Project Development Guidance[1]

This guidance is directed towards DEC staff, Funding Program Administrators, and project implementers involved with project development efforts. The outline of the document is formatted to encourage project proponents to first understand whether their proposed scope of work aligns with the definition of Project Development and will result in the applicable performance measures, milestones, and deliverables. If yes, the document proceeds to inform project implementers on the requirements for securing a Watershed Projects Database (WPD)-ID for the project development efforts. Guidance is subject to change and DEC will provide updated materials to partners as appropriate.

Contents

What is Project Development?

The section provides a description of the Project Development Project Type and an overview of the type of work expected under the Project Development Project type. For more information on what is not Project Development please refer to the linked section.

Project Development as a project type must meet several eligibility criteria under the CWIP Funding Policy (CWIP SFY23 Funding Policy, page 18). The Eligibility Screening Form may but does not have to be used to confirm this. This includes:

      a. Eligibility Criteria # 2: Project Types and Standards
      b. Eligibility Criteria # 3: Watershed Projects Database
      c. Eligibility Criteria # 6: Budget
      d. Eligibility Criteria # 8: Funding Program-Specific Eligibilities

Regarding Eligibility Criteria #2, Project Types and Standards, Project Development is a Project Type defined within the Clean Water Initiative Program's State Fiscal Year 2023 Funding Policy.[2] Project Development is defined as "Scoping work on any non-regulatory project type[3] to determine

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[1] Applicable to any Project Development Block Grant funding subject to the Clean Water Initiative Program's State Fiscal Year 2023 (CWIP SFY23) Funding Policy.

[2] See Appendix B: CWIP Project Types Table for reference: https://dec.vermont.gov/water-investment/cwi/grants/resources

[3] Note that guidance on required additional milestones and deliverables for River Corridor Easement Project Development is still pending and as such it is not yet included as an eligible Child Project Type to receive Project Development support under applicable DEC Block Grants. Once this guidance is available, River

feasibility, constraints, and overall suitability for implementing the project. This typically includes reviewing site assessments or other project identification tools and prioritized plans, conducting site visits, refining project scope and phasing, developing conceptual maps and drawings, estimating pollutant reduction benefits, confirming landowner/municipal interest, identification of – and possible engagement with – other stakeholders, partners, and likely concerned parties (e.g. neighbors, funders, regulators), identifying the prospective responsible operations and maintenance party, consulting with DEC staff, and determining project budget and permit needs (local, state and federal), natural and cultural resource constraints, co-benefits, and other project considerations, site constraints and feasibility factors (e.g. rights-of-way, infrastructure, invasive species presence, hazardous materials concerns) in advance of design or between design phases."

Project Development is understood by DEC as a two-fold process that may include *general project scoping* to select identified projects for development as well as *specific project development* to gather the information and commitments needed to determine project feasibility and readiness to proceed.

General project scoping does not require the identification of specific projects to develop at the outset. The results of general project scoping should be a list of projects to develop. *General project scoping* support can be included in any applicable Project Development sub-grant. *General project scoping* should lead to *specific project development* and a Project Development Findings Report (PD-FR) should be submitted for specific child projects developed as a deliverable.

> *Examples of* Allowable General Project Scoping Activities *(not an exhaustive list)*
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> - Review the Watershed Projects Database or existing plans and prioritization documents or tools (such as Stormwater Master Plans (SWMP), Flow Restoration Plans, Phosphorus Control Plans,[4] Lake Wise Assessments, River Corridor Plans, Tactical Basin Plans, Functional Floodplain Initiative tool, and the Watershed Projects Database) to find projects to develop,
> - Discuss potential projects with Tactical Basin Planners to gauge priority,
> - Respond as needed to landowner water quality questions and concerns and conduct landowner site visits to develop strategies for river restoration and protection opportunities that may turn into a project for development,
> - Follow up regularly with potential project landowners to gauge interest,
> - Educate and communicate with new municipal staff or town committee members on existing River Corridor or Stormwater Master Plans to gauge interest in selecting and pursuing top priority projects.

Specific project development activities include the research and communications necessary to advance a specific project. These communications and research activities between project phases may also be supported as Project Development. Specific project development may require revision or update to the project scope as it was originally identified. Specific project development findings should be reported through the PD-FR for every child project developed.

Corridor Easements will be added as an eligible project type for DEC Block Grants to support. Project development for River Corridor Easements continues under pre-existing Master Contracts administered by the Clean Water Initiative Program with Technical Project Management assistance from the Rivers Management Program.

[4] Projects pulled from Phosphorus Control Plans or Flow Restoration Plans should be discussed with the applicable MS4 community to confirm the MS4 community does not plan to report on implementation of the project to comply with their permit requirements. If so, the project is considered regulatory and ineligible to receive project development support.

**Examples of** Allowable Specific Project Development Activities (not an exhaustive list)

- Work with DEC staff to refine project scope to ensure proposed project is the preferred cost-effective project/best management practice (BMP) solution for a given water quality concern.
- Identify and contact the appropriate landowner and secure landowner support.
- Identify and contact the operation and maintenance (O&M) responsible party and secure their support.
- Work with partners or available online tools to estimate potential water quality pollution benefits and project costs (if not already identified in prior-funded design/scoping work).
- Review potential natural and cultural resource concerns and permit needs for the project.
- Contact any other relevant stakeholders to review potential project barriers.
- Meet with town staff and select board (if a municipal project) to encourage implementation of specific high priority projects from a sector-based assessment and discuss potential grant funding.
- Develop very basic project concept drawings or preliminary designs for the purposes of communicating with stakeholders and landowners and securing support.

Project Development Performance Measures, Milestones, and Deliverables

Project Development efforts must meet standard milestones, performance measures, and deliverables as outlined in the CWIP Project Types Table:

Performance Measures	Milestones	Deliverables
Number of projects explored for design and/or implementation	Project initiated A list of proposed projects to develop prioritized Ownership of site(s) identified and contacted Site visit(s) complete DEC staff consultations Identified site/design considerations and permitting needs Identification of supportive operation and maintenance (O&M) responsible party Project complete	~~Batch Import File[5] or~~ ANR Online Clean Water Project - New Project Form ~~(once available)~~ for any projects absent from the Watershed Projects Database. Project Development findings submitted to DEC in format requested

Required Deliverables

The CWIP SFY2023 Funding Policy lists the following as required deliverables for the Project Development Project Type:

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[5] Note now that the ANR Online Clean Water Project – New Project Form is available, the Batch Import File is no longer an accepted deliverable.

1. ANR Online Clean Water Project - New Project Form (once available) for any projects absent from the Watershed Projects Database
2. Project Development findings submitted to DEC in format requested

Items 1 and 2 are clarified to the following:

1. ANR Online Clean Water Project - New Project Form (once available) for any nonregulatory and feasible projects that underwent development work that are absent from the Watershed Projects Database.
2. Project Development findings submitted to DEC in format requested, which includes:
    a. Completed Final Performance Report (or ANR Online Project Closeout Form once available)[6]
    b. Completed Project Development Findings Report (PD-FR)
    c. Completed Project Eligibility Screening forms for all developed child projects deemed feasible and ready to proceed

Regulatory, feasibility, and readiness determinations

Project development efforts may not always result in the conclusion that a child project is non-regulatory, feasible, and ready to proceed.

Regulatory projects should not receive Project Development assistance. Sub-grantees should stop Project Development efforts for a child project if/when a regulatory driver is identified for a project and complete the PD-FR as much as possible with the information gathered up until the "regulatory" classification. If sub-grantees partially develop projects that are then found to be regulatory, and the projects are absent from WPD, these projects should not be added to WPD. If these projects are already in WPD, DEC staff will review and consider the project development finders report provided by the subgrantee and may update the child project status and information in WPD. The definition of a regulatory project is provided in the CWIP SFY 2023 Funding Policy Question and Answer document (question 18).

It is up to sub-grantees to review the weight of data collected during project development to determine whether a project is **feasible**. For the purposes of Project Development work, a "feasible" project is any project that has no identified insurmountable barriers or roadblocks to implementation. Examples of insurmountable barriers may include: known natural resource constraints that make any version of project design, in that location, incongruent with natural resource functions; projects that an ANR permitting program has identified as never or unlikely to be permittable without significant impact fees; or projects in conflict with state or federal law, rule, and guidance. If insurmountable barriers are identified the child project should be classified as infeasible, and not added to WPD (if not yet there). If these projects are already in WPD, DEC staff will review and consider the project development finders report provided by the subgrantee and may update child project status and information in WPD.

All feasible child projects should be added to WPD if not already there, whether or not they are ready to proceed. Feasible projects may still encounter potential barriers that make them not yet **"ready to proceed."** Some examples of surmountable barriers may include a currently unwilling landowner, or potentially high costs associated with cultural resource protections. In these cases, the developed

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[6] Should be 1 line for the Parent Project Development WPD-ID with number of projects explored for design/implementation as the performance measure. General Notes column should provide brief (2-3 sentences) describing the project development effort.

child project might be considered "feasible" but not yet "ready to proceed," unless or until circumstances change.

The table below shows how required deliverables vary based on the child project finding/status.

Applicable Deliverable	1.	2.a.	2.b.	2.c.
Child project Finding	If not yet in WPD – Add to WPD via New Project Form?	Count as part of Performance Measure for Parent WPD-ID in Final Performance Report?	Report finding in PD-FR?	Complete Project Eligibility Screening Form?
Found to be regulatory	N	Y	Y	N
Found to be non-regulatory but infeasible	N	Y	Y	N
Found to be non-regulatory and feasible but not yet ready to proceed	Y	Y	Y	N
Found to be non-regulatory, feasible, and ready to proceed	Y	Y	Y	Y

Data Management for Project Development: Watershed Projects Database (WPD)

This section describes how project development projects are tracked in the WPD. This includes WPD-ID assignment, and relationship links between projects. This is important context for partners to ensure their Project Development projects comply with Eligibility Criteria #3 in the CWIP Funding Policy,

There are three generations of projects used to track Project Development with definitions as follows:
1. **Grandparent**: The grandparent is the grant agreement between DEC and a Funding Program Administrator (FPA) that allows Project Development as an eligible project type to be sub-awarded. The grandparent is typically a block grant or could be a bulk contract. Project Type in WPD is likely to be a "multi-sector block grant." Examples include the 2022 Project Development Block Grant (not subject to this guidance), the 2023 Enhancement Development, Design and Implementation Block Grant, and the Clean Water Service Provider Formula Grants.
2. **Parent**: The parent is a project in WPD whose Project Type in WPD is "Project Development." Each parent project has a unique timing, lead partner, grandparent, and/or geographic/project type scope. It describes a discrete effort undertaken by a specific subgrantee, over a specific timeframe, within a specific geographic region and/or to develop specific project types, with specific block grant funding. Each parent project development project is linked as a child to the appropriate grandparent to denote a funding relationship.

The project development effort associated with a single parent WPD-ID may include both *general project scoping* and *specific project development* work but cannot encompass only *general project scoping*.

3. **Child**: The child projects are all the individual projects that get developed under the specific parent project development effort. The project phase that is developed, or that is linked as a child to the parent project, is the one that has not yet been implemented, but may be made ready to proceed after the project development has happened. For example, if a partner develops a floodplain restoration project such that now it's ready to proceed with a 30% design phase, then the WPD entry for "Floodplain/Stream - Preliminary (30%) Design" is linked as a child project to the partner's project development parent project to denote a phasing/process relationship between the two.
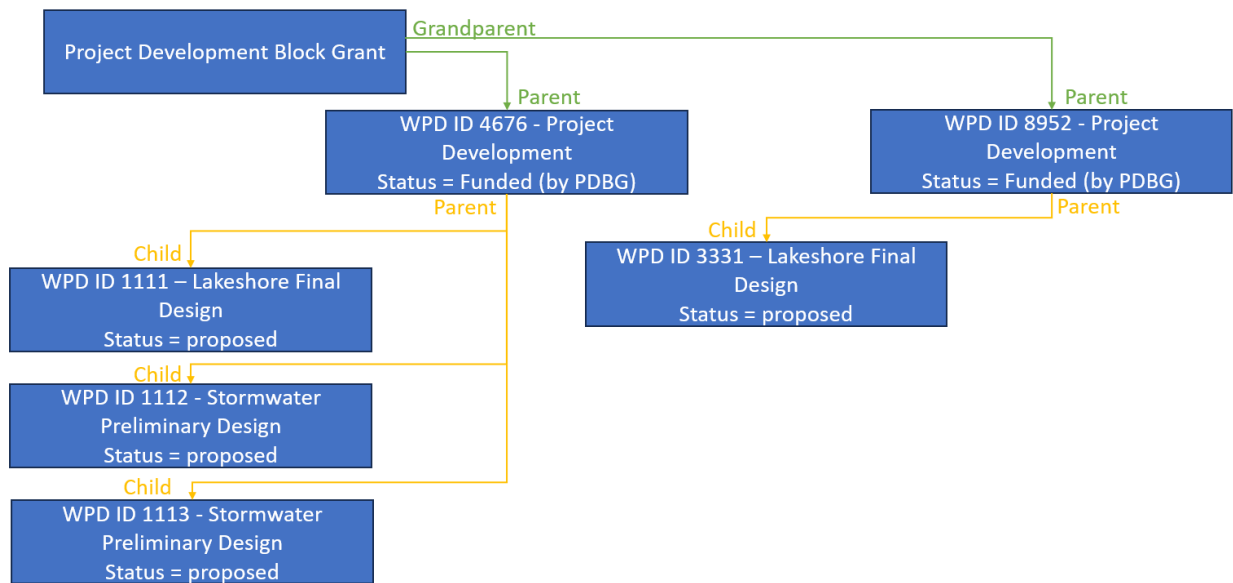

Figure 1. Figure above represents the relationship between Grandparent, Parent, and Child under Project Development efforts. Green lines denote a funding relationship. Orange lines denote a phasing/process relationship. Both types of relationships are acknowledged in WPD by linking project IDs through a Parent-Child relationship.

Each generation of project type across the Project Development effort has different roles, timing, and mechanisms by which they get added to the Watershed Projects Database.

1. **Grandparent.** When a block grant gets executed or amended, the details of the award are uploaded into DEC's Grants and Contracts Management System (GCMS). The WPD has a report query that finds any new agreements in GCMS that are not yet reflected in WPD. This report is typically run annually as part of the Clean Water Initiative Performance Report data compilation effort. To facilitate more timely assignment of WPD-IDs for grandparents, the CWIP Tracking & Accounting team will run this query quarterly, add new block grants and amendments to WPD, and alert the respective TPM of any newly assigned WPD-IDs. The TPM is then responsible for sharing the block grant WPD-ID with the FPAs. CWIP is responsible for adding the block grant funding information to the grandparent WPD-ID.

Component	Task Description	Responsible Party	Mechanism	Timing/Frequency
Block Grant (BG)/Grandparent	Create PD block grant entry in WPD	CWIP Tracking & Accounting team	WPD	Quarterly via GCMS query
BG/Grandparent	Alert TPM of BG WPD-ID	CWIP Tracking & Accounting team	Email	As soon as created
BG/Grandparent	Alert FPA of BG WPD-ID	TPM	During grant drafting (incorporated into agreement) or via email	As applicable
BG/Grandparent	Add new funding information (new awards for CWSPs and amendments for EEDIBG) to BG WPD-ID	CWIP Tracking & Accounting team	WPD	At same time of quarterly GCMS query listed above

2. **Parent:** Project Development parent projects are added to the Watersheds Project Database by local partners when they are ready to seek or seeking funding as part of confirming alignment with Eligibility Criteria # 3. As part of Eligibility Criteria #3, partners should submit a proposed Project Development effort via the ANR Online New Project Form which routes the request to the applicable Watershed Planner for review and approval. Planner approval of the ANR Online New Project Form submission results in automatic creation of a WPD project entry and assignment of a WPD ID. Project proponents are alerted via email when their New Project Form submission has been approved and can then search the WPD for the project (by project name) to find the WPD-ID assigned to their proposed project. Please consult the CWIP Funding Policy for more information on Eligibility Criteria #3. The following are specific standards and guidance that should be followed by the partner when submitting an ANR Online New Project Form.
   a. List the partner applying for subgrant from a grandparent block grant
   b. Pick "Project Development" as the Project Type
   c. Project descriptions should include:
      1. Proposed FPA/Block grant. The funding block grant grandparent WPD ID should not be added as a parent project as the funding is not yet official. Place proposed FPA in the project description.
      2. Geographic extent. Pick an extent that is as specific as possible (ideally towns and/or sub-basins) but that allows flexibility to switch child projects if desired. For example, an organization that serves a specific watershed could list that watershed or a few subwatersheds in which they plan to develop buffer planting projects. The geographic extent can be updated at project closeout if specificity is not possible up front.

3. Which child project types will be the focus of the project development work (include affirmation these will be non-regulatory)
4. Source of potential projects if performing general project scoping
5. Brief description of proposed activities
d. Follow this proposed naming convention to the extent possible:
1. PD.Partner Organization - Geographic Extent Project Types
1. E.g..”PD.Friends of My River - Lamoille Headwaters - Stormwater”

Project proponents are encouraged to reach out directly to watershed planners before submitting a New Project Form to discuss project development proposals especially for larger scale project development efforts. Watershed planners will review project development New Project Form submissions to ensure they are consistent with the project development type description including reviewing that the project description:

- focuses on the development of non-regulatory project types
- would not be better characterized as a project ID or a design type project or otherwise covered in the "what is not project development" portion of the SOP.
- for specific child project development efforts, includes a description of the child projects and WPD-IDs for child projects (if available).
- for general scoping type project development where child projects are not known in advance
  - includes the geographic extent of the project development work
  - identifies which project types will be the focus for project development
  - identifies the report, assessment, or other source of potential projects to be evaluated

If the proposed Project Development effort is selected for funding, the FPA is responsible for facilitating updates in WPD to link the grandparent to the parent. Currently this involves quarterly reporting to the applicable TPM who works with CWIP staff to manually update the funding information and relational links in WPD. Once the ANR Online Project Update Form is available, FPAs or their delegates (funded Project Development subgrantees) will be expected to use this form to provide information on the funding amounts awarded through subagreements, dates, and relational linkages.

As part of Project Development closeout, partners should review the geographic extent originally proposed and update if a more refined set of town/s or subbasin/s can be provided. For example, imagine a Project Development Parent project was approved and funded by a block grant to perform Project Development work statewide. Once the Project Development work is complete, it is apparent that only 5 child projects were developed and all are located in the Winooski River basin. The parent Project Development WPD-ID can be updated to narrow the geographic location of the effort to the Winooski basin. In current state, this entails providing updated geographic information as part of the Final Performance Report. The TPM will work with CWIP to manually update the parent project WPD-ID information. In the future state, the partner will use the Project Closeout Form to refine the geographic extent and any other project information, like the project description, as well as provide final reporting on Project Development work completed.

Component	Task Description	Responsible Party	Mechanism	Timing/Frequency
Subgrant/Parent	Add subgrant Project Development effort to WPD	Subgrantee	New Project Form	As part of eligibility screening step 3 – when seeking funding
Subgrant/Parent	Add subgrant funding details to WPD	FPA	Current state: quarterly report to TPM Future state: Project Update Form	Quarterly
Subgrant/Parent	Closeout – refine spatial data, report performance measures, submit required deliverables	FPA or subgrantee	Current state: Final Performance Report Future state: Project Closeout Form	At point of completing Project Development effort/scope of work

3. Child: Child projects may or may not already exist as proposed in the Watersheds Project Database. Child projects do not need to have a WPD-ID for the Project Development parent project effort to be eligible for funding, they can be added to the WPD after a funding decision is made and/or at the close of the Project Development parent project effort. Child projects must be non-regulatory.

Child projects not yet in the WPD should be added via submission of an ANR Online New Project Form.[7] For child projects already in the WPD, this step can be skipped.

At the end of the Project Development effort, the Project Development parent project WPD-ID will be linked as a parent to all child projects "developed" through the course of the project. In current state this is done through the PD-FR, which the subgrantee uses to report on all child projects that received development efforts. The TPM then works with CWIP to manually enter this data into the WPD. In the future, this should be done by the subgrantee via submission of ANR Online Form(s)child projects

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[7] If subgrantee developed a project found to be regulatory or infeasible it is acceptable not to request a WPD-ID for this project.

Component	Task Description	Responsible Party	Mechanism	Timing/Frequency
Developed/Child project	Add newly identified, non-regulatory and feasible "developed" projects to WPD	FPA/subgrantee	New Project Form	Before the Project Development parent project closes
Developed/Child project	Link "developed" projects to parent project development project	Current state: DEC Future State: FPA/subgrantee	Current state: WPD Future State: Project Update Form	Current state: Annually upon review of sub-grantee PD-FRs Future State: As part of Parent Project close out
Developed/Child project	Update status/information if child project found to be regulatory or infeasible	DEC	WPD	Annually as part of review of sub-grantee PD-FR

Project Development Deliverables Management

1. For Enhancement Development Block Grant Funding:
    a. Completed Final Performance Report listing one row per Parent should be compiled across all funded subgrants and uploaded to GCMS as a single excel file deliverable under the block grant/grandparent award at the point of grandparent project closeout. Before a grandparent project is closed out individual parent Project Development WPD-IDs should be closed out on a rolling basis using data from the individual parent Project Development Final Performance reports (see data management section above for more information about parent Project Development project closeout).
2. For Water Quality Restoration Formula Grant Funding:
    a. Include one row per parent across all funded subgrants as part of CWSP Water Quality Restoration Formula Grant Project Data Tracking Tool.
3. The completed PD-FR should be submitted to the TPM as a deliverable and will be uploaded as an attachment file to the parent Project Development WPD-ID
4. Findings documented in the PD-FR will be exported to individual and respective child projects into the Project Development Notes field of each child project
5. Completed Project Eligibility Screening Forms should be submitted to the TPM as a deliverable and will be uploaded as an attachment file to the applicable child project.
6. Child project Status Updates (only applies to child projects that already have a WPD-ID) will be made by DEC staff as necessary if child project is found to be regulatory or infeasible.

TPM oversight considerations

TPM oversight is focused on the FPA performance. The FPA should provide at a minimum quarterly updates on new funding decisions for Project Development parent projects, and on newly completed Project Development parent projects. Refer to other block grant program specific guidance to learn more about what the TPM will check and when as part of FPA oversight.

What is NOT Project Development?

Project Development is not assessment and planning work. Ineligible activities include performing Lake Wise assessments, road erosion inventories, stream geomorphic assessments, developing prioritized plans like stormwater master plans or lake watershed action plans. These activities are supported under separate CWIP spending initiatives.

Project Development is not design work, nor is it the work supporting the design or implementation phase of a project. Project Completion tasks for design and implementation phases are supported under separate Project Types. Project Development funds may support tasks between design phases but not within or during a design phase. Some limited concept drawings or designs are allowable if they are needed to determine project viability or secure landowner support, but work cannot result in completion of 30%+ designs.

Project Development is not any activity otherwise supported though active workplans under Tactical Basin Planning contracts to statutory partners pursuant to10 V.S.A. § 1253(d)(3).

Project Development is not grant writing. Sub-grantees may use funds to gather all the necessary information that might be requested on a funding application but may not charge their time to any DEC Project Development block grant for writing any applications.

Project Development is not general, untargeted outreach and education.

Project Development is not outreach and partnership formation to establish a stormwater regulatory public-private partnership as defined in the CWIP SFY21 Funding Policy (https://dec.vermont.gov/sites/dec/files/wsm/erp/docs/2021-02-04_FINAL_FY21_CWIPFundingPolicy_signed.pdf).