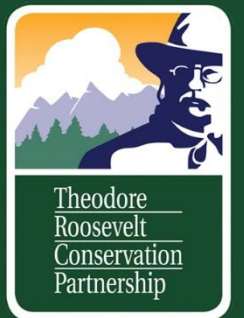




# **Barriers to Accessing Federal Funds to Scale Drought Adaptation Efforts**

***Alexander Funk, Director of Water Resources, TRCP***





# Multi-Benefit Drought Adaptation Strategies





# Forests & Drought Adaptation

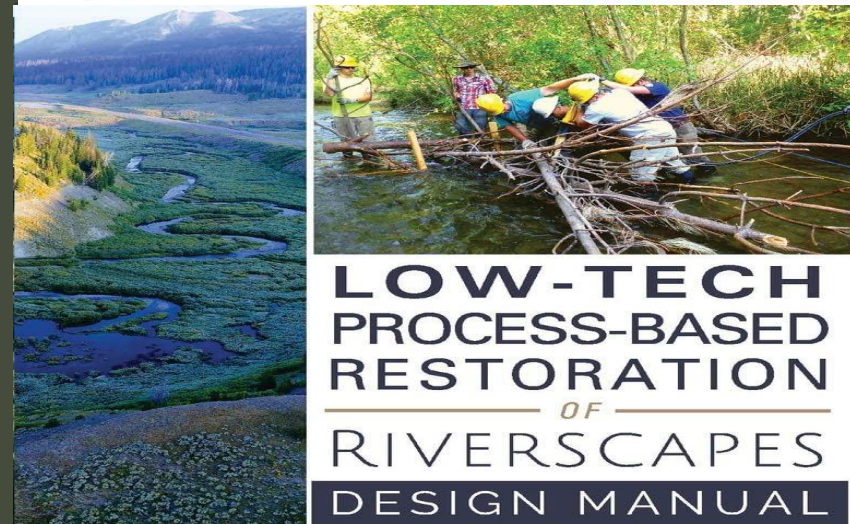
- ▶ Interconnected mosaic of forests, wet meadows interlaced with streams
- ▶ This “**natural water infrastructure**” provides many public services to downstream water users and fish and wildlife
- ▶ **Water reliability benefits of healthy natural water infrastructure include:**
  - ▶ Increased capture/infiltration of precipitation and runoff ~ natural water storage
  - ▶ Longer retention in wet meadows, later summer/fall water availability for people, farms, and fish + wildlife
  - ▶ Reduce sedimentation of reservoirs & risks to other infrastructure





# Process-Based Restoration (PBR)

- ▶ Currently, the most popular form of natural water infrastructure restoration in the Western States
- ▶ Focus on low-cost, hand-built structures, utilizing natural materials (e.g., wood) to improve the health of as many miles of riverscape as possible and to promote and maintain a full range of self-sustaining riverscape processes
- ▶ Other benefits include simplicity in implementation, meaning a diverse set of practitioners can implement these projects





# Trail Creek Project, Upper Gunnison Headwaters, Gunnison National Forest

9-14-2021: Before treatment



9-22-2021: After treatment





## STRUCTURALLY-FORCED RESILIENCE TO FIRE

Riparian areas burnt to ground across entire valley bottom in most the watershed

**EXCEPT**, where beaver dam complexes kept the valley bottoms wet, the riparian areas did not burn!

Example of **structurally-forced resilience** to fire where beaver dam activity kept parts of the riverscape from burning, providing critical wildlife and livestock refugia during the fire, and assisting in post-fire recovery. Example from Baugh Creek, Idaho.

# Unprecedented Federal Funding for Drought Adapation

American Rescue Plan Act	Bipartisan Infrastructure Law	Inflation Reduction Act
Provides \$350 billion to state, local, and Tribal governments	Provides \$8.3 billion in western water infrastructure, \$50 billion in climate resilience (ecosystem restoration)	\$4 billion in drought mitigation (Colorado River), \$5 billion in forest/watershed health, millions in restoration/conservation on public lands
Funds can be used for programs, services including water resource management	Funds delivered through combo of existing and newly authorized programs	Funds will be delivered through existing mechanisms, but can potentially cover a wide range of functions
CO received \$3.8 billion, approximately \$20 million of which will go towards watershed restoration	Non-federal matching required for at least 40% of programs	Federal funds predominately available without matching requirements/waiver available
Funds obligated by 12/31/24, expended by 12/31/26	Funds generally must be obligated by FY2026	Funds generally must be obligated by FY2026

# BIL and IRA Implementation

- **United States Forest Service**
  - ~ \$80 million for the new Collaborative Aquatic Landscape Restoration Program (BIL)
  - ~ \$200 million for Watershed Condition Framework and Water Source Protection Program (IRA)
  - ~ \$600 million for state and private forestry restoration/protection efforts
  - Additional riverscape restoration funds available through Good Neighbor Authority, Shared Stewardship Agreements, and other cooperative/internal funding mechanisms (BIL)
- **Bureau of Land Management**
  - ~\$40-50 million in drought resilience activities/riverscape restoration (IRA)
  - Additional riverscape restoration funds available through Good Neighbor Authority, Shared Stewardship Agreements, and other cooperative/internal funding mechanisms (BIL)



# BIL and IRA Implementation

## Natural Resources Conservation Service

- Climate-smart agricultural conservation practices through the Environmental Quality Incentives Program, Regional Conservation Partnership Program, Agricultural Conservation Easement Program, and Conservation Stewardship Program (funding through FY2026 and authorized through 2031)
- Focus of these funds will be conservation projects that result in the reduction, avoidance, or capture of carbon dioxide, methane, or nitrous oxide emission
- NRCS uses an annual list process to determine which conservation practices are eligible – currently, riparian and wetland restoration are eligible, but not process-based restoration per se
- \$1 billion for conservation technical assistance, which covers NRCS staff time, conservation planning, and cost-share for shared conservation positions



# Reclamation (IRA)

- **Colorado River Basin Funding Opportunities**
  - \$4 Billion total for drought mitigation/habitat restoration
  - “Vast majority” will go to the Colorado River Basin
  - Upcoming “bucket” will focus on water conservation, water-use efficiency, and habitat restoration
  - Limited to public entities and Tribes (w/ options to subcontract)
  - Anticipated June timing for NOFO



# BIL and IRA Implementation

- IRA and BIL funds have been largely allocated at the national level
- Process moving to regional, state, and field office formulation and implementation
- Opportunities to engage with region, state, and field offices
  - Engage in priority setting and further alignment of funds
  - Bring project proposals/pipelines to offices to show demand/help direct funds
  - Pursue larger funding agreements to support implementation
  - Engage with state agencies and regional govt partners



# HB22-1379 (Wildfire Prevention Watershed Restoration)

The bill provided \$17M to DNR to mitigate the risk of wildfires, address watershed impacts from wildfires, and assist local communities and non-profits in drawing down federal water infrastructure funding.

Program	Agency	Amount	Grant Available
Watershed Restoration	CWCB	\$10M	Fall 2022
Community Assistance	CWCB	\$5M	Fall 2022
Colorado Strategic Wildfire Action Program	DNR EDO	\$2M	2023

**Watershed Restoration:**

- Wildfire Ready Watersheds seeks to provide high-level guidance for helping communities predict how and where post-fire impacts will affect downstream assets.
- The Program also seeks to help identify actions that may be taken to reduce the impact of these landscape processes on infrastructure and natural resources – both before, and after, a wildfire occurs.
- New guidance for the program was approved by the CWCB at their September 20-21 meeting and funds were made available in fall 2022.

**COSWAP:**

- Funds will be used to continue pursuing COSWAP’s mission of supporting projects with the greatest potential to protect life, property, and infrastructure, while also training a robust new wildfire mitigation workforce.

# Barriers to Accessing Federal Funds

- Federal agency capacity and expertise in a broad array of drought
- Lack of resources for local capacity building & project development
- Permitting delays and costs
- Insufficient & inconsistent public funding; cost-share issues
- Navigating and tracking funding opportunities

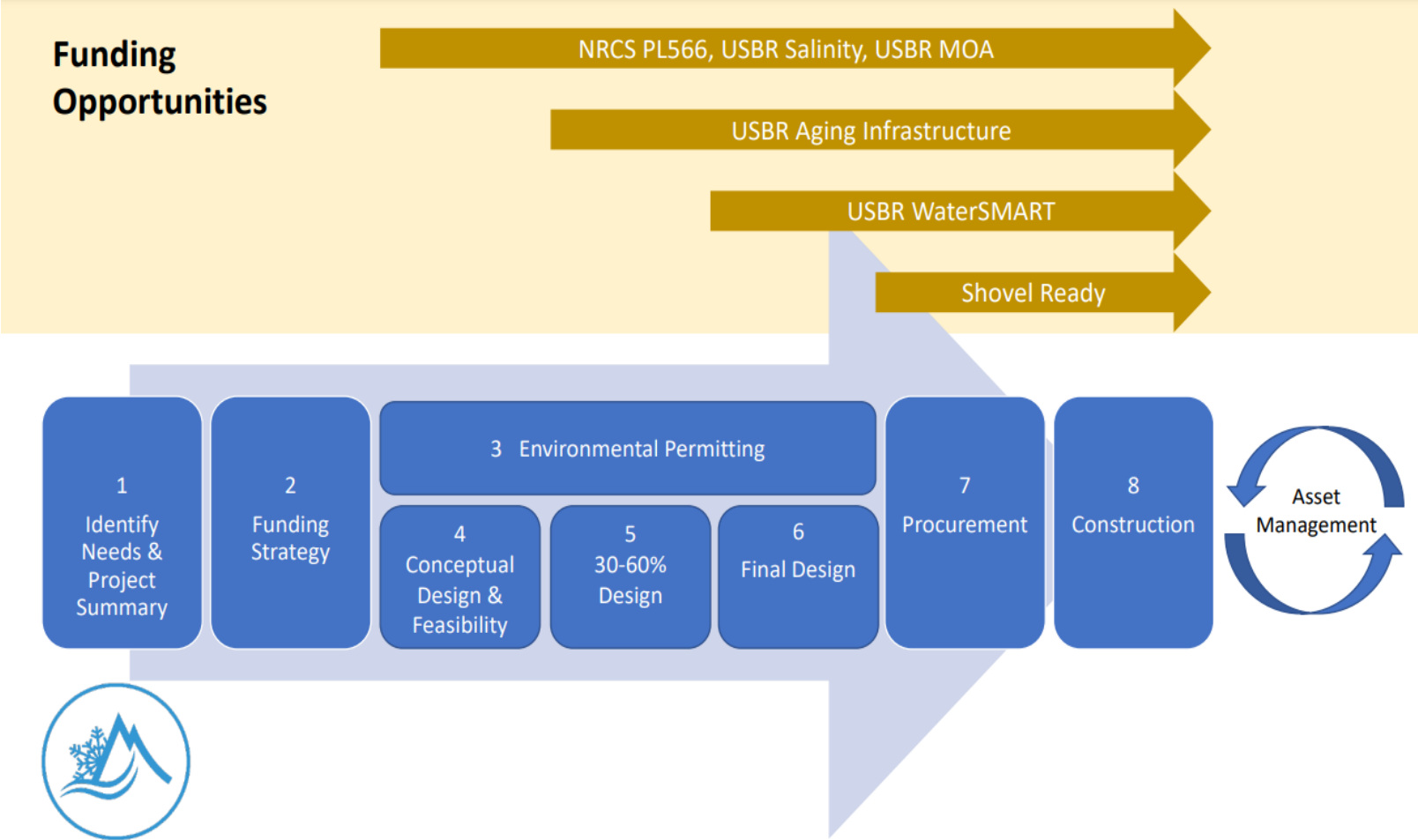




# HB22-1379 (Wildfire Prevention Watershed Restoration)

## Community Assistance:

- \$5M ARPA funding will assist communities in navigating the complex process of taking a project idea from concept to construction.
- Funding will be offered as direct grants (\$2.5M) and loaned contractor time (\$2.5M). A 25% match, including in-kind contributions, is required for program grants.
- Direct grants opened to communities in early September and a contractor is in the process of being selected.



**COLORADO RIVER  
DISTRICT** COMMUNITY  
FUNDING PARTNERSHIP



**Applications Due  
August 1, 2022**

**ACCELERATOR GRANT** BRING YOUR FEDERAL FUNDING  
GRANT APPLICATION UP TO SPEED

**Funding to Support**

- Grant-writing
- Feasibility
- Design
- Preliminary environmental review
- Benefits analyses
- Engineering

**Grant Deliverable Must Include a  
Federal Funding Application**

- Priority for projects targeting a 2023 Funding Cycle
- In no cases can the funds support applications submitted after 2024.

**Colorado River District will consider funding up to 85% of funding needs. Decisions made by September 15<sup>th</sup>. Requests >\$50k will be reviewed at the October 18-19 Board Meeting**