 2014 and March 2015, and depicts how the 42 priority suggestions crosswalk into the six thematic categories listed above. This crosswalk was completed at the request of the Board and subcommittee to ensure that all 42 priority suggestions still largely align with at least one of the six thematic categories.

Staff prepared theme summaries for the six reframed priority themes in preparation for the March special Board meeting (Attachment H). In keeping with the emphasis on habitat, the summaries list the habitat, highlight the key species that are of interest/significance to the state which depend on this habitat, list the key limiting factors for the habitat and/or species, and denote the major conservation and recovery plans that outline limiting factors and priority actions needed to address these. As follow-up to the discussion at the January Board meeting, the Board subcommittee on Focused Investments underscored the importance of drafting the priority theme summaries with an emphasis on limiting factors, in order to strengthen the link to the Focused Investment Partnership program's emphasis on ecological outcomes.

The habitat approach based on limiting factors for key species is inclusive of large geographies, yet relies on major, scientifically vetted conservation and recovery plans to describe actions that will address the primary limiting factors in specific locations. This approach helps answer many of the scale-related questions that were raised by the Board at the January meeting. The theme summaries in Attachment G also reflect input from experts about some theme-specific questions that were posed at the January meeting. Other questions will be addressed at the Focused Investment Partnership solicitation stage, which begins in May of 2015 and during which local partnerships will propose to focus their initiatives on strategies identified in the high-level plans listed for each of the Priority Theme summaries.

At the March meeting, the Board will review the summaries of the reframed priority themes, hear public comment and provide guidance to staff about additional work to be completed for the priority-setting process in preparation for a Board decision about Focused Investment Partnership Priorities at the April 2015 meeting.

V. Recommendation

This is a discussion item only. Final decisions about Focused Investment Partnership Priorities will be made at the April 2015 meeting.

Attachments

- A. Focused Investment Partnership Program definition and program design document
- B. Focused Investment Partnership Program solicitation timeline
- C. Focused Investment Partnership Priority Setting process and timeline
- D. 12 Priority Themes and groupings of Priority Suggestions Discussed at the January 2015 Board meeting
- E. Summary of January 2015 Board meeting discussion of Focused Investment Partnership Priorities
- F. List of Experts Consulted to-date during the Priority Setting Process
- G. Evolution of the Focused Investment Partnership Priority Themes and groupings of the Priority Suggestions as of March 2015
- H. Theme summaries for the six reframed Focused Investment Partnership Priority Themes

Focused Investment Partnerships

Definition, Criteria and Solicitation Approach

The OWEB Board will establish a process for identifying and updating a set of Focused Investment Priorities that have clear significance to the state. Within those priorities, the Board will solicit for Focused Investment Partnerships, one of several forms of focused investments.

Focused Investment Partnership Definition

A Focused Investment Partnership is an OWEB investment that:

- Addresses a Board-identified Focused Investment Priority of significance to the state;
- Achieves clear and measurable *ecological outcomes*;
- Uses integrated, results-oriented *approaches* as identified through a *strategic action plan*;
- Is implemented by a high-performing *partnership*.

OWEB's Focused Investment Partnership investments will be made in two categories:

- 1) Focused Investment Partnership Implementation - For an investment with an existing strategic action plan that is ready for implementation, a Focused Investment will be made by OWEB for a defined dollar amount over a limited time. Partnerships may apply subsequently for a different Focused Investment Partnership program in the same or a different Board-identified Focused Investment Priority.
- 2) Focused Investment Partnership Capacity-Building - The Board will also provide two-year funding for partnerships who are prospective FIP applicants to strengthen their capacity and to strengthen strategic action plans for a Focused Investment priority.

Criteria Categories *The definition is further refined by criteria in the following categories that will be used by the OWEB Board to select investments.*

Focused Investment Partnerships will have both limited funding and duration. As such, groups selected for a Focused Investment Partnership will need to demonstrate that their Focused Investment Partnership programs meet a high standard of achievement. Board investments will be determined within the following criteria categories:

- 1) Significant, clear and measurable *ecological outcomes* that address a Board-Identified Focused Investment Priority.
- 2) The partners must have an existing *strategic action plan* that employs integrated, results-oriented *approaches*. The strategic action plan will:
 - a) Clearly define the measurable ecological outcomes as identified above, ensuring they are reasonable given resources and constraints.
 - b) Clearly articulate achievable goals, an identified geography and a realistic scale and time period for the program.
 - c) Identify the metrics, milestones and established benchmarks for success for the outcomes.
 - d) Utilize an adaptive management approach. This includes measuring and monitoring progress including monitoring procedures to evaluate the success of goals and objectives described in the strategic action plan.
 - e) The plan must also include communication strategies with funders and others regarding the plan's progress toward implementation.

The strategic action plan and any associated OWEB requests for funding must be realistic in terms of conservation impact, outcomes, partnerships and effectiveness monitoring.

- 3) The applicants must clearly demonstrate the *Partners* involved are necessary and sufficient to implement the program outlined in the strategic action plan. Partners must have formed a productive partnership that includes:
- a) Defined relationships that clearly describes the roles and responsibilities of each partner.
 - b) Demonstrated capacity to:
 1. Take on their identified roles and operate under a common vision;
 2. Implement conservation work at a scale larger than a single project;
 3. Realistically accomplish the identified ecological outcomes.
 - c) A clear link that shows the outcomes are within each organization's mission and scope
 - d) A demonstrated strong record of conservation achievement by the partners individually and collectively.

The partnership must also leverage OWEB funding with other resources. This may be achieved by recruiting funding partners, or by accessing other resources critical to implementation.

Solicitation Approach

OWEB is developing three processes for Focused Investment Prioritization, Partnership Capacity and Implementation solicitation. The priority selection process will be completed before solicitation for programs can begin. The program selections (2&3 below) will run simultaneously.

- 1) A Board process for identifying and updating a set of Focused Investment Priorities that have clear significance to the state, drawing from proposals by groups, organizations, state and federal agencies, individuals, OWEB, the Governor's office, Oregon Tribes, and others. Proposed priorities should be based on sources such as the state's Conservation Strategy, the Oregon Plan for Salmon and Watersheds, Governor's priorities, the Agricultural Water Quality Program, the Integrated Water Resources Strategy, recovery plans, etc. The Board will review priorities each biennium to consider adding new priorities and ensure the existing priorities continue to be important.

Process for selecting each of the OWEB Focused Investment Partnership types:

- 2) Capacity-Building - A process for selecting among proposals for investments up to two years that support existing partnerships within Board-identified priorities to:
 - a) Enhance or strengthen a strategic action plan for a Focused Investment Priority; and/or
 - b) Strengthen the capacity of existing partnerships. Applications must:
 - Demonstrate a strong commitment of the partners to meet the Focused Investment criteria in the future, and
 - Clearly identify how this funding will help them achieve the steps to meet Focused Investment Partnership criteria.

NOTE: Receipt of Capacity funding does not guarantee Focused Investment Implementation funding from OWEB.
- 3) Implementation - A process for selecting applications for Focused Investment Partnerships funding as outlined in the criteria, in which applicants must:
 - Identify the Focused Investment Priority the proposal addresses
 - Provide a strategic action plan
 - Demonstrate partnership capacity

***Focused Investment Partnerships:
Solicitation Process, October 2014***

CAPACITY-BUILDING FUNDING	IMPLEMENTATION FUNDING
May1-July 1, 2015	May1-July 1, 2015
Letters of Intent submission period. Due date: July 1, 2015.	Application Phase I submission period. Due date: July 1, 2015.
July1-August 15, 2015	July1-August 15, 2015
Staff receives Letters of Intent. Upon receipt, staff will inform applicants of next steps in the process. This stage is not intended to be a pre-screening for applications and will not include any evaluative action.	Staff convenes technical teams designated for each priority area for review of Phase I applications.
	Subcommittee takes information from staff and technical teams, and invites select partners to submit Phase II application materials, including work plan and budget. Other applicants not invited can submit if they choose, though it will be noted there is limited funding available.
August 15-October 31, 2015	August 15-October 31, 2015
Capacity-Building full application submission period. Due date: October 31, 2015.	Application Phase II submission period. Due date: October 31, 2015.
November 1-January 8, 2016	November 1-January 8, 2016
RPRs review Capacity-Building applications and provide feedback to capacity review team and subcommittee for their consideration.	RPRs review applications and provide feedback to technical review teams and subcommittee for their consideration.
Staff convenes state capacity review team to make recommendations to subcommittee through staff.	Staff convenes technical review teams designated for each priority area to complete a technical review of applications in their area and provide feedback.
Subcommittee reviews feedback from RPRs and recommendations from the state capacity review team. Provides final recommendations for funding to Board based on available funds.	Subcommittee receives applications, technical teams and RPRs feedback, and asks any follow-up questions of RPRs and/or technical teams.
	Subcommittee interviews all applicants, negotiates budgets, and recommends Implementation grants for funding based on available funds.
January 2016 Board Meeting	January 2016 Board Meeting
Board reviews subcommittee recommendations and selects Capacity-Building programs for funding. There will be an opportunity for public comment at this time.	Board reviews subcommittee recommendations and selects Implementation programs for funding. There will be an opportunity for public comment at this time.

Input for Board Proposed Priority Consideration

Between August 2014 and April 2015, the OWEB Board will receive input as it develops a set of priorities of statewide ecological significance for Focused Investment Partnership funding. This is a new process for the OWEB Board. These priorities will apply only to the Focused Investment Partnership funding within OWEB's spending plan (currently between 10-12% of OWEB's funds). In an effort to secure early advice and input from a broad cross-section of stakeholders, the Board has developed a set of questions for stakeholder response.

If you are interested in providing input to the Board during this first phase of priority-setting, please respond to the attached questions in a letter. The letter should not exceed ten pages. The Board has identified these questions as a part of their decision-making process. Your feedback will help them better understand priorities from a variety of perspectives.

The steps for priority-setting are as follows:

- 1) August 1-October 15, 2014 OWEB Board receives potential priorities recommendations from stakeholders
- 2) October 28-29, 2014 OWEB Board meeting in Grants Pass - opportunity for stakeholders to provide input on priority proposals and receive additional suggestions during public comment process
- 3) October-December, 2014 OWEB staff and Focused Investment Subcommittee review input; combine similar proposals and develop summary for Board, along with preliminary recommendations
- 4) January 27-28, 2015 OWEB Board Meeting in Astoria – Board reviews subcommittee summary; additional opportunity for stakeholders to provide feedback on proposals during public comment
- 5) January-March, 2015 Subcommittee and staff solicit additional input as needed through a variety of mechanisms; revise proposals based on feedback from Board and stakeholders
- 6) April 28-29, 2015 Board Meeting in Salem - review final draft priorities; additional opportunity for public comment; Board approves final priorities

If you would like further information about this process or to ask questions, please contact Meta Loftsgaarden at OWEB - meta.loftsgaarden@state.or.us.

12 “Themes” and the 42 Associated Suggested Ideas for Focused Investment Priorities

NOTE: Priority submissions were organized into themes OWEB staff for the purpose of efficiently gathering input and advice from technical experts to inform the OWEB Board

Organizing Theme for Priorities
Suggested Priority Ideas submitted as part of OWEB’s 2014 Priority Input Process (see http://www.oregon.gov/OWEB/Pages/FIP-Proposed-Priorities.aspx for more information)
Closed Basin Wetland/SONEC
Harney Basin wetlands
SONEC basin floodplains
Cross-Theme (these suggested ideas cross over more than one theme)
Assessments of water utilities and irrigation districts
Fish and wildlife habitat connectivity
Fish passage restoration
Deschutes Aquatic Habitat
Conserving a unique spring-fed river system
Lower Deschutes salmon and steelhead stronghold
Salmon and steelhead reintroduction in the Deschutes River Basin
Dryside Forests
Restoration of dry-mixed conifer forests
Grande Ronde Native Fish
Upper Grande Ronde native fish habitat
John Day Native Fish Habitat
Accelerated restoration in the Upper North Fork John Day
Instream habitat and upland plant communities of the John Day Basin
John Day Basin cold water salmonid habitat
John Day Basin restoration of aquatic and upland habitats
Lower John Day River whole watersheds restoration initiative
Restoration of habitats in the John Day River Basin
Lower Columbia Native Fish Habitat
Chum conservation
Hood River salmon, steelhead, and bull trout habitat
Protecting Oregon estuaries from climate change
Sandy River Basin initiative
Oak Woodlands
East Cascades oak woodlands
Oak woodlands in southern Oregon
Willamette Valley oak and prairie habitats
Aquatic ecosystems in Upper Klamath Basin
Governor’s water quality priority: Upper Klamath Basin
Oregon Coast
Governor’s priority: Coastal Coho
Integrated land stewardship for salmon, Cape Blanco area
Oregon Coast Coho
Oregon Coast estuarine habitats
Oregon Coastal Coho habitat, with focus on family, forests, and farms
Reigniting the Oregon Plan: Achieving restoration-scale in coastal sedimentary basins
Rogue Basin native fish population, capacity building
Rogue River stream corridors
Tillamook-Nestucca fish passage partnership
Umpqua and Rogue River basins native fish habitat: Lamprey
Upland/Riparian restoration in the coastal ecoregion
Wild rivers coast estuaries
Sage Steppe/Sage Grouse
Governor’s priority: Sage Steppe
Oregon model to protect sage grouse
Upper Klamath Native Fish Habitat and Water Quality
Aquatic ecosystems in Upper Klamath Basin
Governor’s water quality priority: Upper Klamath Basin
Willamette Basin Aquatic Habitat and Water Quality
McKenzie River conservation of native fish, wildlife and other natural resources
Oregon’s river/Our river: Willamette Basin rivers, streams and riparian forests
Governor’s water quality priority: Willamette Basin

January 27/28, 2015 Board Meeting

Board Meeting Flip Chart Notes

Board Discussion - General

Scale

- What is a “grip-able” scale?
- At what scale can we make a measurable impact?
- How do we prioritize scales in each theme area?

Best Investment

- What kind of funding will OWEB need to contribute to address each theme?
- What work has been done up to this point in each of the theme areas? How much funding has already been invested in each theme area?
- Should we be aware of bigger issues involved? Are we patching a system that is broken elsewhere?
- Are there smaller geographies where the OWEB investment can fill gaps and make a difference?
- What actions are the biggest bangs for the buck?
- What is the significance of the impact of the FIP investment?

Limiting Factors/Ecological Outcomes

- What ecological targets would you set for each of the themes? Or, what benchmarks would you assign for each of these theme areas?
- What theme areas have Recovery Plans or other conservation strategies that can provide clear paths to action?
- What are ecosystem-related consequences with habitat loss?
- Should species population be considered the ultimate goal for the ecological outcome?
- What are the trends in the limiting factors? Improving? Declining?
- Are there habitat connectivity issues to consider for ecological outcomes and potential impact of investment?
- What is the overlap with listed species in the habitat and/or geography?
- What does a refined list of limiting factors look like? What is the feasibility of getting there?

Common Questions among each Theme

- Where do Themes overlap? (e.g. SONEC and Sage-grouse)
- What is the downside to not acting in any one theme area?
- Do partnerships exist that are ready?
- How much state and federal commitment has gone in to the area?
- What is the land ownership at various scales?
- What are the potential opportunities with private land owners?
- Who’s managing habitat and/or species in this area?
- What are the pieces that need to be complete in order to “get there”?

Board Discussion – Specific Themes

SONEC

- Because this is intercontinental, should we be aware of bigger limiting factor issues elsewhere?
- What impact will an Oregon FIP make in the intercontinental context?

Sage-grouse

- What is the congressional/legislative situation on the listing?
- What is the likelihood of avoiding a listing?
- What are implications of this?
- What would be Oregon's role in impacting the listing decision on a regional scale?

Grande Ronde

- What are the issues in the lower basin as a result of dams?
- Do these need to be addressed before investments are made in the upper basin?
- Can we add the Umatilla tribes to our list of expert consultations?
- Needs more precise input about scale (e.g. Catherine Creek as a Priority)

Dryside Forests

- We'd like clarity on ecological outcomes related to resiliency and forest health.
- What is the minimum area in this large theme to track social and ecological outcomes?
- What is the minimum area that still affords partnership opportunities with Forest Collaboratives?
- What are smaller pieces in these geographies that have reasonable costs over time?
- What does it mean to restore a natural fire regime? What are implications of this?
- Can we use the 'heat map' (submitted during public comment by Mark Stern) to prioritize focus areas in this theme?

John Day

- Do we know where best ripeness is in the John Day basin?
- Should we leave the Priority open/broad enough for partnership opportunities around limiting factors?

Upper Klamath

- Is KBRA going to be supported?
- Is there a non-KBRA plan?
- Can an OWEB FIP make an impact on phosphorous nutrient loading in the UK Lake?
- How is California addressing Klamath basin issues? And to what extent are Oregon's and California's efforts connected?

Deschutes

- What has been the progress towards de-listing bull trout and steelhead? What are the implications of this?
- Where does the remaining work need to take place? Upper basin? Entire basin?
- What are the remaining pieces to address?
- What has been accomplished with the \$300M investment to date that OWEB can contribute to moving forward?
- Can a Priority address self-sustaining solutions? (e.g. no more trap/haul at the dams)

Oak Woodlands

- Does this theme involve restoration, acquisition, or both?
- Do oak woodlands and prairies need to be involved in all areas? Does this affect areas based on ownership?

Lower Columbia River

- What is a more refined list of limiting factors?
- Is entire LCR a good scale to invest? Perhaps the Sandy or another watershed is a better investment?
- Is this summary missing any projected social outcomes (e.g. awareness- is this a reason to invest in these areas)?
- What is the state and national significance?
- What is a more specific focus of the Priority?
- What is the threat in the Bull Run watershed?
- What can be done with anadromous fish versus other species?

Willamette

- What and where is ripe in the Willamette?
- Are ecological outcomes within the budget of a Priority?
- Why is the role of OWEB focused on social capital instead of on-the-ground restoration?
- How do we determine the ecological outcomes within an OWEB budget?

Oregon Coast

- Can we see a geopolitical map to illustrate who's managing what areas and species?
- With as many studies as have occurred here, can the experts tell us where to target? Where can we make the biggest difference?
- How can the Coast theme be broken down more? By habitat and coho population? By geography? What else and how would each break-down look?
- We need an understanding of the regulatory framework in coastal areas to see how/what OWEB funding can do.

Cross-theme

- These are too big for a Priority; feel like they should be addressed by other agencies (e.g., Water Resources, Oregon Department of Forestry)

Other Questions/Comments

- Will the Board need to rank the Priorities?
 - This is up to the Board how to rank, group, or not for all Priorities.
 - It will be challenging to prioritize the priorities as a Board.
- Priorities must be important to the Board and timely
 - The goal is not to jump to the project level
 - The focus should be on the Priority – the people/partnerships bring the projects
 - The community comes up with the solutions
 - Consider the cost/benefit
- Who are the experts? Why did we choose these experts? What were the questions and answers? What are the expert's backgrounds?
- What is the Board's ability to change themes?
- What regulatory processes are in place to fix the problem?

Ideas for Framing Themes Differently

Option 1

- 1) Upland: Sage-grouse/Sage-steppe
- 2) Forest Health: Dry woodland, Oak? (combine with above?)
- 3) Aquatic: Coastal coho (habitat & population); Inland fish (freshwater); Inland anadromous
- 4) Closed Basin

Tie to specific ecological outcome

- What do we expect for a proposal?

Option 2

Identify the organizing themes

- Select/decide which themes will achieve the right outcomes

Option 3

Identify statewide significance

- Move forward with selection now versus later

Option 4

Continue with existing framework

- Focus on proposal that demonstrate that they move the needle
- Could take the topic (e.g., sage-grouse) and convert into an outcome to define the Priority
- Restate the themes with active language
- Need to add an element of measurable outcome

Opportunities

- Provides a framework (help communicate)
- Need to describe the Priorities (what we want) – help the applicants understand what we want
- Partners on the ground are working and leveraging funding – choose proposals that demonstrate they can move the needle

Challenges

- It's difficult to prioritize the priorities as a Board
- Limit water quality to fish
- If Priorities are too broad, there may be too many proposals to say no to
- There are questions around whether something gets excluded
- Can't assume 42 submissions are the only priority inputs out there

Final Decision by the Board about Reframed Themes

- 1) **Sage-grouse/Sage-steppe habitat**
- 2) **Dryside forest habitat**
- 3) **Oak woodland habitat**
- 4) **Closed Basin wetland habitat**
- 5) **Coastal coho habitat and populations**
- 6) **Inland anadromous fish habitat and populations**
- 7) **Inland non-anadromous fish habitat and populations**

Focused Investment Partnership Program

Priority-setting Process

March 2015



List of Expert Input Contributors to Date – November 2014 – March 2015

The following list includes experts consulted for Rounds 1 and 2 according to the priority themes developed at the January 2015 Board meeting. Since the six fish-related themes (pages 3 and 4 below) were aggregated into the Aquatic Habitat for Native Fish Populations priority theme, OWEB staff consulted a subset of those basin-level experts for this theme. Staff has included the Round 1 expert list by basin in order to acknowledge their valuable input.

This list will expand as additional experts are consulted. Current experts may be revisited for additional input as well.

Oregon Closed Lakes Basin Wetland Habitat

- E.Lynn Burkett, US Bureau of Land Management
- Kevin Conroy, Natural Resources Conservation Service
- Susan Haig, Oregon State University, US Geological Survey
- Esther Lev, The Wetlands Conservancy
- Mary Lou Soscia, US Environmental Protection Agency
- Martin St. Louis, Oregon Department of Fish & Wildlife
- Bruce Taylor, Oregon Habitat Joint Venture

Sagebrush/Sage-steppe Habitat

- Dave Budeau, Oregon Department of Fish & Wildlife
- E.Lynn Burkett, US Bureau of Land Management
- Dustin Johnson, Oregon State University
- Jeremy Maestas, US Natural Resources Conservation Service
- Mary Lou Soscia, US Environmental Protection Agency
- Bruce Taylor, Oregon Habitat Joint Venture
- Yvonne Vallette, US Environmental Protection Agency

Dryside Forest Habitat

- Bill Aney, US Forest Service
- Chad Davis, Oregon Department of Forestry
- Emily Jane Davis, Oregon State University
- Maia Enzer, US Forest Service
- Cass Moseley, University of Oregon
- Rick Wagner, Oregon Department of Forestry

Oak Woodland and Prairie Habitat

- Bob Altman, American Bird Conservancy
- Peg Boulay, University of Oregon
- Bobby Brunoe, Confederated Tribes of Warm Springs
- Callee Davenport, US Fish & Wildlife Service

- Joan Hagar, US Geological Survey, Oregon State University
- Brad Houslet, Confederated Tribes of Warm Springs
- Jarod Jebousek, US Fish & Wildlife Service
- Clay Penhollow, Confederated Tribes of Warm Springs
- Chris Seal, US Fish & Wildlife Service
- Jonathan Soll, METRO Regional Government
- Mary Lou Soscia, US Environmental Protection Agency
- Bruce Taylor, Oregon Habitat Joint Venture
- Yvonne Vallette, US Environmental Protection Agency

Coastal Coho Habitat and Populations

- Stan Allen, Pacific States Marine Fisheries Commission
- James Anthony, Oregon Department of Fish and Wildlife
- Dan Avery, Oregon Department of Fish & Wildlife
- Dan Bottom, National Oceanic and Atmospheric Administration
- Cheryl Brown, US Environmental Protection Agency
- Megan Callahan-Grant, National Oceanic and Atmospheric Administration
- Gordon Grant, US Forest Service
- Dave Jepsen, Oregon Department of Fish and Wildlife
- Gordie Reeves, Oregon State University, US Forest Service
- Steve Rumrill, Oregon Department of Fish & Wildlife
- Mary Lou Soscia, US Environmental Protection Agency
- Thomas Stahl, Oregon Department of Fish and Wildlife
- Yvonne Vallette, US Environmental Protection Agency
- Rob Walton, National Oceanic and Atmospheric Administration

Aquatic Habitat for Native Fish Communities

- James Anthony, Oregon Department of Fish and Wildlife
- Kevin Blakely, Oregon Department to Fish and Wildlife
- Renee Coxen, National Oceanic and Atmospheric Adminsitration
- Rod French, Oregon Department of Fish and Wildlife
- Gordon Grant, Oregon State University and US Forest Service
- Stan Gregory, Oregon State University
- Michael Harrington, Oregon Department of Fish and Wildlife
- Bob Hassmiller, US Forest Service
- Dave Jepsen, Oregon Department of Fish and Wildlife
- Nick Myatt, Oregon Department of Fish and Wildlife
- Peter Paquet, Northwest Power and Conservation Council
- Gordie Reeves, Oregon State University and US Forest Service
- Dirk Renner, US Fish and Wildlife Service
- Thomas Stahl, Oregon Department of Fish and Wildlife
- Amy Unthank, US Forest Service

Round 1 Experts by Priority Basin Themes
November 2014 – January 2015

Deschutes Aquatic Habitat

- Nancy Breuner, Oregon Department of Fish & Wildlife
- Bobby Brunoe, Confederated Tribes of Warm Springs
- Rick Craiger, Oregon Watershed Enhancement Board, Retired
- Gordon Grant, US Forest Service
- Brett Hodgson, Oregon Department of Fish & Wildlife
- Bob Hooten, Oregon Department of Fish & Wildlife
- Brad Houslet, Confederated Tribes of Warm Springs
- Jim Martin, PureFishing Inc.
- Clay Penhollow, Confederated Tribes of Warm Springs
- Gordie Reeves, Oregon State University, US Forest Service
- Dirk Renner, US Fish & Wildlife Service
- Bruce Taylor, Oregon Habitat Joint Venture

Grande Ronde Native Fish

- Tim Bailey, Oregon Department of Fish & Wildlife
- Renee Coxen, National Oceanic and Atmospheric Administration
- Logan McCrea, Oregon Department of Forestry
- Mary Lou Soscia, US Environmental Protection Agency
- Yvonne Vallette, US Environmental Protection Agency
- Rick Wagner, Oregon Department of Forestry

John Day Native Fish Habitat

- Bobby Brunoe, Confederated Tribes of Warm Springs
- Tom Friedrichsen, US Forest Service
- Gordon Grant, US Forest Service
- Robert Hassmiller, US Forest Service
- Brad Houslet, Confederated Tribes of Warm Springs
- Jim Martin, PureFishing Inc.
- Steve Namitz, US Forest Service
- Clay Penhollow, Confederated Tribes of Warm Springs
- Gordie Reeves, Oregon State University, US Forest Service
- Dirk Renner, US Fish & Wildlife Service

Lower Columbia Native Fish Habitat

- Jim Martin, PureFishing Inc.
- Mary Lou Soscia, US Environmental Protection Agency
- Yvonne Vallette, US Environmental Protection Agency

Upper Klamath Native Fish Habitat and Water Quality

- Matt Barry, US Fish & Wildlife Service
- Heather Bernier, US Bureau of Land Management
- Kevin Conroy, US Natural Resources Conservation Service
- Larry Dunsmoor, Klamath Tribes
- Christine Karas, US Bureau of Reclamation
- Dennis Lynch, US Geological Survey
- Jared McKee, US Fish & Wildlife Service
- Bill Tinniswood, Oregon Department of Fish & Wildlife
- Yvonne Vallette, US Environmental Protection Agency
- Dani Watson, Ranch and Range Consulting

Willamette Basin Aquatic Habitat and Water Quality

- Gordon Grant, US Forest Service
- Stan Gregory, Oregon State University, Retired
- Dave Hulse, Oregon State University
- Steve Marx, Oregon Department of Fish & Wildlife
- Peter Paquet, Northwest Power and Conservation Council
- Todd Reeve, Bonneville Environmental Foundation
- Mary Lou Soscia, US Environmental Protection Agency
- Yvonne Vallette, US Environmental Protection Agency
- Rose Wallick, US Geological Survey
- Pam Wiley, Meyer Memorial Trust

OWEB Board Priority-Setting Process October 2014 – March 2015

42 Suggestions for Focused Investment Priorities October 2014

Staff received 42 priority suggestions from interested groups around the state.



12 Geographic/Habitat-Based Themes October 2014

Staff grouped the 42 priority proposals into 12 mainly geographic themes to assist the Board with having a focused discussion around priority-setting at its January 2015 meeting in Astoria. Staff met with small groups of “experts” for each of the 12 themes and walked through the same set of questions with each. Questions centered on issues of statewide significance, geographic scale, ripeness, and whether an OWEB investment can ultimately create ecological uplift. Staff then prepared brief summaries for each theme, which the OWEB Board received ahead of the January meeting. The 12 themes were:

- | | |
|--|--|
| 1 – Oak Woodlands | 7 – Deschutes Aquatic Habitat |
| 2 – Closed Basin Wetland/SONEC | 8 – Grande Ronde Native Fish |
| 3 – Sage-Steppe/Sage Grouse | 9 – Willamette Basin Aquatic Habitat and Water Quality |
| 4 – Lower Columbia Native Fish Habitat | 10 – Oregon Coast |
| 5 – U. Klamath Native Fish Habitat and Water Quality | 11 – Dryside Forests |
| 6 – John Day Native Fish Habitat | 12 – Cross-Theme |



7 Habitat/Species-Based Themes January 2015 Board Meeting in Astoria

At the Astoria Board meeting, the Board reframed the priority themes from a more geographically oriented focus to a habitat based focus, which the Board noted would be consistent with the Focused Investment Partnership program’s emphasis on ecological outcomes. The end result was seven broad habitat based themes:

- | | |
|---|-------------------------------------|
| 1 – Coastal coho habitat and populations | 5 – Sage-steppe/Sage-grouse habitat |
| 2 – Inland native non-anadromous fish habitat and populations | 6 – Dryside forest habitat |
| 3 – Inland anadromous fish habitat and populations | 7 – Oak woodland habitat |
| 4 – Closed Basin wetland habitat | |



6 Habitat/Species-Based Themes February 2015

In preparation for the March 2015 special Board meeting, staff met with fish experts to discuss the aquatic habitat themes (i.e., themes 1-3 above). Experts recommended combining 2 and 3 above into one thematic category, given that anadromous and non-anadromous species often use the same inland aquatic habitats and share limiting factors. Staff cross-walked the 42 priority submissions to ensure that each of these align with at least one of the six thematic categories (see reverse). The six themes are:

- | | |
|--|---|
| 1 – Dryside Forest Habitat | 4 – Oregon Closed Lakes Basin Wetland Habitat |
| 2 – Inland Aquatic Habitat for Native Fish Species | 5 – Coastal Coho Habitat and Populations |
| 3 – Oak Woodland and Prairie Habitat | 6 – Sagebrush/Sage-steppe Habitat |

Cross-Walk of All Priority Proposal Submissions with the Six Thematic Categories

NOTE: At the request of the OWEB Board, staff cross-walked the 42 priority proposal submissions into the six thematic categories that staff has prepared for the March 2015 special Board meeting in Salem. This cross-walk ensures that all priority input has been included in the Board's priority-setting process.

Organizing Theme for Priorities
Suggested Priority Ideas submitted as part of OWEB's 2014 Priority Input Process (see http://www.oregon.gov/OWEB/Pages/FIP-Proposed-Priorities.aspx for more information)
Dryside Forest Habitat
Restoration of dry-mixed conifer forests
Inland Aquatic Habitat for Native Fish Species
Assessments of water utilities and irrigation districts
Fish and wildlife habitat connectivity
Fish passage restoration
Conserving a unique spring-fed river system
Lower Deschutes salmon and steelhead stronghold
Salmon and steelhead reintroduction in the Deschutes River Basin
Upper Grande Ronde native fish habitat
Accelerated restoration in the Upper North Fork John Day
Instream habitat and upland plant communities of the John Day Basin
John Day Basin cold water salmonid habitat
John Day Basin restoration of aquatic and upland habitats
Lower John Day River whole watersheds restoration initiative
Restoration of habitats in the John Day River Basin
Chum conservation
Hood River salmon, steelhead, and bull trout habitat
Sandy River Basin initiative
Rogue Basin native fish population, capacity building
Rogue River stream corridors
Umpqua and Rogue River basins native fish habitat: Lamprey
Aquatic ecosystems in Upper Klamath Basin
Governor's water quality priority: Upper Klamath Basin
McKenzie River conservation of native fish, wildlife and other natural resources
Oregon's river/Our river: Willamette Basin rivers, streams and riparian forests
Governor's water quality priority: Willamette Basin
Oak Woodland and Prairie Habitat
East Cascades oak woodlands
Oak woodlands in southern Oregon
Willamette Valley oak and prairie habitats
Oregon Closed Lakes Basin Wetland Habitat
Harney Basin wetlands
SONEC basin floodplains
Fish and wildlife habitat connectivity
Fish passage restoration
Coastal Coho Habitat and Populations
Fish and wildlife habitat connectivity
Fish passage restoration
Protecting Oregon estuaries from climate change
Governor's priority: Coastal Coho
Integrated land stewardship for salmon, Cape Blanco area
Oregon Coast Coho
Oregon Coast estuarine habitats
Oregon Coastal Coho habitat, with focus on family, forests, and farms
Reigniting the Oregon Plan: Achieving restoration-scale in coastal sedimentary basins
Rogue Basin native fish population, capacity building
Rogue River stream corridors
Tillamook-Nestucca fish passage partnership
Upland/Riparian restoration in the coastal ecoregion
Wild rivers coast estuaries
Sagebrush/Sage-steppe Habitat
Governor's priority: Sage Steppe
Oregon model to protect sage grouse

SAGEBRUSH/SAGE-STEPPE HABITAT

Summary Statement of Priority

The OWEB Board will consider proposals for investment in **sagebrush/sage-steppe habitat** for initiatives that address habitat conservation and restoration needs that support ecological outcomes at the landscape scale.

Proposals must address primary limiting factors, including:

- **Altered fire regimes**
- **Invasive species**
- **Loss of habitat connectivity**
- **The need for successful approaches that restore specific types of sagebrush/sage-steppe habitats following fire**

OWEB's Focused Investment Priority for sagebrush/sage-steppe habitat supports voluntary actions that address primary limiting factors related to the quality of this habitat type. **These actions will be guided by the habitat and population objectives set forth in the State's sage-grouse strategy and the combined ecological and social outcomes described in the State's "All Lands, All Threats Plan," which are listed on page two of this document.**

Focal areas include those that have been identified in the above plans as Priority Areas for Conservation and important connectivity corridors between these areas (see explanation and map below). These areas have been identified as high priority for the recovery of greater sage-grouse.

Background

Where it occurs – Sage-steppe habitat occurs throughout eastern Oregon and in parts of Central Oregon. Several ecoregions identified in the Oregon Conservation Strategy (i.e., Northern Basin and Range, Blue Mountains, Columbia Plateau and East Cascades) contain this habitat type.

These habitats are both extensive and diverse. In general, sagebrush habitats occur on dry flats and plains, rolling hills, rocky hill slopes, saddles and ridges where precipitation is low. Sagebrush-steppe is dominated by grasses and forbs (more than 25 percent of the area) with an open shrub layer. In sagebrush steppe, natural fire regimes historically maintained a patchy distribution of shrubs and predominance of grasses.

Indicator species and/or species of interest supported by this habitat – Oregon Conservation Strategy Species associated with sagebrush include Greater sage-grouse, ferruginous hawk, loggerhead shrike, sage sparrow, Brewer's sparrow, sagebrush lizard, Washington ground squirrel, and pygmy rabbits. Other wildlife closely associated with sagebrush include: black-throated sparrow, sage thrasher, sagebrush vole, and pronghorn.

One particular species supported by sagebrush/sage-steppe habitat—the Greater sage-grouse—currently is being considered for listing under the federal Endangered Species Act and would be considered the primary indicator species for identification of priority investments for the OWEB Board through the Focused Investment Partnership program.

Why it is significant to the state – Sagebrush/sage-steppe habitat is one of the most imperiled habitat types in the U.S. In addition to supporting a range of species, these areas are associated with an

economically and socially important ranching and agricultural industry in communities throughout a large portion of the state. The state of Oregon is developing an “All Lands, All Threats Plan” to outline the actions necessary to conserve sage-grouse in Oregon in an effort to proactively avoid listing of the species. The plan has broad support by state and federal agencies, the ranching industry and conservationists.

Key limiting factors, with a focus on ecosystem function and process –

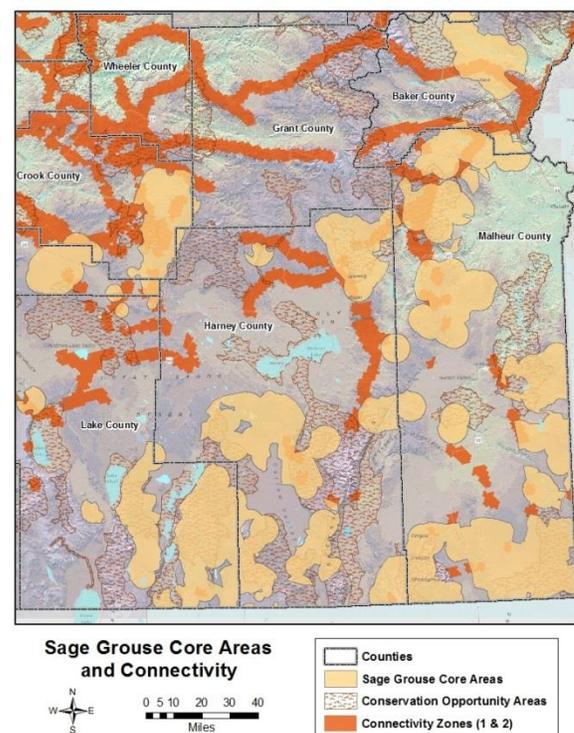
- Altered fire regimes, which result in changes to native plant communities and increased risk of habitat loss due to intense wildfires;
- Invasive species such as juniper and non-native grasses, which increase the frequency, intensity and extent of wildfires;
- Conversion to other land uses, which results in habitat loss and connectivity; and
- Limitations of current restoration technologies, particularly in low-elevation areas that face severe challenges to native plant species regeneration following wildfire.

Reference plans –

- 1) Oregon Conservation Strategy
(http://www.dfw.state.or.us/conservationstrategy/read_the_strategy.asp)
- 2) ODFW’s Greater Sage-Grouse Conservation Assessment and Strategy for Oregon
(<http://www.dfw.state.or.us/wildlife/sagegrouse/>)
- 3) Final report from the Sage-Grouse Conservation Objectives Team (COT) 2013
(<http://www.fws.gov/mountain-prairie/species/birds/sagegrouse/COT/COT-Report-with-Dear-Interested-Reader-Letter.pdf>)
- 4) All Lands, All Threats Plan (in development)

The U.S. Fish and Wildlife Service (FWS) and state experts developed a map of Priority Areas for Conservation (PACs), which are key habitats that are essential for sage-grouse conservation (see map to the right). PACs do not represent individual populations, but rather key areas that states have identified as crucial to ensure adequate representation, redundancy, and resilience for conservation of its associated population or populations.

In Oregon, ODFW’s sage-grouse strategy identifies core areas of habitat that align with the FWS’s PAC habitats. The core area approach uses biological information to identify important habitats with the objective of protecting the highest density breeding areas. See the Oregon core areas in the map, which provides this additional detail to the FWS analysis described above. The map also depicts connectivity zones that have been identified as important to the species. Sage-grouse habitat should be addressed on a landscape scale, given that connectivity of core areas is an important aspect of conserving the species. Landscape-scale sage-grouse conservation is critically



important in Oregon as the habitat present here, along with that in southwest Idaho and northeast Nevada, has been identified by FWS as one of two sage-grouse 'strongholds' in the U.S.

DRAFT

OREGON CLOSED LAKES BASIN WETLAND HABITATS

Summary Statement of Priority

The OWEB Board will consider proposals for investment in the **Closed Lakes Basin wetland habitats** for initiatives that address habitat conservation and restoration needs that support ecological outcomes at the landscape scale.

Proposals must address primary limiting factors, including:

- **Loss and degradation of wetland habitats, including salinization**
- **Water availability as a result of altered natural hydrologic functioning**
- **Invasive species, such as carp and non-native plants and macroinvertebrates**

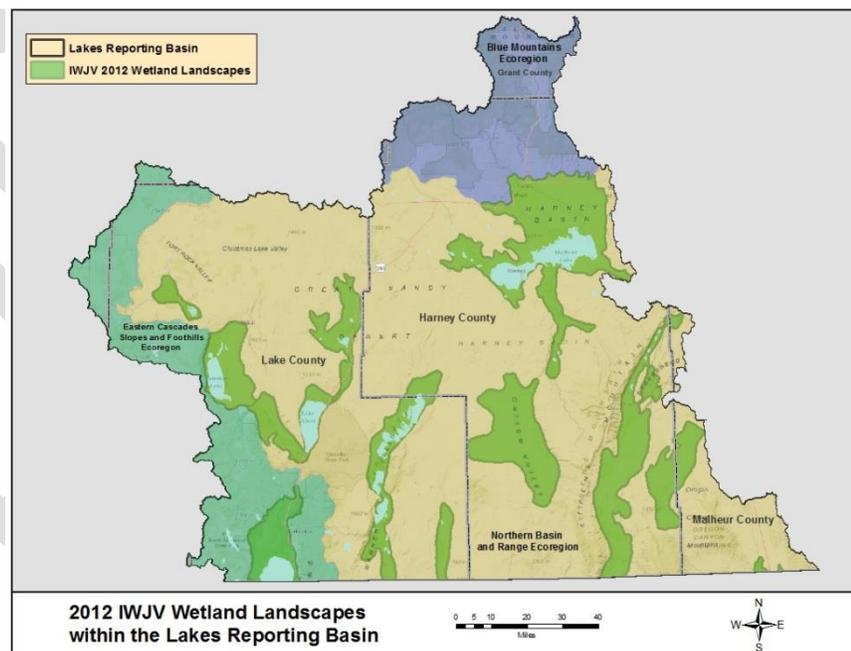
OWEB's Focused Investment Priority for Closed Lakes Basin wetland habitats supports voluntary actions that address primary limiting factors related to the quality of this habitat type. **These actions will be guided by the habitat, limiting factors, ecological outcomes, and conservation approaches outlined in the Oregon Conservation Strategy and the Intermountain Joint Venture's (IMJV) Habitat Conservation Strategy Implementation Plan, which are listed on page two of this document.**

Focal areas include those that are identified as high-priority wetland and floodplain habitat for migratory and resident bird and native fish species. These areas exist within the Oregon portion of the Closed Lakes Basin area (within Harney, Lake and a small portion of Malheur counties).

Background

Where it occurs – The Closed Lakes Basin wetlands exist within the Southern Oregon Northeast California (SONEC) region, which is a portion of the Closed Lakes network within the Great Basin (see map). The SONEC region geography and habitat has been defined by the IMJV and in the federal North American Waterfowl Management Plan. The Closed Lakes Basin within the SONEC region is an important part of the intercontinental Pacific Flyway. Within the SONEC region, 75% of wetland habitat is located on private lands, most of which is managed as flood-irrigated hay and pastureland.

In Oregon, Closed Lakes Basin wetland habitat exists primarily in Lake and Harney Counties (including Malheur National Wildlife Refuge), with a small portion in Malheur County. Closed Lakes Basin wetland habitats include wetlands, wet meadows, and irrigated pasturelands. Many of the managed



wetland/pastures exist in the floodplain of tributaries and lakes in the area. Closed Lakes Basin wetlands represent a unique chain of desert oases that, as an integrated network, provide critical habitat and food for waterbirds throughout the seasonal cycle.

Indicator species and/or species of interest supported by this habitat – An estimated 70 percent of migratory birds along the Pacific Flyway pass through the SONEC region, including the Closed Lakes Basin wetland habitats in Oregon. Moreover, the Closed Lakes Basin provides critical habitat to important bird species that utilize this region as part of the Great Basin network of habitat: 1) most of North America's snowy plovers (federally listed under the Endangered Species Act [ESA]) breed in the region; 2) most of North America's eared grebes, long-billed dowitchers, and all of the world's Wilson's phalaropes use the region during migration; 3) most of the world's American avocets (a keystone species) use the region for an extended post-breeding period, and over 50% of this species breeds in the Great Basin; and 4) most of the world's white-faced ibis breed in the Great Basin. Additional migratory and resident bird species also rely on this habitat. Of particular importance is habitat for shorebird species and habitat for migratory birds on the spring migration path. This region provides a diversity of food production at different salt regimes throughout the year; thus, seasonal water conditions drive habitat function and productivity. Additionally, the Closed Lakes Basin wetlands support native fish species such as Warner and Modoc sucker fish (ESA-listed), tui chub, and redband trout.

Why it is significant to the state – Closed Lakes Basin wetlands are ecologically unique high-desert wetlands that provide critical habitat for numerous migratory and resident bird species. This region has international importance as habitat for migratory birds including providing habitat for the brooding and rearing of shorebird species.

The region also fosters a prodigious ranching community and associated economy that depends on the ecological health of these wetland habitats. In addition, Malheur National Wildlife Refuge and other wildlife areas in the Closed Lakes Basin are critical recreational and economic resources for these rural counties.

Key limiting factors, with a focus on ecosystem function and process –

- Loss and degradation of wetlands habitat, including salinization and an imbalance of seasonal saline gradients;
- Seasonal water availability as a result of altered natural hydrologic functioning, including the conversion to sprinkler irrigation from flood irrigation that provided surrogate wetland habitat and impacts of climate change;
- Proliferation of invasive common carp, whose feeding behavior causes sedimentation that significantly reduces submerged vegetation otherwise available as a food source for birds and other wildlife; and
- Invasive plant and macroinvertebrate species, which can reduce food production for native bird species.

Reference plans –

- 1) Oregon Conservation Strategy (Chapter 8.10)
(http://www.dfw.state.or.us/conservationstrategy/read_the_strategy.asp)
- 2) North American Waterfowl Management Plan
(<http://www.fws.gov/birdhabitat/NAWMP/Planstrategy.shtm>)
- 3) Intermountain Joint Venture Habitat Conservation Strategy Implementation Plan
(<http://iwjv.org/2013-implementation-plan>)

DRYSIDE FOREST HABITAT

Summary Statement of Priority

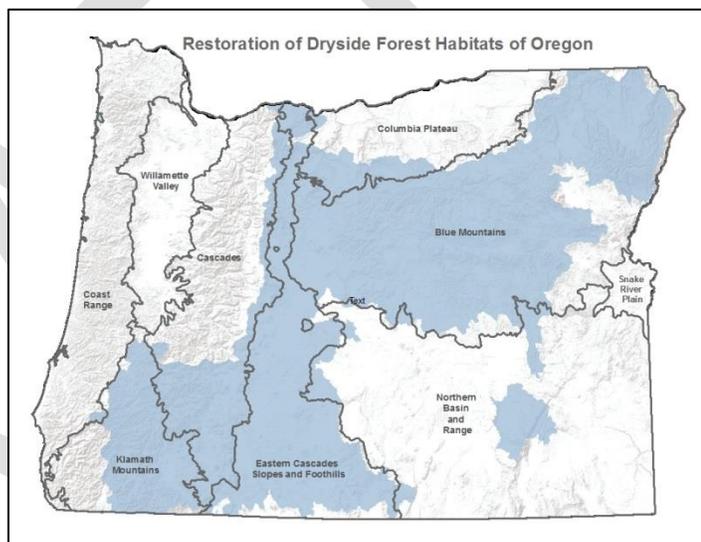
The OWEB Board will consider proposals for investment in **dryside forest habitat** for initiatives that address habitat conservation and restoration needs that support ecological outcomes at the landscape scale.

Proposals must address limiting factors—which for dryside forest habitat are threats posed by lack of fire management—including:

- **Uncharacteristically intense wildfires as a result of fire suppression in forests**
- **Densification of forests due to altered fire regimes**
- **Loss of forest structure and connectivity**
- **Uncharacteristic outbreaks of diseases**

OWEB’s Focused Investment Priority for dryside forest habitat supports voluntary actions that address primary limiting factors related to the quality of this habitat type. **These actions will be guided by the habitat, limiting factors, ecological outcomes, and conservation approaches outlined in the Oregon Conservation Strategy and other plans that are listed on page two of this document.**

Focal areas include those that are identified in these plans as high priorities for dryside forests and the aquatic and terrestrial ecosystems that these habitats support.



Background

Where it occurs – Dryside forests exist east of the Cascade Mountains and southwest in the Umpqua and Rogue watersheds of the Siskiyou and Klamath Mountains. This forest type spans 14 million acres in Oregon, constitutes roughly half of all forests in the state, and accounts for approximately 25 percent of the state’s land cover. These forests are associated with nine national forests in Oregon and also coincide with land managed by the Bureau of Land Management in southwest Oregon. “Dryside” is a general term for forests that consist of dry pine forests, dry mixed conifer and moist-cold forests.

Indicator species and/or species of interest supported by this habitat – Dryside forest habitat is composed of numerous tree species, including ponderosa pine, sugar pine, grand fir, and Douglas-fir. Historically, these forests experienced more frequent low-intensity fires that would burn off the understory and small trees on a 7-15 year cycle, resulting in a diverse and robust mosaic of older, larger aforementioned tree species. Fire suppression practices in the past century have elevated ‘fuel levels’ to a degree that has altered forest species composition and succession, and susceptibility to

uncharacteristic large wildfires due to the fuel loads. In addition to the building of fuel levels, the change in forest management practices during the last century has reduced diversity of species and age structures, and increased densities of trees within this forest type.

The dryside forest habitats support over 800 fish and wildlife species, including: many native bird species such as the white-headed woodpecker and northern goshawk; native fish species, including salmon and steelhead, bull trout, and redband trout; and game species such as elk and deer.

Why it is significant to the state – Dryside forests cover vast acreages in Oregon, and are at critical risk for uncharacteristically intense wildfires. These forest systems support a diverse range of aquatic and terrestrial species, including federally listed fish and bird species. Dryside forests are iconic in Oregon, of cultural significance to Native American tribes, and have economic importance related to natural resource based economies in rural communities. In addition, these areas support an increasingly important recreation-based economy in many areas throughout Oregon.

Key limiting factors/threats, with a focus on ecosystem function and process –

- Uncharacteristically intense and even catastrophic wildfires in fire-adapted forests;
- Densification of dryside forests due to fire suppression and altered fire regimes;
- Vulnerability to threats such as uncharacteristic outbreaks of diseases; and
- Loss of forest structure, age, composition, and habitat connectivity

Reference plans –

- 1) Oregon Conservation Strategy
(http://www.dfw.state.or.us/conservationstrategy/read_the_strategy.asp)
- 2) Restoration of Dry Forests in Eastern Oregon
(<https://www.conservationgateway.org/ConservationPractices/FireLandscapes/FireLearningNetwork/NetworkProducts/Pages/Dry-Forest-Guide-2013.aspx>)

OAK WOODLAND AND PRAIRIE HABITAT

Summary Statement of Priority

The OWEB Board will consider proposals for investment in **oak woodland and prairie habitats** for initiatives that address habitat conservation and restoration needs that support ecological outcomes at the landscape scale. (Note that this priority theme includes chaparral associated with oak habitats.)

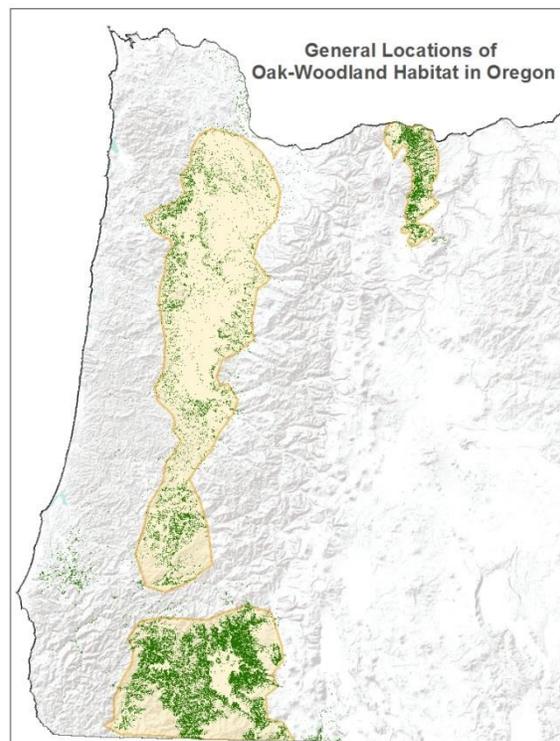
Proposals must address primary limiting factors, including:

- **Habitat loss and fragmentation**
- **Habitat degradation, including disease**
- **Conifer and invasive species encroachment**
- **Impaired habitat persistence, especially lack of recruitment of young oaks**

OWEB's Focused Investment Priority for oak woodland and prairie/chaparral habitat supports voluntary actions that address primary limiting factors related to the quality of this habitat type.

These actions will be guided by the habitat, limiting factors, ecological outcomes, and conservation approaches outlined in the Oregon Conservation Strategy and other plans and strategies that are listed on page two of this document.

Focal areas include those that are identified in these plans as high priorities for oak and associated prairie and chaparral habitats, and the aquatic and terrestrial ecosystems that these habitats support. These areas include oak and associated prairies within the Willamette Valley, the southern Oregon oak and associated chaparral habitat corridor, and oak habitats in the east Cascades.



Background

Where it occurs – Despite a loss of approximately 90% of its historical habitat range since the 1800s, oak and associated prairie and chaparral habitats still exist throughout the state. Three types of oak habitats in Oregon are “oak savannah” (5-30% oak coverage), “oak woodlands” (30-60% oak coverage), and “oak forests” (greater than 60% oak coverage). These oak habitats occur in the three areas of the state: 1) Oak and prairie habitats of the Willamette Valley ecoregion; 2) Oak woodlands of the East Cascades and foothills along the Columbia Gorge, including both Hood and Wasco counties and south to White River; and 3) Southern Oregon oak and chaparral habitats of the Klamath, Umpqua and Rogue River ecoregions.

Indicator species and/or species of interest supported by this habitat – The Oregon white oak is the indicator species for oak and associated prairie and chaparral habitats. Species that are supported by

these habitats include: streaked horned lark, the Western meadowlark, Lewis' woodpecker, white-breasted nuthatch, western bluebird, acorn woodpecker, western gray squirrel, Columbian white-tailed deer, Fender's blue butterfly, Taylor's checkerspot butterfly, Kincaid's lupine, and the Willamette daisy, among many other plant species depending on the region. At least seven federally listed species are dependent on these habitats.

Why it is significant to the state – In a national assessment, oak and associated prairie and chaparral habitats are one of the most endangered ecosystems in the U.S. due to land conversions and altered fire regimes. Yet, these habitats are home to roughly 30 bird, terrestrial, and plant species addressed in the Oregon Conservation Strategy. Maintaining the connectivity of oaks and their associated prairie and chaparral habitats is crucial to support species utilization of greater habitat range, but also to facilitating the gradual movement of species to the north from California in response to climate change. Many species dependent on oak habitats may be considered for listing in the future; thus, an increase in habitat connectivity, complexity and acreage will benefit these vulnerable species. In addition, these habitat types are iconic and culturally important to the Native American tribes.

Key limiting factors, with a focus on ecosystem function and process –

- Habitat loss and fragmentation due to land-use conversion (e.g., residential, timber, agricultural);
- Habitat degradation, including disease such as sudden oak death syndrome;
- Shrub-tree encroachment and invasive species; and
- Impaired habitat persistence, due to loss of disturbance regime from fire and grazing, and the subsequent lack of recruitment of young oaks.

Reference plans –

- 1) Oregon Conservation Strategy
(http://www.dfw.state.or.us/conservationstrategy/read_the_strategy.asp)
- 2) Recovery Plan for Prairie species of Western Oregon and SW Washington (USFWS 2010)
(<http://www.fws.gov/oregonfwo/Species/PrairieSpecies/>)
- 3) Oregon White Oak Restoration Strategy for National Forest System Lands East of the Cascade Range (USFS 2013)
(http://ecoshare.info/wp-content/uploads/2013/05/Oak_Strategy_draft_3-6-13_FINAL_HQ.pdf)

OREGON COASTAL COHO HABITAT AND POPULATIONS

Summary Statement of Priority

The OWEB Board will consider proposals for investment in **Oregon's coastal coho habitats and populations**, including estuarine, freshwater and associated riparian and upland habitats, for initiatives that address habitat conservation and restoration needs that support ecological outcomes at the landscape scale.

Proposals must address key limiting factors, including:

- **Impaired ecosystem functions that have resulted in decreased instream complexity and degraded rearing and spawning habitats**
- **Degraded water quality (i.e., dissolved oxygen, temperature)**
- **Insufficient water quantity/flows during critical low flow periods**

OWEB's Focused Investment Priority for Oregon's coastal coho habitats and populations supports voluntary actions that address primary limiting factors related to the protection and restoration of the watershed functions that support coho habitat and health of coho populations. **These actions will be guided by the habitat, limiting factors, ecological outcomes, and conservation approaches outlined in the Oregon Coastal Coho Conservation Plan and NOAA Fisheries Southern Oregon Northern California Coast Coho Recovery Plan, which are listed on page two of this document.**

Focal areas include coastal habitats that are identified in these plans as high conservation and restoration priorities for Endangered Species Act (ESA) listed coho salmon.

Background

Where it occurs – Estuarine, freshwater, and associated riparian and upland habitats that support coho salmon are located along the entire length of the Oregon coast. This priority includes restoration and protection of watershed functions that increase and maintain instream complexity, good water quality, adequate instream flows, and floodplain connectivity, and actions that create an appropriate sediment regime throughout the range of the coho salmon.



Indicator species and/or species of interest supported by this habitat – Oregon has two coastal Evolutionarily Significant Units (ESUs) that are listed under the ESA: 1) Oregon Coast Coho (OCC) ESU with 21 independent populations from the Necanicum River in the north and the Sixes River near Cape Blanco in the south, and 2) the Southern Oregon Northern California Coast Coho (SONCCC) ESU from Cape Blanco to the California border with two independent populations.

The estuarine and freshwater coastal habitats that coho use also support many other native species, for at least some portion of their life cycle; these species include, but are not limited to: Chinook and chum salmon, steelhead, coastal cutthroat trout, Pacific lamprey, Western brook lamprey, sculpins, beavers, river otters, and giant salamanders, as well as hundreds of invertebrate species. Work is underway to further assess and refine the list of estuarine species associated with these habitat areas.

Why it is significant to the state – The presence of robust and sustainable populations of coho salmon are an indicator of properly functioning coastal ecosystems and can provide significant social, cultural, economic and ecological benefits to coastal communities. Because water quality has been significantly degraded and instream habitat impacted in areas along the coast, the populations of these fish have declined, thus requiring a federal ESA listing. However, this trend can be reversed with a focused, collaborative habitat conservation effort in the next decade, which has the potential to contribute to the delisting of the species. The state has developed a coastal coho conservation plan and a federal recovery plan for the SONCCC was recently approved. A recovery plan currently is being developed by NOAA Fisheries for Oregon's OCC salmon populations.

The improvement in conditions and complexity for coastal coho habitat also will benefit water quality. Many of Oregon's coastal streams are designated on the federal 303(d) list as "water quality limited," which affects landowners and communities and creates economic impacts. Following a determination by federal agencies (i.e., the U.S. Environmental Protection Agency and NOAA Fisheries), the state is working to address the need for a refined Coastal Nonpoint Pollution Control Program under the Coastal Zone Act Reauthorization Amendments, which is intended to have a positive impact on water quality.

Recreational and commercial fisheries are also severely impacted by the ESA listing of these fish. The commercial coho fishery was once a robust industry on the coast, but with the serious decline in the population followed by the ESA listing, commercial fishing has not been viable. Restoring ecosystem function for coho salmon habitats will benefit coho populations, in addition to many other ancillary species. At the same time coho restoration also will help sustain recreational and potentially commercial fisheries, which will economically assist coastal communities.

Key limiting factors, with a focus on ecosystem function and process –

- Reduced quantity and quality of complex instream habitats;
- Reduced quantity and quality of spawning gravels;
- Degraded water quality and, in some areas, lack of sufficient water quantity ;
- Degraded riparian areas;
- Lack of habitat connectivity with floodplains; and
- Invasive aquatic species.

Reference plans –

- 1) Oregon Coastal Coho Conservation Plan
(http://www.dfw.state.or.us/fish/CRP/coastal_coho_conservation_plan.asp)
- 2) NOAA Fisheries Southern Oregon Northern California Coast Coho Recovery Plan
(http://www.westcoast.fisheries.noaa.gov/protected_species/salmon_steelhead/recovery_planning_and_implementation/southern_oregon_northern_california_coast/southern_oregon_northern_california_coast_salmon_recovery_domain.html)

INLAND AQUATIC HABITAT FOR NATIVE FISH SPECIES

Summary Statement of Priority

The OWEB Board will consider proposals for investment in initiatives that support habitat conservation needs for **inland aquatic habitat for native fish species that are addressed in the following:**

- 1) **A draft or final federal recovery plan, and/or**
- 2) **A draft or final state conservation plan.**

See the Oregon Conservation Strategy for a list of the species included in these plans:

http://www.dfw.state.or.us/conservationstrategy/docs/document_pdf/c-appendices_1.pdf.

Proposals must address primary limiting factors for aquatic habitats, as identified in associated federal and state recovery and conservation plans, including:

- **Impaired water quality**
- **Reduced water quantity**
- **Loss of habitat complexity**
- **Loss of habitat connectivity**
- **Spread of invasive species**

OWEB's Focused Investment Priority for Inland Aquatic Habitat for Native Fish Species supports voluntary actions that address limiting factors related to the quality of this habitat type. **Initiatives under this priority will identify the primary limiting factors outlined in associated federal and state recovery and conservation plans that the initiative is aiming to address, and will be guided by the habitat and population objectives and conservation approaches set forth in these plans.** Focal areas for the Inland Aquatic Habitat for Native Fish Species Priority include those areas in Oregon that are identified as priority geographies by the associated federal recovery and/or state conservation plans found in the link on page two of this document.

Background

Where it occurs – Inland aquatic habitats include rivers, streams, floodplains, lakes and tidally influenced waterways. These habitats typically contain water year-round. These areas, which occur around the state, provide essential habitat to many at-risk species, including important spawning and rearing habitat for salmonids.

Oregon's inland aquatic habitats are highly diverse. For example, as described in the Oregon Conservation Strategy, the headwaters of many of Oregon's river are located high in the state's various mountainous areas. In contrast, the eastern half of the state contains several playa lakes, formed when runoff from precipitation and mountain snowpacks flows into low-lying areas, then evaporates and leaves mineral deposits.

Indicator species and/or species of interest supported by these habitats – The Oregon Conservation Strategy describes several native fish species that have been listed or are candidates for listing under the federal Endangered Species Act or that are species of concern, including, but not limited to: Chinook salmon, chum salmon, steelhead, bull trout, some species of suckers, lamprey, and chub. Examples of specific species to be addressed under this Focused Investment Priority are identified, by geography, on page 3.

In certain instances, the limiting factors and habitat needs of a limited number of the aforementioned native fish species overlap with coastal coho during at least a portion of their life-cycle. However, because the overlap is not complete, this priority focuses on the inland aquatic habitat needs for a broader collection of native fish species. This approach ensures that primary limiting factors (as identified in recovery and conservation plans) for a range of native fish species that are of significance to the state, can be addressed.

Why it is significant to the state – Inland aquatic habitat supports an incredible number of Oregon’s native fish and wildlife species. The extent of biodiversity in an aquatic habitat is a reflection of the native fish, plants, and other aquatic species present there. All of these species require water, and high-quality aquatic systems provide essential habitat to many at-risk species, including important spawning and rearing habitat for salmonids and other native fishes.

Sustaining aquatic biodiversity is essential to the health of our environment and to the quality of human life. Healthy aquatic ecosystems are imperative for continuing to contribute to Oregon’s communities and economy, including fisheries and recreation. Because native fish communities are central to the structure, function, and process within aquatic habitats, they serve as ideal indicator species of the overall health of these habitats.

Key limiting factors, with a focus on ecosystem function and process –

- Water quality (e.g., temperature and sedimentation), including those factors associated with the loss of riparian vegetation;
- Water quantity (e.g., low streamflow and altered hydrology);
- Habitat complexity (e.g., high-quality instream structure and spawning gravel, floodplain connectivity, connected off-channel habitat, presence of pools, and presence of large woody debris);
- Loss of habitat connectivity, including: floodplain connectivity; access to cold-water refugia; and fish-passage barriers that are identified as primary limiting factors for native fish species and as noted by Oregon Department of Fish and Wildlife’s statewide fish passage priority list; and
- Invasive species.

Reference plans –

- 1) Conservation and Recovery Plans for Native Fish in Oregon
(http://www.dfw.state.or.us/fish/CRP/conservation_recovery_plans.asp)

See Table 1 on page 3 for example of species-specific conservation and recovery plans to be addressed under this Focused Investment Priority.

Oregon’s Native Fish Conservation Policy (NFCP), the state policy for managing native fish, provides guidance to support the implementation of the Oregon Plan for Salmon and Watersheds and Oregon Conservation Strategy. Conservation and recovery plans developed under the NFCP by Oregon Department of Fish and Wildlife and/or in conjunction with federal agencies detail how Oregon proposes to recover listed native fish species. These plans identify key limiting factors for specific fish species, geographies in which habitat for these species occur, and priority actions that will address limiting factors. While these plans have a species focus, addressing the limiting factors and meeting the goals of each plan supports native fish communities and the ecosystem function of aquatic habitats more generally. Thus, achieving the desired habitat and population objectives within these plans will provide significant ecological, economic and cultural benefits for all Oregonians.

Table 1. Example Conservation and Recovery Plans and Aquatic Indicator Species, by Basin
(U.S. Fish and Wildlife Service = USFWS; NOAA Fisheries = NMFS; Oregon Department of Fish and Wildlife = ODFW)

Example Conservation and Recovery Plans	Aquatic Indicator Species	Associated Basin(s) Mentioned in Focused Investment Priority Suggestions
USFWS Recovery Plan for the Threatened and Rare Native Fishes of the Warner Basin and Alkali Sub-basin	Warner Sucker Lahontan cutthroat trout Hutton tui chub Foskett speckled dace Warner Valley redband trout	Closed Lakes Basin
USFWS Revised Draft Recovery Plan for the Coterminous United States Population of Bull Trout	Bull trout <i>Co-benefit species: Redband trout</i>	Deschutes John Day Upper Klamath Lower Columbia Willamette
NMFS/ODFW Mid-Columbia Oregon Steelhead Recovery Plan	Steelhead <i>Co-benefit species: Chinook salmon, Redband trout</i>	Deschutes John Day
NMFS Draft ESA Recovery Plan for Northeast Oregon Snake River Spring and Summer Chinook Salmon and Snake River Steelhead Populations	Spring Chinook Steelhead <i>Co-benefit species: Redband trout</i>	Grande Ronde
ODFW Lower Columbia River Conservation & Recovery Plan for Oregon Populations of Salmon & Steelhead	Spring, Fall Chinook Chum salmon Summer, winter steelhead <i>Co-benefit species: Redband trout</i>	Lower Columbia River
ODFW Rogue Spring Chinook Salmon Conservation Plan	Spring Chinook <i>Co-benefit species: Steelhead, Redband trout</i>	Rogue
ODFW Conservation Plan for Fall Chinook Salmon in the Rogue Species Management Unit	Fall Chinook <i>Co-benefit species: Steelhead, Redband trout</i>	Rogue
USFWS Lamprey Conservation Initiative Plan	Pacific lamprey	Deschutes John Day Grande Ronde Lower Columbia Umpqua Rogue Willamette
USFWS Revised Recovery Plan for the Lost River sucker and Shortnose sucker	Lost River sucker Shortnose sucker	Upper Klamath
NMFS/ODFW Upper Willamette River Conservation and Recovery Plan for Chinook Salmon and Steelhead	Spring Chinook Steelhead <i>Co-benefit species: Redband trout</i>	Willamette
USFWS Recovery Plan for the Oregon Chub	Oregon chub	Willamette
ODFW Coastal Multi-Species Conservation and Management Plan (this plan does not assess or address coastal coho, thus differentiating this priority from the Focused Investment Priority for Oregon Coastal Coho Habitat and Populations)	Chinook salmon Chum salmon Steelhead Cutthroat trout <i>Co-benefit species: Redband trout</i>	Coastal watersheds from Cape Blanco to the Columbia River (including Umpqua, Tillamook, many others)