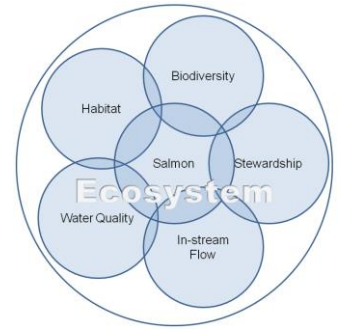


Conservation Project Marketplace

Puget Sound Nearshore Pilot

The Conservation Project Economy and ‘Good Redundancy’

Habitat conservation projects are largely funded through public spending. In Puget Sound over 20 federal and state programs provide funds for protection and restoration of aquatic ecosystems. Each program has a unique but overlapping authority and constituency, representing a share of the ecosystem stewardship challenge. Each program develops an investment strategy to meet on-the-ground strategies with available resources. Program staff build communication networks where interests overlap to reach the broad target of ecosystem stewardship. A diverse network of programs provides the infrastructure for refining diverse regional strategies, responding to opportunity and local conditions, and maintaining professional memory and expertise.



Complex projects take years of property acquisition, development, implementation, and evaluation that exceed the budget cycles that rule grant programs. To deliver these projects local sponsors constantly write applications, compete for funds, secure contracts and provide updates and reports to public and private funders. As an extreme example, the *Qwuloolt Marsh Restoration* has secured over 20 grants from 15 sources over 10 year period to move from acquisition to construction (Calvi, pers. coms.). Some of this labor is necessary to maintain legal relationships and accountability, but does not directly benefit natural resources.

The ‘Bad Redundancy’ Problem

Multiple programs may each look at different proposals about the same project over its lifecycle, each contracting a partial award until piece by piece the project is finally complete. This piecemeal funding results in substantial labor spent generating and reviewing proposals and then the sponsor must resolve potentially conflicting contracts and timelines each with unique formats and requirements. Trained and skilled ecologists and conservation managers, both in agency programs and with project sponsors spend labor completing sometimes duplicative accounting, competitive, and reporting activities that do not add to project value.

In the end, proposal review is a poor system for delivering critique and enhancing project development. Reviewers are faced with large workloads and pass over projects quickly. Proposals frequently lack technical detail and sponsors hide information or overstate readiness to meet the demands of funders.

This structure has developed ad hoc over time. Now, how can we maintain the values provided by a network of programs while reducing the unintended consequences of administrative redundancy? NOAA and The State of Washington are positioned to develop such a system to support restoration and protection in the Nearshore of Puget Sound.

The Marketplace Solution

The state and federal grant management workforce can reduce the administrative work passed to project sponsors, instead creating a restoration infrastructure that helps local partners develop projects, inform strategy, and evaluate effectiveness.

1. **Standard application** – Sponsors routinely cut, paste and rework application materials to meet new and novel application formats. A single basic project profile can provide 90% of information necessary for project review. A standard application could be updated over time to reflect project status.
2. **Uniform budget standards** – Different budgets are generated for different proposals for the same project to meet different agency definitions of ‘the project’ obscuring whole project economics. Project sponsors can produce a single more complete project fiscal analysis that reflects whole project costs.
3. **Aggregation of public funds for contracting** – If public funds were aggregated in a single fiscal agent, acting on behalf of Puget Sound Nearshore funding sources, cost share, auditing, and reporting issues could be resolved in a single spreadsheet with a single contract at a programmatic level, freeing sponsors to focus on project work. That contract could be amended as the sponsor shows progress and competes for additional funds.
4. **Independent strategy development and funding decisions** – With administration streamlined program staff could focus labor on making strategic investments, distributing lessons learned from projects, and providing quality support to local sponsors who are lacking personnel resources.

Before the Conservation Marketplace

Programs each produce independent solicitations requiring sponsors to generate individual proposals which are each reviewed by a different review team. Each award results in a new contract requiring independent performance evaluation. To meet the demands of competition, sponsors frequently promise performance where not all funds have been secured, and due to matching requirements, uses funds from one phase of activity to leverage the next in an attempt to create a cascading series of awards that completes the project scope, managing readiness ad hoc. Each program only reviews a portion of the whole project, while comprehensive evaluation of project work is frequently beyond the scope on any one program.

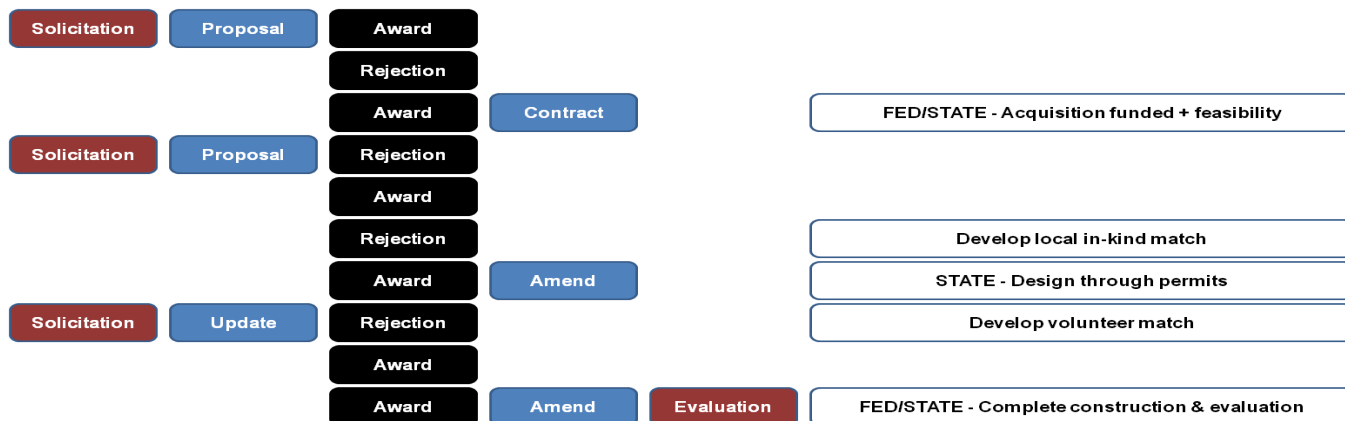
The diagram below describes a medium sized project that required ten applications and six awards to complete work.



After the Conservation Marketplace

Coordinated annual solicitations give sponsors access to a range of funding opportunities. A single proposal describes the whole project and meets the needs of multiple programs. That whole project proposal can be subjected to fiscal or technical reviews that can be shared among programs. Each program can independently select among available projects to make an independent, competitive and informed award decision consistent with program strategy. Multiple awards are aggregated into single contracts. That contract can be easily amended as sponsor completes work, and earns additional awards. Evaluation is integrated, supported by inter-program learning networks and supports all funders. Proposal writing is dramatically reduced, but proposal content is more complete. Single contracts allow for crisp contract terms, and clear accountability, while accounting for cost share and assessment of real project costs over the project life cycle.

The diagram below shows the same project in a 'conservation marketplace'.



For more information please contact

Jen Steger (jennifer.steger@noaa.gov) or Paul Cereghino (paul.cereghino@dfw.wa.gov)