

Budget Activity: LG A096 - Community Development Block Grant (CDBG)

Purpose: Provide grants and technical assistance to jurisdictions to increase their capacity to develop, manage & complete 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 businesses and individuals

Analysis: Projects cannot be utilized by the communities until completed.

•Completed on time dropped from 52% (13/35) in FY06 to 35% (11/31) in FY07

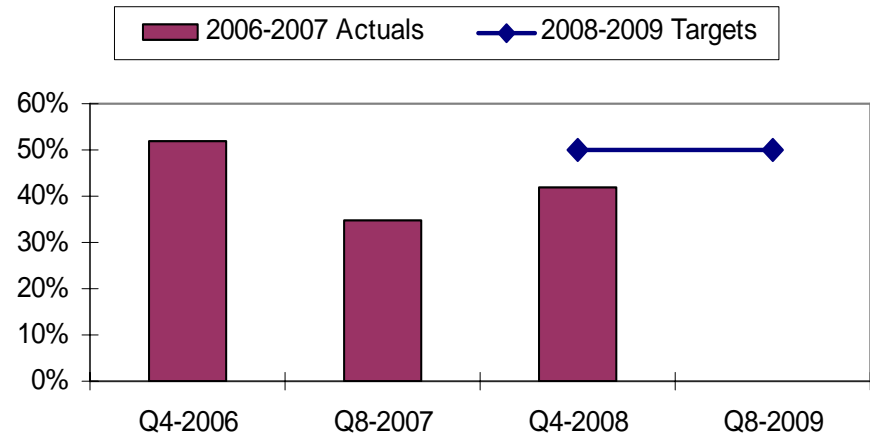
- More projects were scheduled to complete in 2007
- Less technical assistance was provided due to staffing changes & learning curve.
- National disasters in late 2005, creates shortages in materials & workers, costs escalated in 2007.

•Target 50% completed on time FY08 & FY09.

- 40% of projects scheduled to complete in FY08 & 09 have already had time extensions.
- 13 of 31 (42%) of projects scheduled to complete in FY08 Q1, Q2 & Q3 were completed on time.

•The percentage of projects completed on time will go up in FY10 & FY11 as projects funded in prior years are completed & the Action Plan is implemented.

L008 - Percent of projects completed on time (as per grant contract's scope of work) (output)



Action Plan

Emphasize readiness & capacity in selecting projects for funding.

Who

CDBG General Purpose Grant rating & selection team

Timeframe

Nov. 07 - March 08

Provide technical assistance on project development & management, environmental review & set more realistic timelines in contract negotiation.

Clare Billings

April 07 - Nov. 08

How target was set: Assessing current infrastructure projects scheduled for completion in 07-09

Data Source: CDBG Contracts Database

Budget Activity: LG A092 - Bond Cap Allocation Program for Tax Exempt Bond Financing Authority

Purpose: Evaluate and approve applications for tax-exempt private activity bond issuing authority

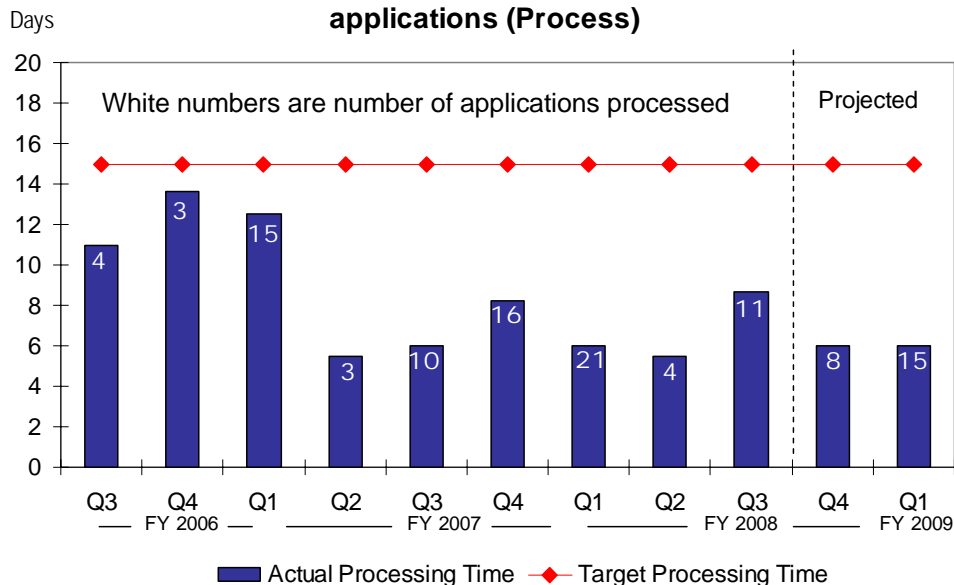
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

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

Analysis:

- RCW 39.86.140 requires applications to be processed by February 1st (if received before January 16), or within 15 days of receipt.
- Increased demand for Cap authority during calendar year 2007 continuing into 2008 required BCAP to create a new, competitive process for reviewing and prioritizing Housing Cap applications.
- Criteria for prioritizing applications competitively were established incorporating statutory requirements, agency rules, and agreements from earlier negotiations among CTED, the Housing Finance Commission, and Local Housing Authorities.
- The first competitive Bond Cap Housing round was successfully implemented in January 2008; another round will likely be necessary in September 2008.

L007 - Average number of days to process applications (Process)



Action Plan

Design and implement competitive application review process, coordinating with Housing Trust Fund. Evaluate process semi-annually and implement any necessary changes to ensure timely review and approval of allocations.

Who

- Bond Cap Manager and review team:
- CDP Managing Director
 - Housing Trust Fund manager
 - Housing Trust Fund staff person
 - Housing Improvement Program manager

Timeframe

- Complete application reviews by:
- September 1, 2008
 - February 1, 2009
 - September 1, 2009

*How target was set: Statutory requirements of RCW 39.86.140
Data Source: 2006 application files; 2007 and 2008 BCAP databases*

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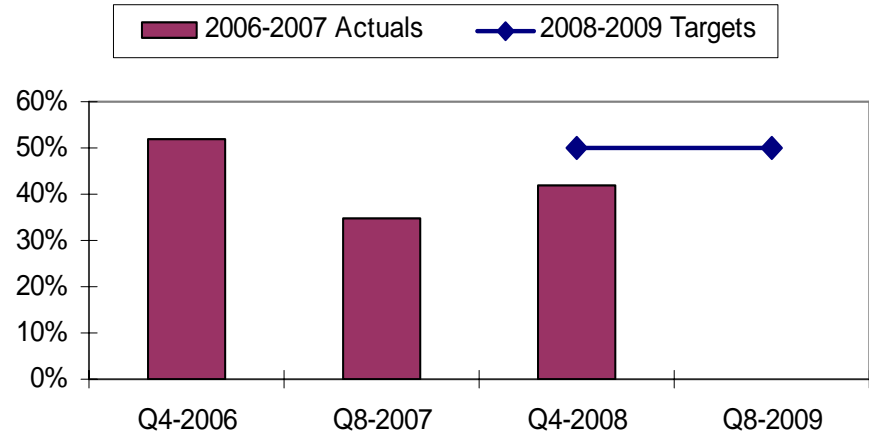
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L008 - Percent of projects completed on time (as per grant contract's scope of work) (output)



Action Plan

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Timeframe

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Clare Billings

April 07 - Nov. 08

How target was set: Assessing current infrastructure projects scheduled for completion in 07-09

Data Source: CDBG Contracts Database

Budget Activity: LG A 166 - LGD Local and Community Projects – Direct and Competitive

Purpose: Provide guidelines & technical assistance to stakeholders to increase chances of submitting a successful application

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

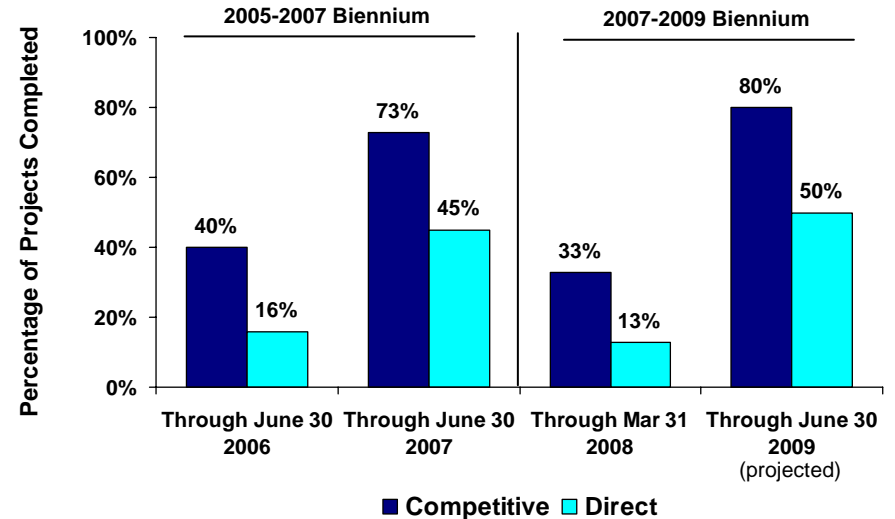
Analysis: Projects screened by a competitive process are almost twice as likely to spend their appropriation before the end of the biennium.

On target to meet 2007-2009 goals, despite a 63% increase in the number of direct projects from 2005-2007 biennium, with more added in the 2008 Supplemental Session.

Further analysis will be done to determine the most common factors that impede project readiness, which include:

- Completion of fundraising by grantee
- Design revisions due to unanticipated higher costs
- Prevailing wage issues
- “Green Buildings” requirements
- Changes in project scope since application was submitted
- Delays in obtaining permits
- Dept. of Archaeology and Historic Preservation review

L009 - Percent of projects completed on time (within the biennium in which funding was originally appropriated) (output)



Action Plan	Who	Timeframe
Implementation of the Contracts Administration Unit will allow for increased site monitoring and project development efforts.	Capital Programs Staff	May 2008
Work with Small Communities Initiative and regional CTED staff to identify need and provide tech. assistance with project development.	Capital Programs, SCI, and Regional CTED Staff	Ongoing

How target was set: Analyzing 2005-2007 Biennium data

Data Source: Capital Programs database

Budget Activity: LG A115 - Small Communities Initiative (SCI)

Purpose: Improve the health and safety of rural communities identified by DOH and DOE as being at risk

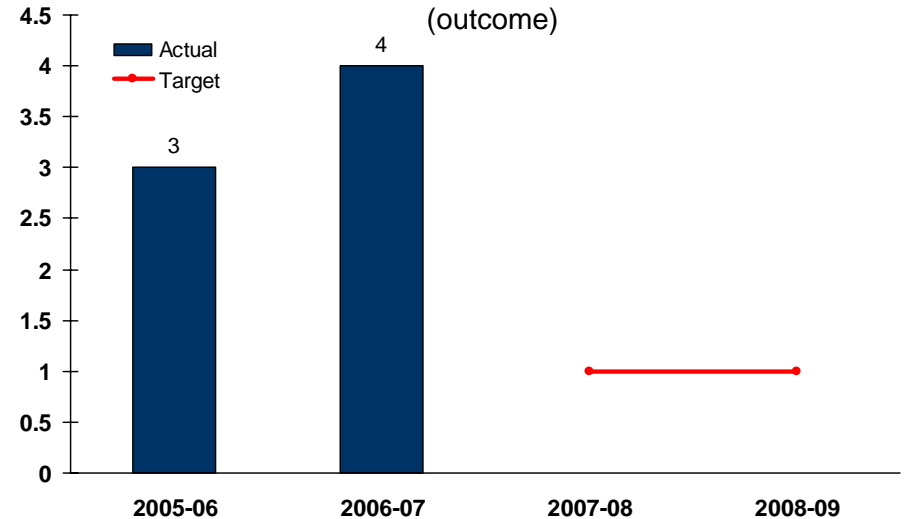
Agency Goal: Improve the health and safety of communities and families

Priority of Government: Improve the health of Washingtonians

Analysis:

- 2 SCI staff (in Olympia and Spokane) each work with approximately 7-10 communities at a time.
- Since 1999, SCI staff have assisted 25 communities in securing over \$55 million in state and federal funding, resulting in safer drinking water, environmental protection, and more communities with infrastructure that can serve community and economic development activities.
- Projects in SCI communities usually take 2-7 years to complete planning, design, and construction. Currently 6 projects in the planning phase; 5 in design phase; 2 seeking funding for construction; and 3 in construction.
- 33% of CTED's SCI staffing costs funding is provided by Health and Ecology. Health and Ecology Regional Offices refer projects to SCI.
- Value to CTED: As heard in ITED Regional Listening Sessions around the state, smaller communities need assistance in developing infrastructure projects and accessing funding. SCI provides project development technical assistance for water and wastewater projects, which results in better investment of limited state (and federal) infrastructure dollars.

PL01 - Number of small communities brought into Department of Health and Department of Ecology regulatory compliance through improved water and/or waste water systems



Action Plan

Who

Timeframe

Develop strategy to strengthen ties to Regional ITED effort

Cathi Read and Jon Galow; Regional ITED staff

By April 2008

Meet with multi-agency Steering Committee

Cathi Read and Jon Galow; Steering Committee members

April 9, July 9, October 8, 2008

How target was set: The Interagency Agreements between CTED and Health/Ecology were used to frame the SCI Program performance measures.

LG A115 – Small Communities Initiative - (Continued – discussion notes)

Why is the target one community each year when previous years were three and four?

These projects can take 2-7 years to complete. As explained in bullet #2, we currently have 16 projects in the pipeline in various phases of project development. In any given year there may be zero communities brought into compliance or there may be five or more. There just happened to be three in 05-06 and four in 06-07; in some previous years it was only one.

For future years, we picked one as a conservative estimate; however, as indicated on the attached table, estimates for future years are between zero and five in any given fiscal year.

Please note that SCI staff can work for many years on a project before being able to “count” it under this performance measure – the number of communities coming into compliance does not reflect SCI staff time/effort in any given year – only over a period of many years, due to the nature of these projects.

SCI staff are open to discussing possible changes to this performance measure.

SCI must meet expectations of Health and Ecology as well as CTED. Four Ecology and three Health Regional Offices refer communities to SCI. At any given time, there are at least 50 communities on Ecology’s and Health’s lists that could benefit from SCI’s assistance. Most, but not all, SCI projects eventually apply for and receive CDBG funding.

LG A115 – Small Communities Initiative - (Continued – discussion notes)

Estimated number communities brought into Department of Health and Department of Ecology regulatory compliance through improved water and/or wastewater systems in future state fiscal years (actual completion depends on many factors, including success with funding applications). Each year, Health and Ecology Regional Offices add new communities to the SCI Program.

Current status	Brought into compliance in:						
	07-08	08-09	09-10	10-11	11-12	12-13	13-14
In construction phase:							
Concrete	x						
Ione		x					
Metaline Falls	x						
Applying for construction funding:							
Mansfield		x					
Twisp		x					
In design phase							
Clark Addition		x					
Metaline		x					
South Bend/Raymond						x	
Vader							x
In planning phase							
Rock Island						x	
Outlook						x	
Curlew						x	
Republic/Pine Grove					x		
Steptoe ¹							
Republic ²							
Totals³	2	5	0	0	1	4	1

¹ Date of compliance depends on outcome of planning

² Date of compliance depends on outcome of planning

³ Totals may change depending on new communities added, funding availability, and other factors.

Budget Activity: LG A104 - Growth Management

Purpose: Growth Management Act (GMA) goal of increasing amount of new development occurring inside urban growth areas (UGA)

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

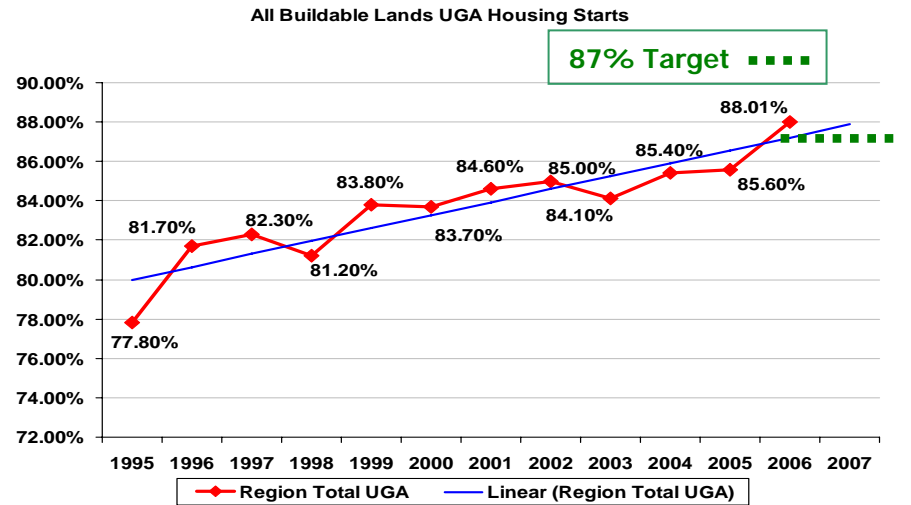
Analysis:

- Percentage of new development occurring inside urban growth areas is steadily increasing at a rate of about 0.85% per year despite population increases.

Potential Contributing Factor: UGA size increases

- Clark and Kitsap adopted significant additional expansions in 2007, though appeals have been filed. Maintain 87% target for 2007 while appeals are pending.

Percent of development occurring within urban areas of the six most populated counties in Western Washington (outcome)



Action Plan

Who

Timeframe

Update Growth Management Act guidelines in Washington Administrative Code tools increasing percent of development in growth areas

Dave Andersen

April 2009

Draft changes to guidelines and/or statute as recommended in buildable lands report increasing counties data use

Ike Nwankwo

April 2009

How target was set: Based on historical data trend through 2007

Data Source: County buildable lands reports

4/1/2008: No change in data from February 2008 GMAP – these are annual numbers they do not change quarterly.

Budget Activity: LG A104 - Growth Management

Purpose: Growth Management Services mission of assisting city/county planning actions consistent with growth management act

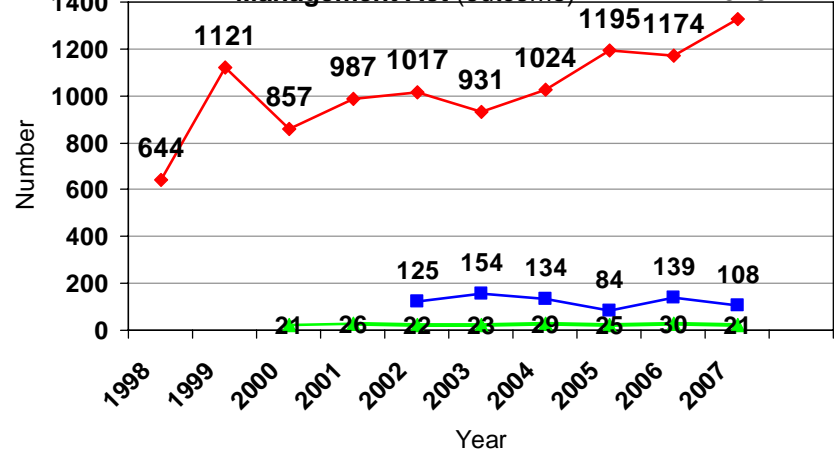
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

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

Analysis:

- Number of comment letters and Hearings Board noncompliance findings decreased since 2006. This is because the required Growth Management Act update cycle for 2004-2007 was beginning to wind down.
- City/county actions delivered to CTED have been on the rise since 2003. A 13% increase in 2007 is primarily related to improved compliance stemming from encouraging electronic submittal.
- CTED comment letters have decreased in proportion to city/county actions because of CTED's emphasis on early and continuous contact as they develop their proposed actions, including other agencies through plan review database and technical teams.

Proportion of City/County actions not complying with Growth Management Act (outcome)



◆ Proposed city/county GMA actions
■ CTED comment letters written
▲ Hearings Board findings of GMA non-compliance

Action Plan

Who

Timeframe

Update Growth Management Act guidelines in WAC to clarify approaches to achieving GMA compliance

Dave Andersen

Spring 2009

Transition technical assistance publications to more user-friendly, web-based format

Mark Porter

Spring 2009

How target was set:

4/1/2008: No change in data from February 2008 GMAP – these are annual numbers they do not change quarterly.

Budget Activity: LG A095 – Land Use Assistance Program

Purpose: Provide grants for specific land use planning and environmental projects in addition to those required by the Growth Management Act

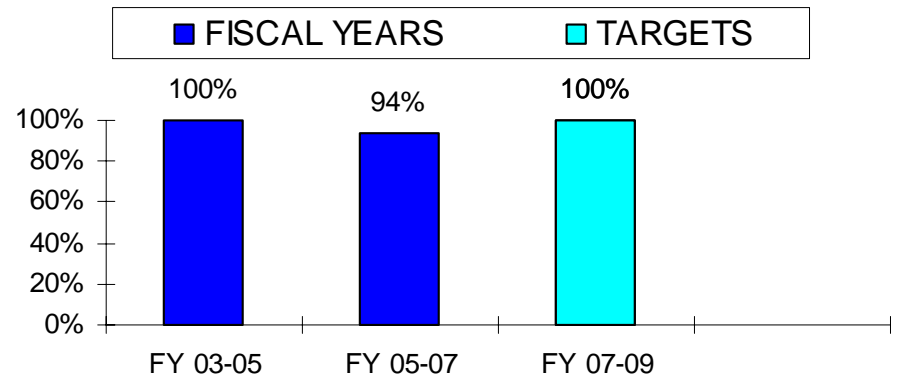
Agency Goal: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens

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

Analysis:

- All projects under this program result from direct legislative appropriations through budget provisos.
- Number of proviso grants increased from 4 projects in Fiscal Year 2003-2005 to 36 projects in Fiscal Year 2005-2007.
- Both of the projects not completed on time resulted from grant recipient difficulty finding and hiring qualified personnel. These two projects started later than planned and only partially completed their scopes of work.
- Three proviso grants were awarded in the 2007-2009 biennial budget. All three of the proviso grants were started on time and are proceeding as scheduled.
- One additional proviso was added in the supplemental budget for fiscal year 2009.

Percent of projects completed on time, as per contract (within scope of work) (output)



Action Plan	Who	Timeframe
Initiate additional proviso contract discussions before July 1, 2008 effective date	Ike Nwankwo/Valerie Grigg-Devis	December 2008 – March 2009
Proactively provide information to key legislators to emphasize importance of readiness and capacity in selecting projects for funding	Leonard Bauer/Ike Nwankwo	April 2008 – June 2008

Allotments vs Expenditures (YET) - 3rd Quarter FY 2008

600- Local Government

Subprogram Title	Biennium Dollars Allotted	Allotted Dollars YTD	Expenditures YTD	Variance YTD	Variance %
Community Development Program	32,728,381	5,535,044	4,158,721	1,376,323	24.87%
Growth Management	13,857,678	4,532,495	4,389,764	142,731	3.15%
Local Government Administration	697,715	395,984	311,925	84,059	21.23%
Local Gov't Fiscal Note Program	551,415	177,523	166,595	10,928	6.16%
Safe and Drug Free Communities	73,423,066	32,246,114	30,643,920	1,602,194	4.97%
Division Totals	121,258,255	42,887,160	39,670,925	3,216,235	7.50%

The Community Development Program under-expenditure is due to a slowdown in contract payments. The Local Government Administration under-expenditure is due to a vacancy that was filled in April and late expenditures of proviso funds for examining the fiscal health of Washington counties.

FTE Usage (YTD)

Subprogram Title	Biennium Staff Months Allotted	Allotted Staff Months YTD	Actual Staff Months YTD	Variance YTD	Variance %
Community Development Program	332.4	75.6	73.28	2.32	3.07%
Growth Management	568.8	149.2	130.26	18.94	12.69%
Local Government Administration	45.6	12	17.4	-5.4	-45.00%
Local Gov't Fiscal Note Program	96.05	7.35	7.88	-0.53	-7.21%
Safe and Drug Free Communities	307.44	76.92	66.6	10.32	13.42%
Division Totals	1350.29	321.07	295.42	25.65	7.99%