

RESOLUTION NO. 2024-45

**A RESOLUTION AUTHORIZING APPLICATION FOR OREGON WATERSHED
ENHANCEMENT BOARD GRANT TO SUPPORT THE LOWER JETTY CREEK
ACQUISITION**

WHEREAS, the City Council and staff have identified the acquisition of the Lower Jetty Creek watershed as a high priority need in the City of Rockaway Beach; and

WHEREAS, the Oregon Watershed Enhancement Board (OWEB) is accepting applications for its Source Water Protection Grant Fund; and

WHEREAS, the City of Rockaway Beach desires to participate in this grant program to the greatest extent possible as a means of supplemental funding of the City's efforts to acquire the lower Jetty Creek Watershed.

NOW, THEREFORE, BE IT RESOLVED THAT

Section 1. The City of Rockaway Beach demonstrates its support and authorizes staff to submit a grant application to the Oregon Watershed Enhancement Board's Source Water Protection Grant Fund for acquisition of the lower Jetty Creek Watershed, as described in Exhibit A.

Section 2. This Resolution shall be effective immediately upon adoption.

**APPROVED AND ADOPTED BY THE CITY COUNCIL THE 13th DAY OF
NOVEMBER 2024.**

APPROVED



Charles McNeilly, Mayor

ATTEST



Melissa Thompson, City Recorder



TO: Rockaway Beach City Council
FROM: Daniel Wear, Sustainable Northwest
SUBJECT: Oregon Watershed Enhancement Board – Application for Funding Land Acquisition around Jetty Creek Watershed
DATE: November 6, 2024

Overview

The City of Rockaway Beach (CORB)'s current primary water supply comes from Jetty Creek, a stream which originates within a 1,300-acre forested watershed located 2 miles north of CORB. 595-acres within the lower (west) reaches of the watershed are currently within ownership of Nuveen Natural Capital, who have expressed a willingness to sell the identified acreage as a part of a larger, 800-acre fee title acquisition.

Based on feedback received from CORB City Council, Staff, and community members, owning as much of the forested Jetty Creek Watershed as feasible is a top priority. Watershed ownership will ensure long-term water security and manage impacts to water quality coming into the Rockaway Beach Water District's intake facility. This has led to the pursuit of multiple funding opportunities, to support the acquisition of the identified 800-acre parcel of forestland from Nuveen Natural Capital. On behalf of CORB, Sustainable Northwest (SNW) has submitted a request for funding from the US Forest Service (USFS)'s Forest Legacy Program, as well as a request for funding from the National Oceanic and Atmospheric Administration (NOAA)'s Coastal Zone Management Program. Of these two opportunities, CORB's application to USFS Forest Legacy program has been submitted for formal consideration on the federal level. Feedback regarding this application is expected in early 2025.

If awarded, the USFS Forest Legacy program will support up to 75% of the total cost of acquisition for the identified Lower Jetty Creek Watershed. Additional funding will be necessary to minimize the acquisition cost incurred by CORB.

Oregon Watershed Enhancement Board – Drinking Water Source Protection Grant Fund

The Oregon Watershed Enhancement Board (OWEB)'s Drinking Water Source Protection Grant Fund is one program available to support the acquisition of priority forestland within source drinking watersheds across. This program is currently accepting applications from public municipalities and water providers (meaning that CORB qualifies as a lead application) for up to \$3 million dollars. Currently enacted across the State as a one-time funding opportunity, this program can support CORB's current acquisition effort. This funding will support the direct acquisition expense, as well as provide funding to support the work of contractors, such as Sustainable Northwest, or other partners, to ensure the project's successful acquisition. Based on the expressed goals of CORB, the Lower Jetty Creek Watershed proposal will be a highly competitive application to the Source Water Protection Grant, if submitted.



This program currently has a total of \$5 million available to support projects across Oregon, this funding opportunity will be highly competitive. The application window for this program closes at 5:00 PM on December 13, 2024, and selected projects will be announced in Spring of 2025, with funding becoming available shortly following the awardee announcement. If awarded, the acquisition effort will be required to be completed within 18-months following the award, which will likely be in Fall or Winter of 2026 (official funding becomes available following the availability of Oregon Lottery Bond funds).

Recommendation

SNW recommends that the CORB submits a request for funding of an estimated \$1.4 million to the OWEB Source Water Protection Grant Fund prior to December 12, 2024. If awarded, this funding will match the funding request currently made to the USFS Forest Legacy Program \$3.75 million and will support the currently estimated acquisition cost for the lower Jetty Creek Watershed. Much of the due diligence requirements required by the OWEB fund align with the requirements of the USFS Forest Legacy application, reducing the burden to CORB and CORB Contractors to the submission of this application.

If awarded both the USFS Forest Legacy and OWEB funding, the projects will be funded on similar timelines. This will give CORB time to execute the various due diligence requirements, such as appraisals, price negotiations, title transfer, and the development of a forest stewardship plan.

If approved by CORB City Council, SNW will submit an application, on behalf of CORB by the to OWEB by the December 12, 2024 Deadline.

Alternative

Additional funding opportunities are currently available to support acquisition, land management, and pollution reduction efforts. One opportunity SNW is pursuing on behalf of CORB is the Environmental Protection Agency (EPA)'s Community Change Grant. This grant would support the acquisition of the broader Lower Jetty Creek Watershed, provide funding for the construction of a raw water intake reservoir (located adjacent to the Water Districts water intake and treatment facility), and support initial forest management expenses. This funding proposal is highly competitive and is intended to support a broader scope of pollution reduction and climate resilience projects led by communities nationally. Given the lack of guaranteed funding from either application, SNW and CORB can apply to the EPA Community Change Grant in parallel to the OWEB Source Water Protection Application.



Daniel Wear, Program Manager, Sustainable Northwest

CC:

Luke Shepard, City Manager, Rockaway Beach

Charles McNeilly, Mayor, Rockaway Beach