

**Budget Activity:** ITED A035 - Community Economic Revitalization Board programs

**Purpose:** Make strategic investments in publicly owned economic development infrastructure projects

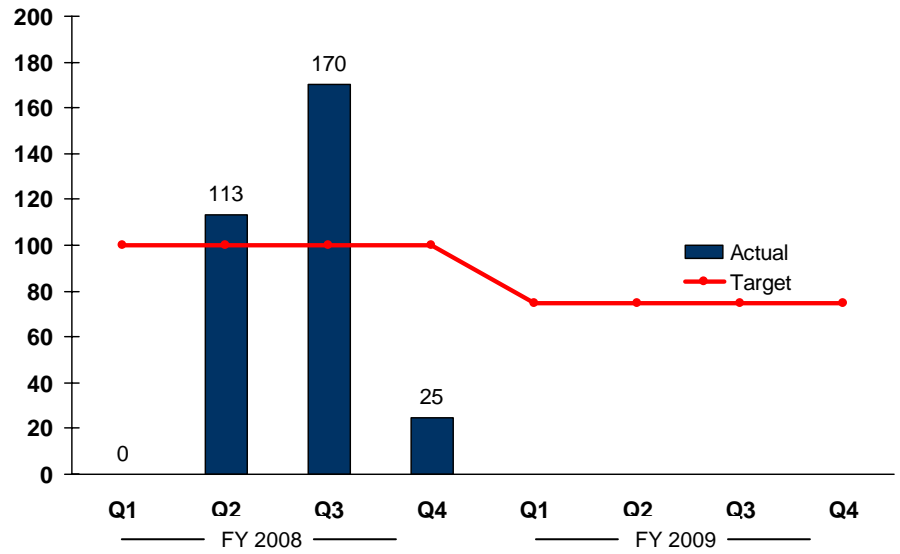
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- These results are a subset for activity A163
- Contract execution is the point at which results are calculated.
- CERB did not have any contracts executed in Q1 of the fiscal year and only 1 in Q4.
- Looking at the project pipeline we are confident we will achieve our biennial targets.

**E003 - Estimated number of jobs created and retained as a result of infrastructure investments (outcome)**



**Action Plan**

**Who**

**Timeframe**

Monitor monthly results to ensure program is on target

Larry Williams, New Managing Director

Ongoing

Decision package to replace JDF funds with additional funds for CERB.

Larry Williams

May to December 2008

*How target was set: Estimates based on some historical data*

*Data Source: ITED Performance Database*

**Budget Activity:** ITED A035 - Community Economic Revitalization Board programs

**Purpose:** Make strategic investments in publicly owned economic development infrastructure projects

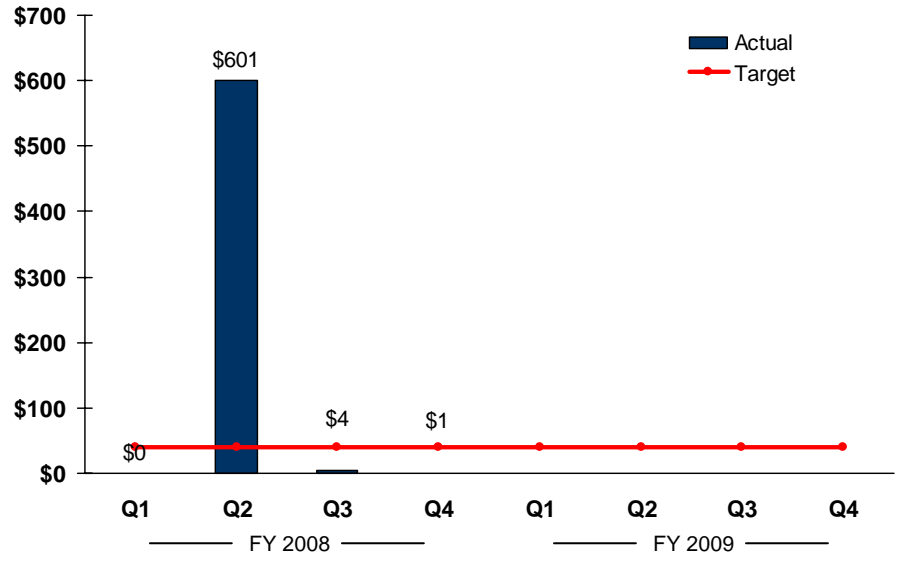
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- These results are a subset for activity A163
- Strong second quarter results were due to a larger expansion of the REC silicon project.
- This is certainly the anomaly we cannot foresee.
- Looking at trend data over the last five years we typically see a 12-15 / 1 return in private investment leveraged by CERB funds.
- CERB did not have any contracts executed in Q1 of the fiscal year and only 1 in Q4. Contract execution is the point at which results are calculated.

**E004 - Estimated amount of private capital investment leveraged by CERB funding (outcome)**



**Action Plan**

Monitor monthly results to ensure program is on target

**Who**

Larry Williams, New Managing Director

**Timeframe**

Ongoing

How target was set: Estimates based on some historical data

Data Source: ITED Performance Database

**Budget Activity:** ITED A038 - Film and Video Office

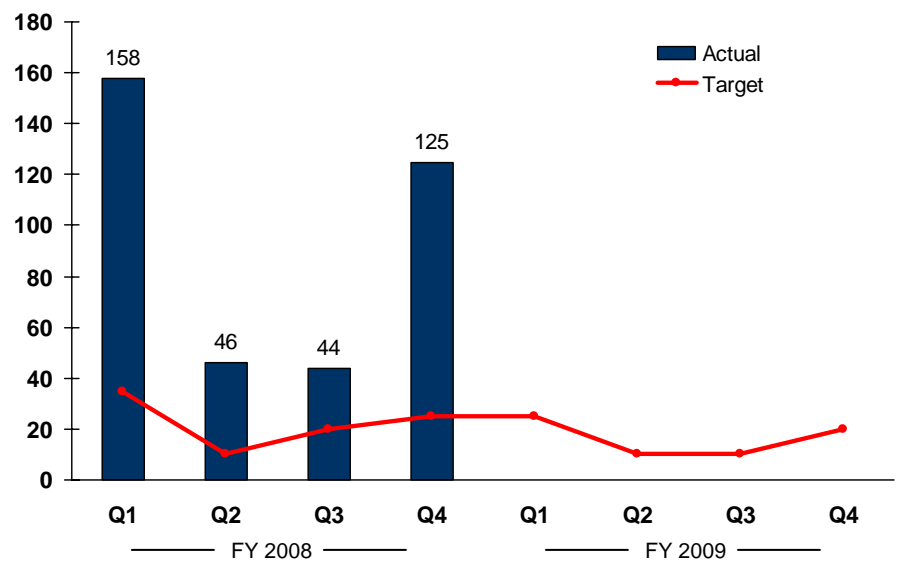
**Purpose:** Provide technical assistance and serve as informational clearing house to individuals and entities engaged in film, television and commercial production in the state

**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Since the development of the goals we have changed the manner in which the film office describes the projects they assist. This was to bring the program more inline with the definitions of the division.
- Projects have a broad definition. Examples: a low budget independent film, a four day commercial, a documentary, etc.
- Mary Trimarco was hired as the new managing director of the film office in July.
- All signs point to this summer being a very active film period.

**E005 - Number of projects filmed in Washington (output)**

**Action Plan**
**Who**
**Timeframe**

Engage film advisory group in a strategic planning process for the film office.

Mary Trimarco

Aug – Dec 2008

**Budget Activity:** ITED A038 - Film and Video Office

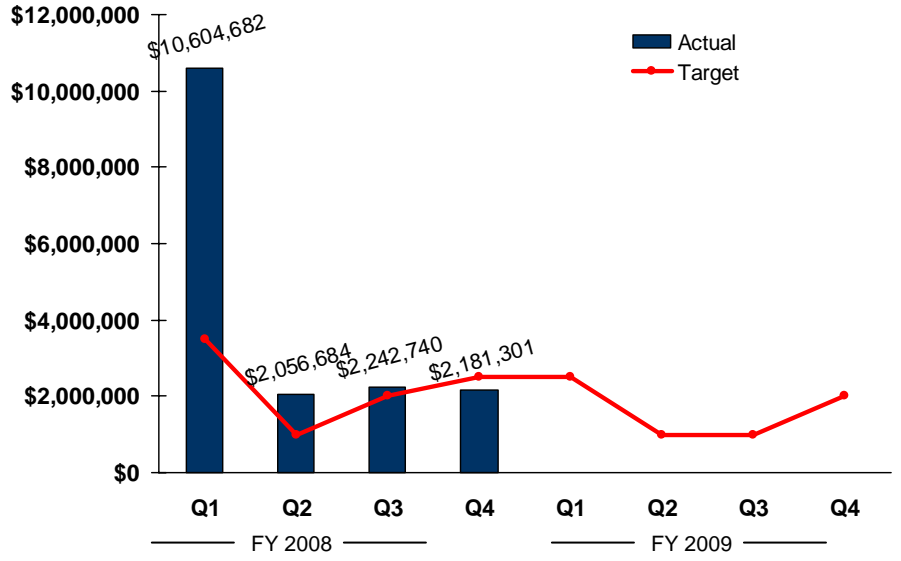
**Purpose:** Provide technical assistance and serve as informational clearing house to individuals and entities engaged in film, television and commercial production in the state

**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Summer and fall of 2007 was a big period for Washington productions.
- Traditional spending averages \$100,000 per production. When a big show comes in it can skew the number to \$140,000. We do not want to base our figures on one larger production.
- Many of the same analysis on the previous slide corresponds to these results.
- When setting goals we were unable to gauge the effect the new film incentive would have on the industry.
- Strike Update: The possible Screen Actors Guild strike is still a threat to productions if the sides are unable to reach a compromise.
- We expect a large total spend in Q1 of FY 09.

**E001 - Film Industry Spending - Dollars spent in Washington by the film industry (outcome)**

**Action Plan**
**Who**
**Timeframe**

Complete the annual report on the effectiveness of the film incentive.

Mary Trimarco

August 2008

**Budget Activity:** ITED A044 - Tourism Development

**Purpose:** Market the state as a travel destination

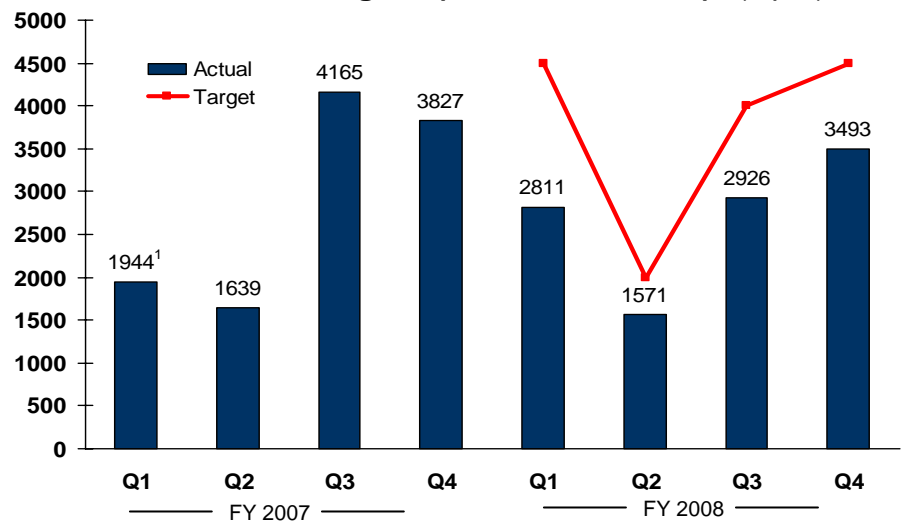
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Our initial forecast was for call volume to increase slightly over FY2007. This has not been the case.
- This decrease mirrors national trends in declining call center volumes, as more inquiries are handled through on-line channels instead.
- Increasingly, visitors are using the website to plan their vacations and request visitor information. This is shown as a steady increase in the number of visitors as the summer months approach.
- New advertising began in March and ramps up April through July.

**E006 - Number of calls received from travelers inquiring about Washington (at our call center) (input)**



**Action Plan**

**Who**

**Timeframe**

New advertising provides both 1-800 number and website as call-to-action reference. Continue to monitor response.

Marsha Massey

Ongoing

Continue to focus efforts on driving consumer to website over call center, as web is more cost-effective delivery channel.

Marsha Massey

Ongoing

*How target was set: Estimates based on some historical data*

**Budget Activity:** ITED A044 - Tourism Development

**Purpose:** Market the state as a travel destination

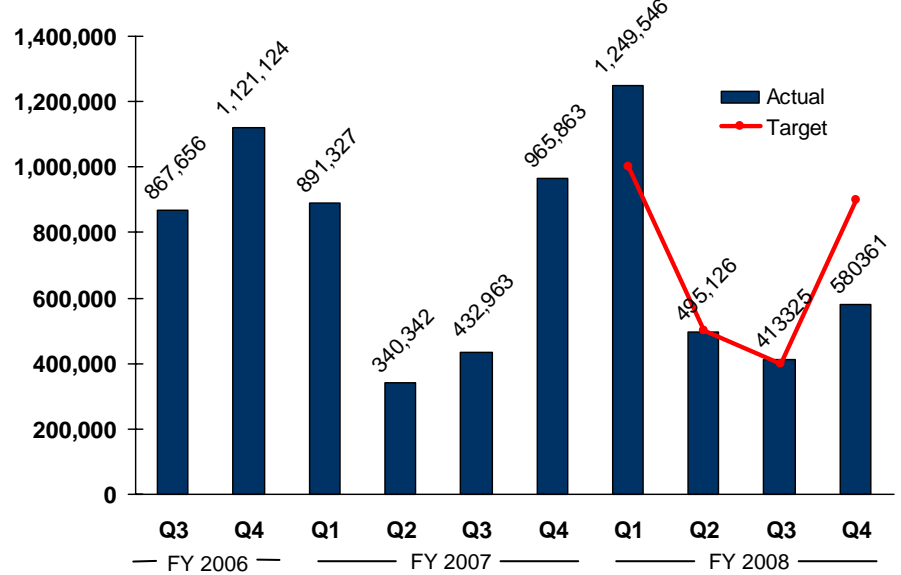
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Fiscal Year Q1 (July, August, September) and Q4 (April, May, June) are peak months for both planning and traveling. This corresponds with the highest website use.
- This also aligns with the run dates for our spring / summer advertising campaign (March – July 2008).
- Beginning February 1, 2008 web analytics for [www.experiencewa.com](http://www.experiencewa.com) are being tracked using “WebTrends On Demand”. As web analytics evolve, we are focusing on optimizing reporting. Knowing that more accurate data will result in lower totals we will adjust goals accordingly.
- We suspect fuel prices may be effecting summer travel this year as more people are having “stay-cations”.

**E007 - Number of visits to experiencewashington.com website (input)**



**Action Plan**

Roll out phase 1 of enhanced website with improved navigation

Conduct ROI study on advertising effectiveness

**Who**

Marsha Massey / Alexander Harper

Marsha Massey

**Timeframe**

July / August 2008

Winter 2008

*How target was set: Estimates based on some historical data*

*Data Source: ITED Performance Database*

**Budget Activity:** ITED A084 - Overseas Office Contract Activities

**Purpose:** Provide information on WA to foreign clients provide marketing information on foreign markets to WA businesses, facilitate economic development relationships between regions

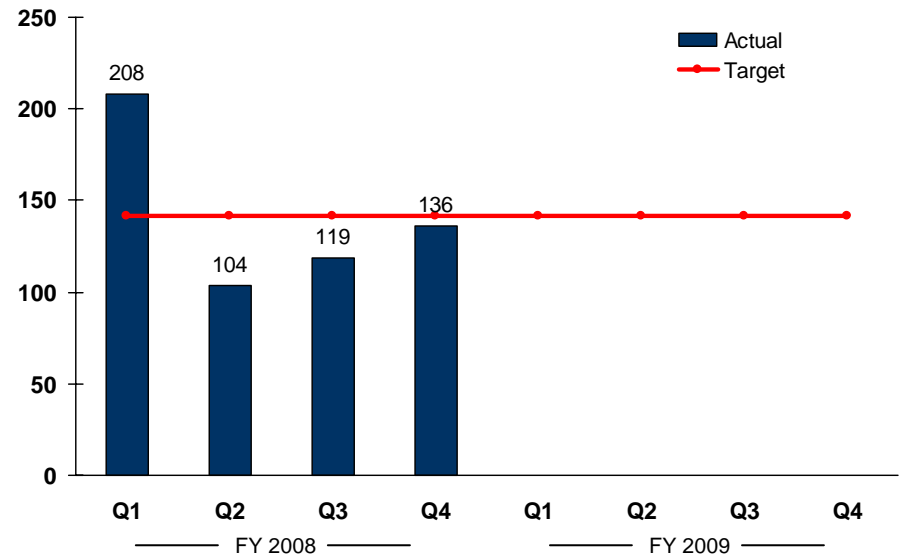
**Agency Goal:** Prepare the state to compete in a global marketplace

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Slides 8 and 9 are important to evaluate together.
- These results are a subset for activity A171
- There is a time lag between starting a new case and when sales take place.
- Base on the strength of a strong first quarter we achieved our annual target of 568 exactly.
- A continued weak US dollar and strong economies in our target markets could contribute to strong outcomes in future quarters.

**E008 - Number of new cases managed by CTED's overseas office (completed service delivery) (output)**


**Action Plan**
**Who**
**Timeframe**

Monitor for annual goals

Mark Calhoon

Ongoing

Draft a decision package to expand CTED representation in overseas markets.

Larry Williams, Mark Calhoon, Nick Demerice

May – Dec 2008

**Budget Activity:** ITED A084 - Overseas Office Contract Activities

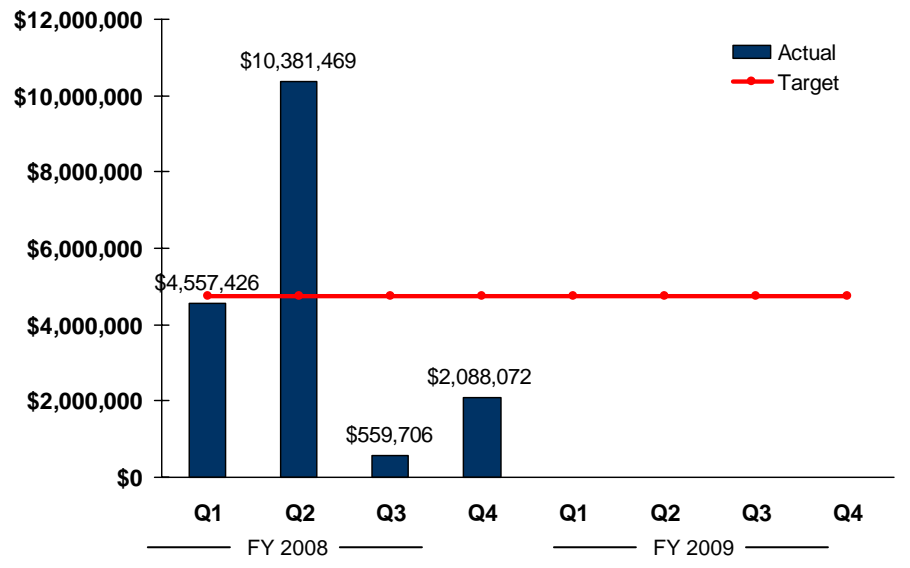
**Purpose:** Provide information on WA to foreign clients provide marketing information on foreign markets to WA businesses, facilitate economic development relationships between regions

**Agency Goal:** Prepare the state to compete in a global marketplace

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- A focus in Q2 on getting back overdue client survey forms from previous quarters resulted in strong results, but took some sales away from Q3 and Q4.
- Because of strong Q2 results, we have exceeded our FY target of \$19 million.

**E009 - Export sales generated by overseas office contract activities reported by clients (outcome)**

**Action Plan**

Draft a decision package to expand CTED representation in overseas markets.

**Who**

Larry Williams, Mark Calhoon, Nick Demerice

**Timeframe**

May – Dec 2008

**Budget Activity:** ITED A171 - Global Trade and Investment Services

**Purpose:** Diversify the state's economy by increasing the sales of Washington products in overseas markets

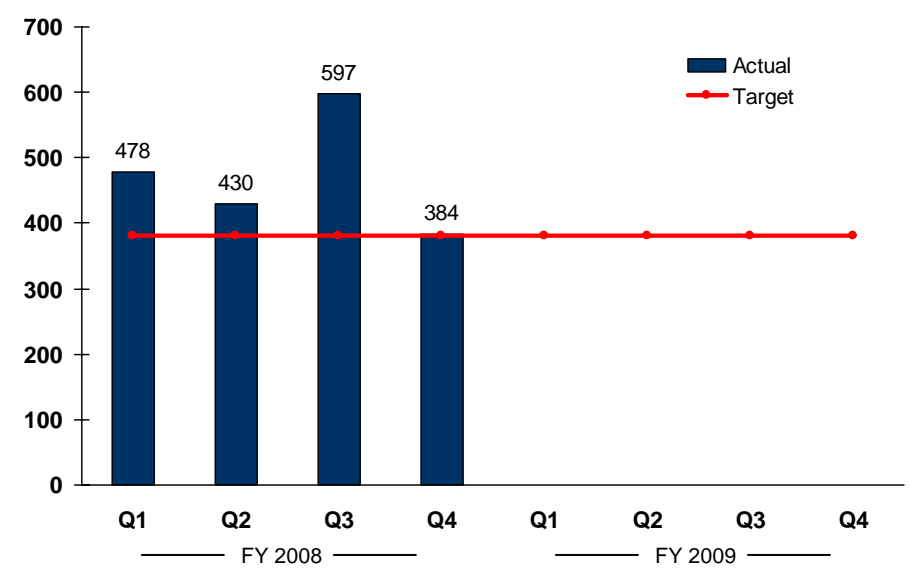
**Agency Goal:** Prepare the state to compete in a global marketplace

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Slides 10 and 11 are important to evaluate together.
- Results include the Export Finance Assistance Center of Washington.
- We exceeded our annual target for FY 2008 of 1520 by 369 cases (~25%).

**E010 - Number of export assistance cases managed by CTED (completed service delivery) (output)**



**Action Plan**

Draft a decision package to expand CTED export assistance capacity for Washington companies

**Who**

Larry Williams, Mark Calhoon, Nick Demerice

**Timeframe**

May – Dec 2008

**Budget Activity:** ITED A171 - Global Trade and Investment Services

**Purpose:** Diversify the state's economy by increasing the sales of Washington products in overseas markets

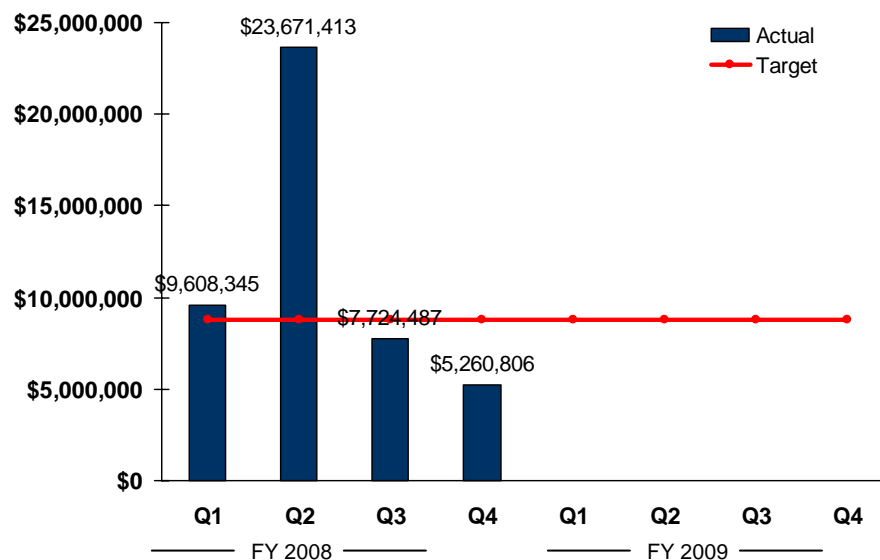
**Agency Goal:** Prepare the state to compete in a global marketplace

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- See previous slide.
- Sales for the FY total \$46 million, and have surpassed the FY target of \$35 million.
- There is typically a lag between new cases and export sales of 6-24 months.
- We received no sales for Q4 because the Export Finance Assistance Center is going through a transition with a new executive director.
- A strong push in Q2 by CTED and EFACW to get back overdue client survey forms will take some sales away from Q3 and Q4.

**T001 - Total Export sales reported by clients (outcome)**



**Action Plan**

**Who**

**Timeframe**

Re-evaluate FY 2008 goals and adjust up for quarters 3 and 4

Mark Calhoun, Larry Williams

Feb 2008

**Budget Activity:** ITED A170 - Regional Services

**Purpose:** Encourage investment and job creation

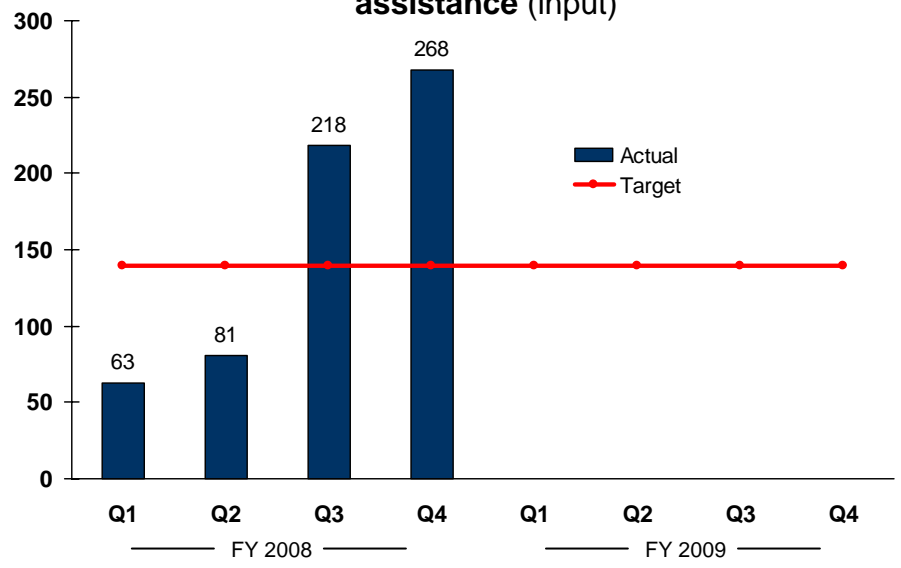
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- Slides 13 and 14 should be evaluated together.
- Q1 and Q2 requests were down from previous estimates as we implemented our regional strategy.
- Q3 and Q4 data suggests our theory about the demand for services our in areas of the state was correct.
- Regional staff are making connections in new areas which is driving up demand for their services.
- This is a combination of introducing our services to areas that have been traditionally underserved and being closer to our contacts in established areas.

**E011 - Number of unique local organizations and companies requesting economic development assistance (input)**



**Action Plan**

Draft a decision package to expand capacity in regional offices in not only economic development but a wide array to CTED services

**Who**

Larry Williams and other ADs

**Timeframe**

Dec 2008

**Budget Activity:** ITED A170 - Regional Services

**Purpose:** Encourage investment and job creation

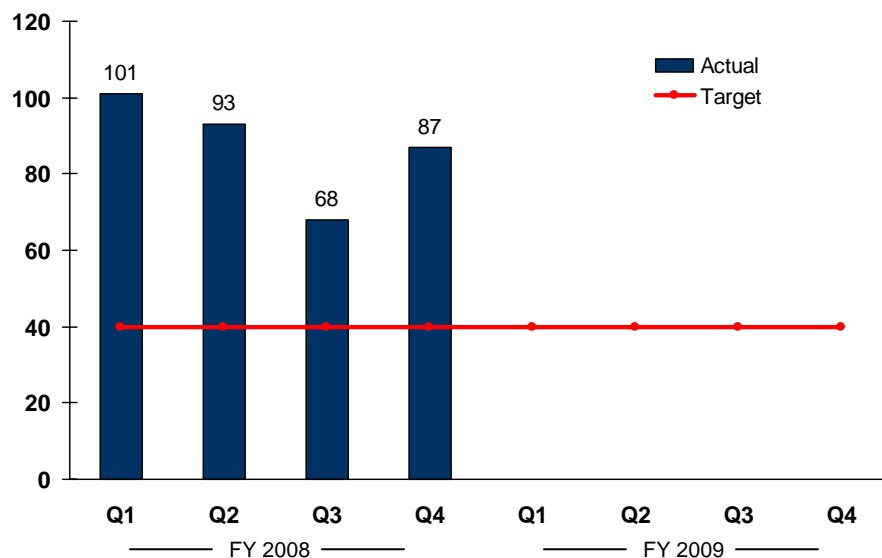
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- With the number of requests increasing we expect to see an up tick in the number cases we are working.
- Number of cases decrease as available funds diminish as the biennium progresses
- With an uncertain economic near future many companies are putting their expansion and location plans on hold.

**E012 - Number of open cases (more than four hours of assistance) (output)**



**Action Plan**

**Who**

**Timeframe**

Re-evaluate goals and adjust as necessary

Dick Larman, Nick Demerice

Summer 2008

Evaluate the types and location of cases to determine if our resources are deployed effectively

Larry Williams, Dick Larman

Summer / Fall 2008

**Budget Activity:** ITED A168 - Economic Development Capacity Building and Outreach

**Purpose:** Strengthen skills and expertise of community leaders, economic development professionals and small businesses

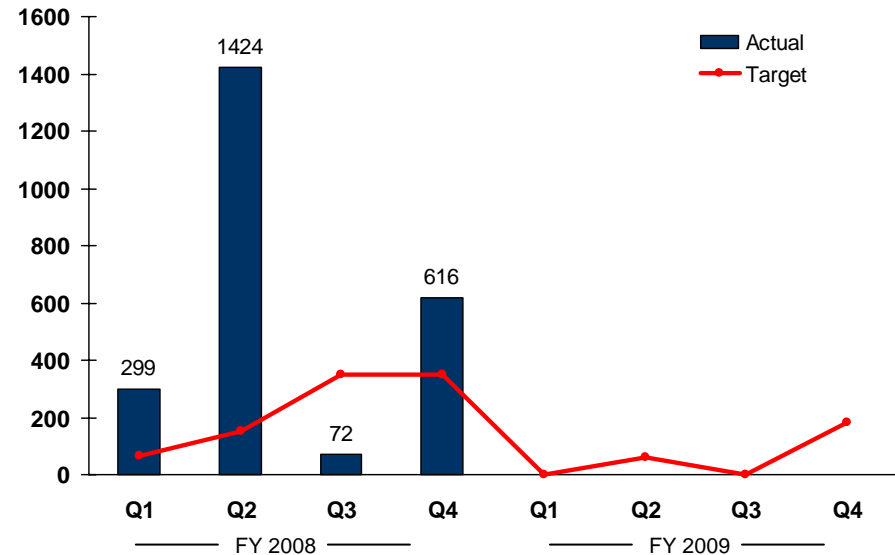
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- We have significantly exceeded our FY 2008 goals.
- This is due to several factors:
  - We set goals based on what was on the calendar at the beginning of the fiscal year. These goals did not account for unexpected conferences such as the Aerospace Summit.
  - We have been doing more state training than local. This yields more participants per training.
  - Re-organization of the division has led to more collaborative training opportunities such as training around FDI (foreign direct investment)

**E013 - Number of individuals served through ITED-sponsored training and conferences (output)**



**Action Plan**

Re-evaluate FY 2009 goals to reflect trainings and conferences we currently have scheduled.

**Who**

Maury Foreman

**Timeframe**

Feb 2008

**Budget Activity:** ITED A162 - Statewide Programs

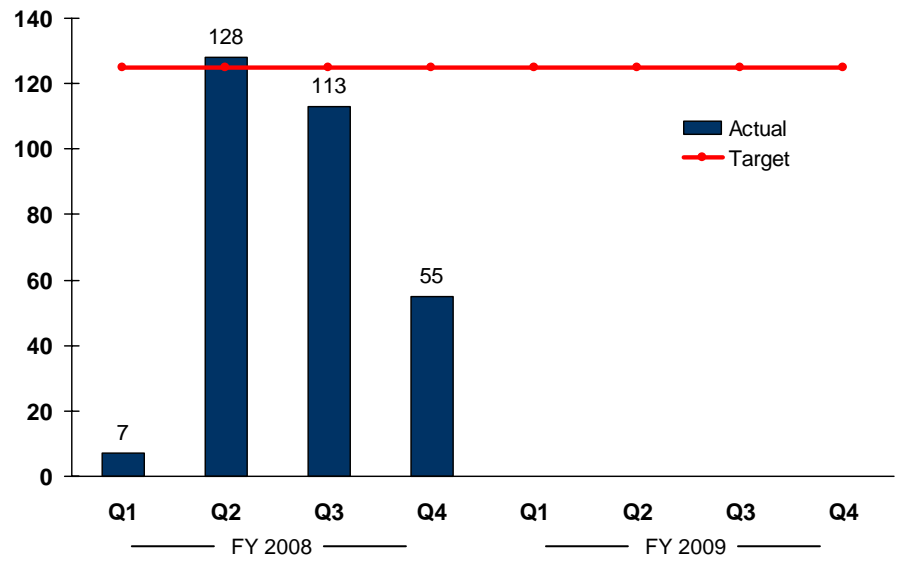
**Purpose:** Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- This is a new business unit in ITED
- Many programs that had not previously been counting jobs have results as part of this measure.
- When making original projections we had no trend data to base upon.
- Roll up of our recruitment activities, childcare facility fund and the Brownfield's program.
- Although staff in this unit work on many projects most results are captured in the Grants and Loans and Regional Services units to avoid double counting.

**E014 - Estimated number of jobs created or retained as a result of ITED assistance (outcome)**

**Action Plan**
**Who**
**Timeframe**

Hire a new managing director for the Statewide Programs unit.

Larry Williams

Summer 2008

Work with new managing director to create new measures that accurately reflect the work of the business unit.

Larry Williams, new managing director

Summer 2008

*How target was set: Estimates based on some historical data*
*Data Source: ITED Performance Database*

**Budget Activity:** ITED A162 - Statewide Programs

**Purpose:** Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

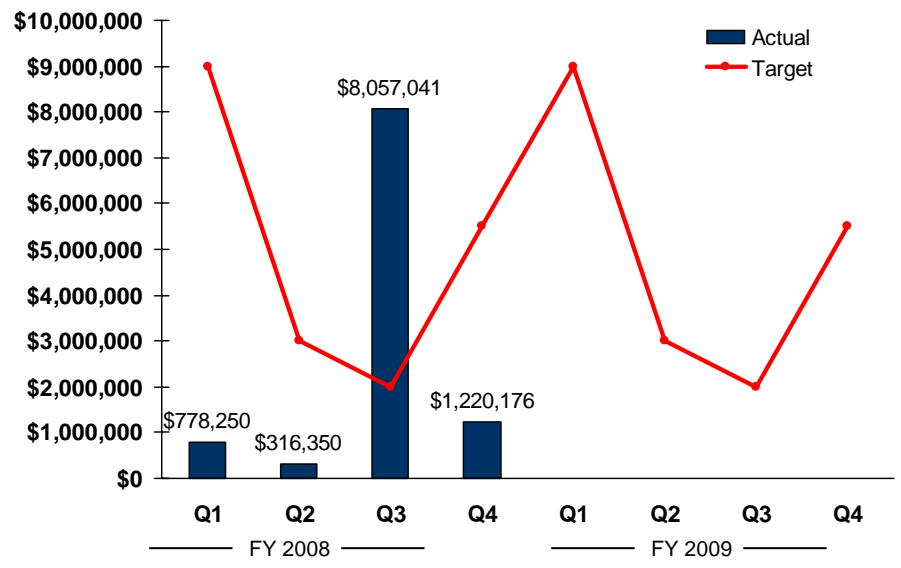
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- This is a new measure to most programs in the unit and it is possible we overestimated the goals.
- If you look at slide 18 you will see we are under projections for companies recruited. This slide is closely tied to that one.
- Q3 result is due to a larger than expected private investment reported by our Main street program.
- Monthly and quarterly review is not particularly helpful.
- The economy is a great concern for the this effort. Companies are holding off siting decisions and looking to lower cost approaches to expansion like expanding in current facilities instead of opening new.

**E015 - Estimated amount of private capital investment leveraged with CTED assistance (outcome)**



**Action Plan**

**Who**

**Timeframe**

Hire a new managing director for the Statewide Programs unit.

Larry Williams

Summer 2008

Work with new managing director to create new measures that accurately reflect the work of the business unit.

Larry Williams, new managing director

Summer 2008

*How target was set: Estimates based on some historical data*

*Data Source: ITED Performance Database*

**Budget Activity:** ITED A162 - Statewide Programs

**Purpose:** Provide financial and/or technical assistance to companies and communities to retain, expand and attract businesses

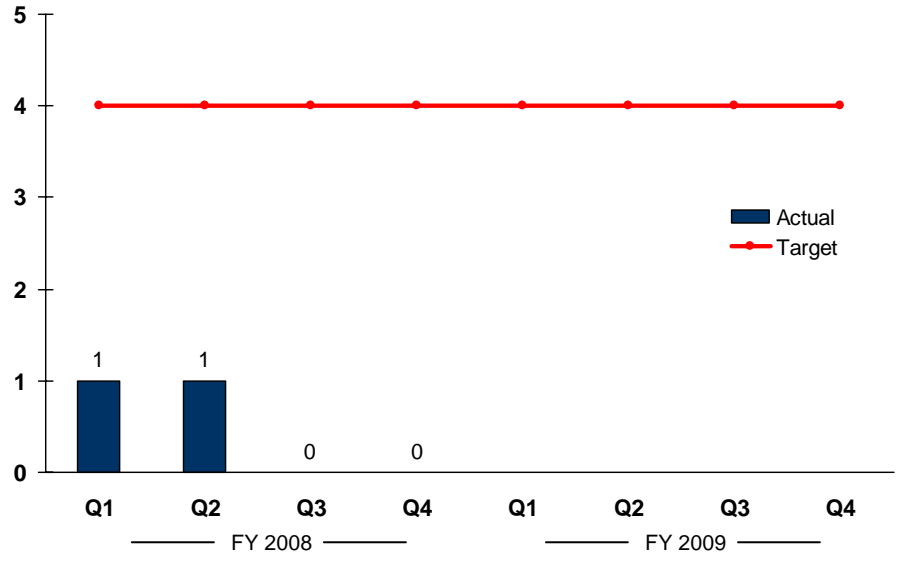
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of business and individuals

**Analysis:**

- With the work we did in connection with the Governor’s economic vitality GMAP it is clear the way we count this measure is not truly reflective of the work ITED does in business recruitment.
- In order to avoid double counts within the ADO network we count very few of our success recruitments. These results are picked up down stream in the pipeline. This will be a consideration when setting goals in the future.

**E016 - Number of businesses sited in the state as a result of timely and coordinated responses to prospective business leads and site location inquiries (outcome)**



**Action Plan**

**Who**

**Timeframe**

Hire a new managing director for the Statewide Programs unit.

Larry Williams

Summer 2008

Work with new managing director to create new measures that accurately reflect the work of the business unit.

Larry Williams, new managing director

Summer 2008

*How target was set: Estimates based on some historical data  
Data Source: ITED Performance Database*

**Budget Activity:** ITED A163 - Economic Development Financial Assistance

**Purpose:** Provide contracting, fund management and loan repayment services in ITED

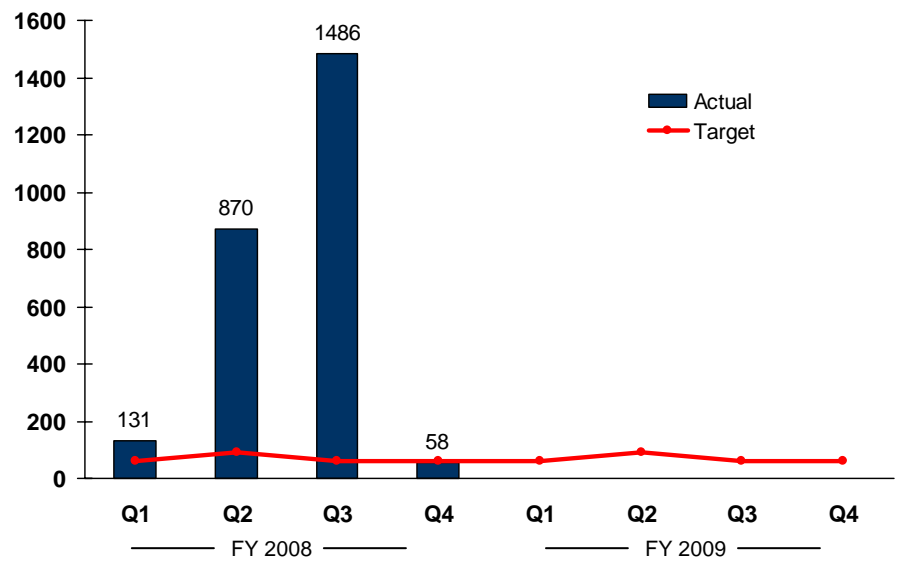
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of businesses and individuals

**Analysis:**

- Target goals have been adjusted to reflect new scope of the measure, which now includes both CERB programs and business loans.
- A couple of big projects (including a pair of JDF grants) drove 2<sup>nd</sup> quarter results up; CERB executed two more large job projects in the third quarter and JDF had one very large job generation (1,316 jobs).
- With the exception of the JDF impact we believe we are on track with historical trends.
- CERB and JDF make up 94% of these job numbers for the year and all of them for the third quarter

**E017 - Estimated number of jobs created and retained as a result of ITED assistance (outcome)**



**Action Plan**

**Who**

**Timeframe**

Hire a new managing director for the Grants and Loans Unit.

Larry Williams

Summer 2008

Decision package to replace JDF funds with additional funds for CERB.

Larry Williams

May to December 2008

*How target was set: Estimates based on some historical data  
Data Source: ITED Performance Database*

**Budget Activity:** ITED A163 - Economic Development Financial Assistance

**Purpose:** Provide contracting, fund management and loan repayment services in ITED

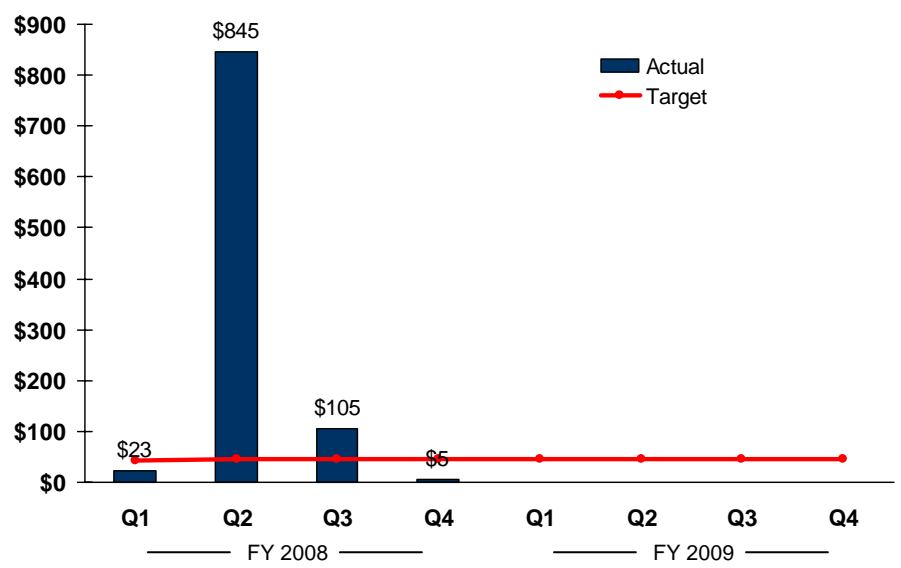
**Agency Goal:** Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

**Priority of Government:** Improve the economic vitality of businesses and individuals

**Analysis:**

- The vast majority of the second quarter results are the REC silicon investment referenced in slide #2
- Third quarter results are driven by a JDF funded contract
- JDF funding of contracts over the next 6-8 months will continue to push results above the target mark until all contracts are out; results will then probably fall back to the target level.

**E018 - Estimated amount of private capital investment leveraged with CTED funding (outcome)**



Action Plan	Who	Timeframe
Hire a new managing director for the Grants and Loans Unit.	Larry Williams	Summer 2008
Decision package to replace JDF funds with additional funds for CERB.	Larry Williams	May to December 2008

How target was set: Estimates based on some historical data  
 Data Source: ITED Performance Database

## Allotments vs Expenditures (YET) – 4th Quarter FY 2008

(represents June expenditures and FTEs in the system as of July 15th.)

### 700 – International Trade and Economic Development

Subprogram Title	Biennium Dollars Allotted	Allotted Dollars YTD	Expenditures YTD	Variance YTD	Variance %
Education & Outreach	1,974,329	948,562	814,997	133,565	14.08%
Grant and Loan Services	20,829,679	10,595,483	9,457,987	1,137,496	10.74%
International Trade Development	5,004,055	2,492,716	2,180,840	311,876	12.51%
ITED Admin	4,582,445	2,995,916	2,346,110	649,806	21.69%
Program Delivery	3,500,485	1,939,424	1,693,139	246,285	12.70%
Regional Services	2,240,993	1,098,621	1,006,736	91,885	8.36%
Tourism Development	13,701,503	6,934,838	5,939,643	995,195	14.35%
<b>Division Totals</b>	<b>51,833,489</b>	<b>27,005,560</b>	<b>23,439,452</b>	<b>3,566,108</b>	<b>13.21%</b>

Education & Outreach: Most of the variance is in private/local funds, which will carry forward into FY09. Adjustment will be submitted to put some of these funds in unallotted status. Grant and Loan Services: The bulk of the variance is in grants. Almost all invoices are in and, with the exception of one proviso (Microenterprise Association), will be spent to zero. International Trade: The variance is primarily in foreign contracts and will be spent out. ITED Admin: \$430,000 for the ED Commission is allotted but none has been spent; \$51,060 from the IAG with the Higher Education Coordinating Board for Life Sciences was not expended; and \$200,000 in Administrative Contingency and private/local funds that will be spent in FY09. Program Delivery: Variance is in grants, mainly the contract with MLK Ecumenical Center in the federal Brownfields Program, which was delayed by six months due compliance issues. Tourism Office: Overexpenditure of General Fund will be transferred to dedicated funds. The office is developing a plan with the Tourism Commission to spend out these dollars in FY09.

## FTE Usage (YTD)

(represents June FTEs in the system as of July 15th.)

Subprogram Title	Biennium Staff Months Allotted	Allotted Staff Months YTD	Actual Staff Months YTD	Variance YTD	Variance %
Education & Outreach	128.24	68.24	63.31	4.93	7.22%
Grant and Loan Services	269.48	136.64	136.05	0.59	0.43%
International Trade Development	290.04	143.28	140.29	2.99	2.09%
ITED Admin	159.00	75.00	70.71	4.29	5.72%
Program Delivery	286.95	147.15	124.81	22.34	15.18%
Regional Services	264.00	132.00	121.01	10.99	8.33%
Tourism Development	197.00	95.00	78.68	16.32	17.18%
<b>Division Totals</b>	<b>1594.71</b>	<b>797.31</b>	<b>734.86</b>	<b>62.45</b>	<b>7.83%</b>