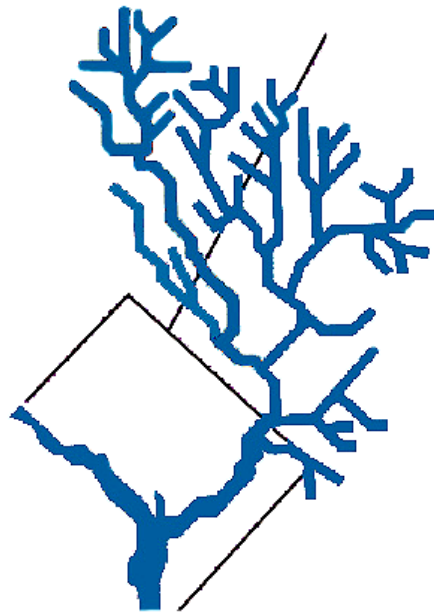


Anacostia Watershed Restoration Partnership

Draft Funding Strategy



February 23, 2009

The Partnership's Funding Approach

Restoring the Anacostia will require vast amounts of resources, including funding and the time, energy, talent and inspiration of the members of its Partnership. It is a complex and constantly changing undertaking that involves many jurisdictions and stakeholders. Planning for funding the restoration is needed to ensure that the Partnership achieves its goals as quickly and efficiently as possible and to take advantage of opportunities that are available.

As with any campaign, restoring the Anacostia watershed requires long- term and short-term planning efforts. The Partnership is engaged in longer-term activities, such as the development of the Anacostia Watershed Restoration Plan (AWRP) and the establishment of “post-2010 Goals” to inform itself, political leaders and the public about the goals of the Partnership and the programs and projects will be needed over the long term to restore the Anacostia. It is expected that these planning activities will provide long term direction to the restoration efforts.

Funding efforts will be a more short-term undertaking, at least at first, to take advantage or opportunities as they arise and to take advantage of the already ongoing planning and project implementation in the watershed. Also, there is an annual cycle to appropriations and budgets. As a result, the Funding Strategy will be updated on an annual basis to take into account future events that are beyond the Partnership's ability to predict or control but that will greatly affect the plan—for example, the outcome of DC-WASA's deliberations on establishing an impervious surface fee to fund the Long Term Control Plan and the finalization of regulatory proposals being advanced now which may greatly affect what private land owners are required to do, over time, to mitigate stormwater. The Funding Strategy will also need to be updated to take into account what was accomplished during the previous budget year and to take account of opportunities that present themselves as restoration proceeds.

In addition to the funding for restoration efforts, there is a continuing need for annual funding to provide administrative, logistical and technical support to the Partnership. This includes support to the Steering Committee, the Management Committee and the various work groups and ongoing technical tasks as defined by the Partnership in MWCOG's annual Anacostia work program and budget.

Funding Subcommittee

One of the primary purposes of the Steering Committee is to implement funding strategies to support the Partnership. And though it is very important, it is not necessary or even beneficial for the entire Steering Committee to be engaged in the direction of the generation and implementation the Funding Strategy. Therefore, a standing Funding Subcommittee of the Steering Committee has been created. The Subcommittee brings its recommendations to the full Steering Committee. The current membership of the Subcommittee is shown below:

Table 1: Membership of Funding Subcommittee	
Steve Pattison, Chair	Linda Howard
Jon Capacasa	Ted Graham
Bob Hoyt	Ken Yetman

The roles and responsibilities of the Funding Subcommittee are to:

- Assess the short and long term goals of the Partnership and develop funding approaches.
- In particular, the Funding Subcommittee will monitor the status of the development and implementation of the Action Agenda and the Anacostia Watershed Restoration Plan (AWRP), evaluating the types of programs and projects proposed or being implemented, a result of the Action Agenda and Anacostia Watershed Restoration Plan and the funding needed to implement them.
- Annually review the draft Funding Strategy developed by the Executive Director, including any assumptions that the Executive Director made, and recommend a Funding Strategy to the Steering Committee.
- Recommend a Funding Strategy to the Steering Committee, including programs for funding the AWRP.

In addition to the role of the Funding Subcommittee, the Executive Director will be responsible for such tasks as being aware of grant availability and deadlines and preparing grant requests, monitoring Congressional events, such as the potential passage of a new Water Resources Development Act and preparing Congressional funding requests.

Elements of the Annual Funding Strategy

Each year the Funding Strategy will contain these components:

- Information about the funding of restoration activities that the Partnership or other key entities are undertaking organized in accordance with the restoration goals. The information included will relate to activities critical to the restoration that are being undertaken by individual Partners and other entities.
- Information about the funding the administrative needs of the Partnership.
- Identification of funding gaps and as well as sources of funding that have been identified.

The Funding Strategy will focus on funding the Partnership’s activities itself, while providing enough information about the activities of the individual Partners’ and others’ activities that it can be assured that critical activities necessary to the restoration are being funded (e.g. the Long Term Control Plan, MS4 implementation by the counties and the District of Columbia).

Process for Developing the Funding Strategy Each Year

The following table shows the approximate schedule for the development of the budgets of key governmental agencies of the Partnership.

Jurisdiction/ Action	Montgomery County	Prince George’s County	District of Columbia	Maryland Departments of the Environment and Natural Resources	COG Process (Anacostia)	COG
Department prepares budget request	October – Internal DEP; 1 st week in December to OMB	Oct. – Nov.	October 1	September	Submit departmental budgets	Fall
Executive branch publishes budget	March 15	Feb. – Mar.	December	January	COG Board adopts budget	January
Legislative branch holds hearings	April-May	Apr. – May	March – April	During session: Jan. – Apr.	Steering Committee Approval	June
Legislative action	May 21-24	May	June	Late in session: Mar.-Apr.		
Submit to Congress (District of Columbia only)	N/A	N/A	June	N/A		
Fiscal Year Begins	July 1	July 1	October 1 ⁴	July 1	Fiscal Year Begins	July 1

Federal appropriations (requests for add-ons) usually occur in late February for projects to start during the next fiscal year (e.g. the federal fiscal year starting that October). Based on this information, the following process for Partnership Funding is suggested, starting this summer:

1. During the summer, the Partnership Funding Subcommittee (with the approval of the Steering Committee), will determine the funding needs for administering the Partnership. This discussion will inform the requests for the support from the District, Montgomery County, Prince George's County, the Maryland Department of the Environment and the Maryland Department of Natural Resources.
2. During the late fall and before the New Year, the Partnership will consider the funding requests (and likely chances for funding) for projects associated with the Anacostia Watershed Restoration Plan that were made by the District Department of the Environment, county environmental departments, and any other of the Partners, as part of their internal budget requests. Considering the needs for key projects and the likelihood of their funding by the Partnership jurisdictions, the Partnership will design its requests for federal funding for key projects identified in the Anacostia Watershed Restoration Plan, typically due in late February. The Partnership will generally rely on the prioritization of projects provided by the AWRP, but could modify this as time goes on.
3. In July, it should be possible to predict the funding for various Partnership needs and the Funding Strategy will be updated, showing the funded needs and the unfunded needs.
4. To facilitate the consideration of requests for federal funding for the implementation of the Anacostia Watershed Restoration Plan (AWRP), the Management Committee will, during the summer and fall, compile the following information for each AWRP project, in addition to the information provided in the AWRP:
 - a. Which Anacostia Watershed Restoration Partnership goal (or goals) each project will address,
 - b. The lead organization or agency and specifically, who is responsible,

- c. Funding status (e.g. funded, funding requested including from whom, or no funding or request),
- d. Whether the project is part of a regulatory mandate, and
- e. The current design stage of the project.

Once this information is collected for all of the AWRP projects, this information will be incorporated into the tables below under the appropriate Partnership Goal.

Notes on the Tables Below

Because the different government agencies covered in this Funding Strategy have different fiscal years, the headings in the tables do not have specific dates, but instead have the following headings:

- Current: usually the current fiscal year.
- 1 – 2 years: usually the next fiscal year for the government entity involved
- Longer Term: usually the 3rd year of funding or an annual amount that must be spent over a long period

Additionally, it should be noted that many projects or activities which are already funded, such as those that are:

- included in the Action Agenda,
- funded by the Partners as part of their ongoing activities,
- specified in the USEPA or Summit Fund of Washington grant, or
- included in the Executive Director's or MWCOG staff's salaries

are not included below. In other words, the Funding Plan focuses on funding needs that have not been met.

Also, it should be noted that one potential significant funding source that is not identified below: the \$20,000,000 authorized in WRDA 2007 for restoration. Presently the Executive Director is working, through DC Appleseed, with a pro bono law firm specializing in WRDA appropriations to research the best approach for seeking this funding. The question that has been posed to the firm is whether there are any Corps funding programs that could accommodate stormwater retrofit projects as grants to local governments. If there is, this may make using the

WRDA 2007 funding for small stormwater retrofit projects much easier. If not, it is likely that the better approach for the Partnership will be to identify one or more major construction project(s), e.g. the toxics capping project or a wetlands construction project as its preferred use of the \$20,000,000 authorization.

Additionally, the last table is a breakdown, according standard categories of expenditures and revenues entitled: Anacostia Partnership Costs and Revenue: FY 2008 & FY 2009 (through September 30, 2008). This provides additional detail about how the Base Funding and Enhanced Funding will be spent. It does not include any funding for projects for which COG receives funding under a contract, even if the work being conducted relates to the Anacostia.

Restoration Goal 1: Dramatically Reduce Pollution Loads

Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
Long Term Control Plan-Annual Federal Appropriations	\$8 M	Annual Federal Appropriations to the District of Columbia	\$14 M	Annual Federal Appropriations to the District of Columbia	Amounts not yet known	Annual Federal Appropriations to the District of Columbia
Work Needed: Monitor Federal appropriations to insure this amount is forthcoming. Work accomplished: Appropriations Committee approved in June for FY 2009. DC-WASA (Gordon Fry) has agreed to notify Partnership if any problems arise.						
Long Term Control Plan-Local Fee Increases Adopted and Implemented	n/a	n/a	\$15.1 M	Impervious Surface Fee	\$15.1 M	Impervious Surface Fee
Work Needed: Support DC WASA's staff in efforts to raise fees that are adequate to support funding. Work accomplished: Executive Director testified in favor of this fee on June 11, 2008 before the DC Board of DC-WASA.						
Funding for WSSC SSO Consent Decree	\$15.2 M	WSSC	\$32.4	WSSC	\$38.6	WSSC
Work Needed: Monitor WSSC implementation to assure funding is ongoing.						
Funding for Implementation of DC MS4	n/a	n/a	\$13.2 M	Impervious Surface Fee	\$13.2	Impervious Surface Fee
Work Needed: Monitor to see that funding is forthcoming and assist DC as needed. Work Accomplished: Executive Director testified on behalf of this fee (on behalf of AWCAC) on October 29, 2008.						
Funding for Implementation of Montgomery County MS4	(Amount needed not yet known.)					
Work Needed: Monitor to see if Partnership can be of any assistance.						
BARC—Oil and Grease and Trash	Previous Years Funding (FY	USDA Budget Line Items	\$630,795	USDA Budget Line Item		

Trap for Arboretum	2001 and 2003)					
	\$2,187,850					
Work Needed: Executive Director to approach Congressional delegation staff about potential for USDA line item.						
AWRP: Trash Reduction (21) projects	n/a	n/a	\$114,774			
Work Needed: Identify priority and then funding source of high priority projects.						

Restoration Goal 2: Protect and Restore Ecological Integrity (LID and Stream restoration)						
Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
AWRP Sligo Creek-Stormwater Retrofit (84 projects)	n/a	n/a	\$34,986,385			
Work Needed: Identify priority and then funding source of high priority projects.						
Raydale Road/Breewood LID	n/a	n/a	\$1,999,375 (DNR) + \$1,333,125 (local match from Prince George's and Montgomery Counties)	DNR Chesapeake 2010	The Grant Application indicated that the funding could be spread over three years.	
Work Accomplished: Application made by Montgomery County, Prince George's County and Partnership on August 29, 2008.						
AWRP Sligo Creek	n/a	n/a	\$3,080,000			

Stream Restoration (13 projects)						
Work Needed: Identify priority and then funding source of high priority projects.						
Restoration of Hollywood Branch, Lower Paint Branch, Montgomery County.	n/a	n/a	\$1,050,000	MDE Chesapeake 2010 Program	n/a	n/a
Work Accomplished: Funding applied for by Montgomery County.						

Restoration Goal 3: Improve Fish Passage						
Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
AWRP-Sligo Creek Fish Blockage Removal (23 projects)	n/a	n/a	\$3,237,000			
Work Needed: Identify priority and then funding source of high priority projects.						

Restoration Goal 4: Increase Wetland Acreage						
Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
AWRP-Sligo Creek Wetland Creation (12 projects)	n/a	n/a	\$92,000			

Work Needed: Identify priority and then funding source of high priority projects.

Restoration Goal 5: Expand Forest Cover

Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
AWRP-Sligo Creek Riparian Reforestation, Meadow Creation, Street Tree and Invasive Management (17 projects)	n/a	n/a	\$21,900			

Work Needed: Identify priority and then funding source of high priority projects.

Restoration Goal 6: Increase Public and Private Participation

Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
Create new logo and website for the Partnership	n/a	n/a	\$25,000	Chesapeake Bay Trust	n/a	n/a

Work needed: Apply to the Chesapeake Bay Trust for grant funding for new logo and updated website.

Administrative Support for the Partnership						
Needs	Current Year		1 - 2 Years		Long Term	
	Amount	Source or Proposed Source	Amount	Proposed Source	Amount	Proposed Source
2009 Baseline COG Support--Operation of Steering and Management Committees (July 1 –June 30, FY 2009)	\$374, 388	DDOE, MDE, MDNR, Montgomery County DEP, Prince George’s County DER MWCOG DEP	\$404, 074	DDOE, MDE, MDNR, Montgomery County DEP, Prince George’s County DER MWCOG DEP	\$434, 074	DDOE, MDE, MDNR, Montgomery County DEP, Prince George’s County DER MWCOG DEP
Work Needed: Work with contributing members to obtain their continuing support. Explore securing funding from additional public agencies.						
Executive Director and Enhanced COG Support	\$216,877	Summit Fund, USEPA Grants	\$219, 877	?	\$222,877	Undetermined
Work Needed: Apply for grants to replace \$100,000 EPA grant that ends next June. Work Accomplished: Applied to Cafritz Foundation for \$50,000 to replace half of EPA funding on November 3, 2008. Applied to Keith Campbell Foundation for \$50,000 to replace half of EPA funding on November 20, 2008. Apply to Summit for next year funding by February 6, 2009.						
Federal Appropriation for Development of AWRP	\$492,000	Energy and Water Appropriations FY 08	\$800,000	Federal Energy and Water Appropriations FY 09	n/a	n/a
Work Needed: Request second year of funding from Congress. Work Accomplished: Funding request to Congressman Steny Hoyer made on February, 2008.						
Partnership Water Quality Monitoring Plan	n/a	n/a	\$59,000 (more or less depending how local budgets are finalized)	Various	?	?

Work Needed: USEPA and MDE working on corbicula question. Need to determine next year's needs.						

Expenses by Category	FY 2008	FY 2009
Personnel		
Direct Salaries	162,853	45,876
M&A Support	39,050	11,412
Leave	<u>38,048</u>	<u>10,837</u>
Total Personnel	239,951	68,124
Fringe Benefits	46,956	13,474
Indirect Costs	<u>100,355</u>	<u>28,961</u>
Total Salaries & OH	387,262	110,559
Consultants & Professional Fees	104,722	17,542
Other Costs		
Conference & Meeting	6,344	1,440
Technology-DP	4,334	-
DP-Hardware/Software & Supplies	12,461	-
Printing and Copying	578	6,165
Equipment	394	-
Telephone & Fax	132	-
Postage & Delivery	677	111
Maintenance	-	-
Office Supplies & Special Project Supplies	5,986	471
Seminar & Travel	6,855	464
In-kind Expenses	-	-
Other/Misc.	<u>14,330</u>	<u>56</u>
Total Other Costs	52,090	8,707
Total Project Costs	544,074	136,809

Revenue	FY 2008	FY 2009
COG	40,322	42,388
MDNR	41,500	41,500
DCDOH	83,000	83,000
MDE	41,500	41,500
PG & MC	<u>137,752</u>	<u>166,000</u>
Subtotal, State and Local (Baseline Support)	344,074	374,388
EPA (Grant Support)	100,000	100,000
The Summit Fund (Grant Support)	<u>100,000</u>	<u>179,877</u>
Total Revenue	544,074	654,265