

State of Washington
Joint Legislative Audit and Review Committee (JLARC)



Inventory of State Infrastructure Programs
Volume 3 of 3 – Other Infrastructure Projects

Report 06-11

November 29, 2006

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in alternative formats for persons with disabilities.*

JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

506 16th Avenue SE

PO Box 40910

Olympia, WA 98501-2323

(360) 786-5171

(360) 786-5180 Fax

<http://jlarc.leg.wa.gov>

Committee Members

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Brad Benson

Jeanne Kohl-Welles

Bob Oke

Linda Evans Parlette, Vice Chair

Debbie Regala

Phil Rockefeller, Asst. Secretary

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Joseph Zarelli

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LEGISLATIVE AUDITOR

Ruta Fanning

The Joint Legislative Audit and Review Committee (JLARC) carries out oversight, review, and evaluation of state-funded programs and activities on behalf of the Legislature and the citizens of Washington State. This joint, bipartisan committee consists of eight senators and eight representatives, equally divided between the two major political parties. Its statutory authority is established in RCW 44.28. This statutory direction requires the Legislative Auditor to ensure that performance audits are conducted in accordance with Government Auditing Standards as applicable to the scope of the audit.

JLARC staff, under the direction of the Committee and the Legislative Auditor, conduct performance audits, program evaluations, sunset reviews, and other policy and fiscal studies. These studies assess the efficiency and effectiveness of agency operations, impacts and outcomes of state programs, and levels of compliance with legislative direction and intent. The Committee makes recommendations to improve state government performance and to correct problems it identifies. The Committee also follows up on these recommendations to determine how they have been implemented. JLARC has, in recent years, received national recognition for a number of its major studies.

INVENTORY OF STATE INFRASTRUCTURE PROGRAMS

INVENTORY DIGEST



NOVEMBER 29, 2006

STATE OF WASHINGTON

JOINT LEGISLATIVE AUDIT AND REVIEW
COMMITTEE

STUDY TEAM
Linda Byers

LEGISLATIVE AUDITOR
Ruta Fanning

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on the JLARC website at:

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or contact

Joint Legislative Audit & Review Committee
506 16th Avenue SE
Olympia, WA 98501-2323
(360) 786-5171
(360) 786-5180 FAX

Public Funding for Infrastructure

"Infrastructure" can be described as "the basic installations and facilities on which the continuance and growth of a community or state depends."¹ Government agencies at various levels frequently build and operate such infrastructure, such as water systems, roads, and schools.

JLARC's Inventory of State Grant and Loan Programs That Fund Infrastructure

Washington's state government administers a number of grant and loan programs to assist local governments and others develop infrastructure. In 2005, the Legislature passed ESHB 1903, which directed the Joint Legislative Audit and Review Committee (JLARC) to assemble an inventory of these state grant and loan programs. JLARC has created this inventory in response to the Legislature's mandate.

JLARC's inventory of state grant and loan programs that fund infrastructure includes 75 separate programs. These programs provided more than \$1 billion in grants and loans for infrastructure projects in 2005.

The inventory is organized into three report volumes:

Volume 1 – Basic Infrastructure. This volume describes programs that fund systems to address water and waste; examples include drinking water, wastewater and stormwater, flood and irrigation management, and solid or hazardous waste systems.

Volume 2 – Transportation Infrastructure. This volume describes programs that fund roads and bridges, as well as programs that fund projects featuring other modes of transportation from walking and biking to trains and aviation.

Volume 3 – Other Infrastructure. This volume describes programs that fund buildings, facilities, and recreation such as schools, housing, community facilities, and parks.

An individual program may fund projects in more than one category; for example, some Community Development Block Grants can be used to build drinking water and sewer systems, streets, and child care facilities. In these situations, the program is cross-listed in all of the appropriate volumes.

¹ New World Dictionary of the American Language, Second College Edition, 1979.

Information Included in the Inventory

Each of the three volumes contains **profiles about the individual programs** that fund infrastructure projects in that category. Program profiles include information about:

- Legislative intent;
- Recent budget history;
- Frequency of the grant or loan cycle;
- Maximum dollar amounts for the program and for individual projects;
- Matching requirements;
- Eligible applicants;
- Eligible projects;
- Timing and steps in the application and award process;
- Program goals and performance;
- Any program challenges identified by the agency; and
- A website reference for additional information.

In addition, each of the three volumes contains **summary information at the beginning of the document** to give a sense of the size of each program and what kinds of projects a program funds, and to identify distinguishing characteristics about which jurisdictions and projects are eligible for funding. This summary information is intended **to aid policy makers** as they consider potential program overlaps and distinguishing features. The summary information is also intended **to aid potential applicants** with identifying the programs that fund the types of projects of interest to them. Additionally, information at the beginning of each volume provides more resources for assistance to potential applicants, as well as charts to illustrate the organization and relative size of the various infrastructure programs included in each volume.

Data Caveats

To complete the profiles, JLARC solicited information from numerous state agencies. JLARC staff have verified the language of state laws and rules referenced in the program profiles. JLARC staff have not verified all of the budget, staffing, policy, and performance data supplied by the agencies. In some cases, the budget information supplied by the agencies does not match exactly with the information in the legislative budget tracking systems. Additionally, agencies approached budget reporting for these profiles in different ways, not always consistently with one another. A prudent reader will use the budget information in the program profiles to gain a sense of the relative magnitude and trends in program funding rather than as a precise budget document.

Acknowledgements

Staff from 20 different state agencies, boards, and commissions contributed their time and effort to help create this inventory. JLARC also acknowledges the work of our contractor, Berk & Associates, for work on drafts of the program profiles in Volumes 2 and 3, and for Berk & Associates' work for the Office of Financial Management in 2005, a study on which the JLARC inventory builds.²

Ruta Fanning
Legislative Auditor

On November 29, 2005, this report was approved for distribution by the Joint Legislative Audit and Review Committee.

Representative Ross Hunter, Chair

² "Inventory and Evaluation of the State's Public Infrastructure Programs and Funds." Prepared by Berk & Associates for the Washington State Office of Financial Management, December 16, 2005.

Joint Legislative Audit and Review Committee (JLARC)



E-mail: neff.barbara@leg.wa.gov
 Web site: <http://jlarc.leg.wa.gov>

LEGISLATIVE AUDITOR
 Ruta Fanning
 506 16th Avenue SE
 Olympia, WA 98501-2323
 Campus Mail: PO Box 40910
 Phone: 360-786-5171
 FAX: 360-786-5180
 TDD: 1-800-635-9993

SENATORS
 Brad Benson
 Jeanne Kohl-Welles
 Bob Oke
 Linda Evans Parlette, *Vice Chair*
 Debbie Regala
 Phil Rockefeller, *Asst. Secretary*
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November 29, 2006

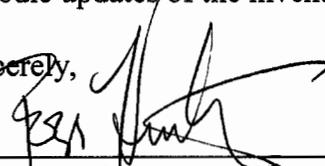
Victor Moore, Director
 Office of Financial Management
 PO Box 43113
 Olympia, WA 98504-3113

Dear Mr. Moore:

We are pleased to transmit the attached compilation of state programs that assist local governments and others with developing their basic, transportation, and other infrastructure projects. This inventory includes information on 75 separate programs. These programs provided more than \$1 billion in grants and loans for infrastructure projects in 2005. We feel this inventory will serve as a valuable tool for policymakers and potential project applicants alike.

The Legislature undertook the assembling of this information in part because no such comprehensive compilation existed. Having created this initial inventory, JLARC feels it is appropriate for the executive branch to assume responsibility for producing periodic inventory updates. We trust that you will assign this responsibility appropriately within the executive branch, and we look forward to seeing periodic updates of the inventory in the future.

Sincerely,


 Representative Ross Hunter
 Chair


 Representative Gary Alexander
 Secretary


 Senator Linda Evans Parlette
 Vice Chair

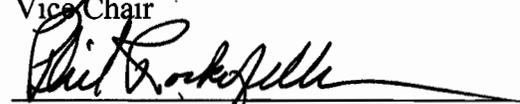

 Senator Phil Rockefeller
 Assistant Secretary

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Where Can Applicants Get Help With Their Infrastructure Projects?

From the Programs – and This Inventory Can Help Guide You:

- The summary information at the beginning of each JLARC volume can help you identify which programs may be right for your project;
- Many agencies offer special training sessions or other technical assistance for applicants
 - see the section on Timing and Steps in the Process in the individual program profiles;
- Most agencies offer websites with applications and other information such as program guidelines
 - see the Website section in the individual program profiles.

From the Infrastructure Assistance Coordinating Council:

The Infrastructure Assistance Coordinating Council (IACC) is a nonprofit organization made up of the staff from state and federal agencies that provide infrastructure funding, local government associations, nonprofit technical assistance firms, tribes, and universities. The purpose of the IACC is to improve the delivery of infrastructure assistance, both financial and technical, to local governments. To accomplish this, the IACC:

- Sponsors a statewide conference where the agencies assisting local governments with their infrastructure needs convene to discuss their programs with local government representatives;
- Arranges for special “tech-teams” at the conference to help a local government frame its infrastructure problem clearly, explore possible solutions, identify key regulatory and financing programs that should be involved, and get answers to as many questions as possible;
- Maintains a website with a database of infrastructure-related services available for local governments, including state, federal, local, and other resources (<http://www.infracfunding.wa.gov>);
- Is developing a web-based system to track upcoming local government infrastructure projects for a six-year planning cycle or longer for 13 different infrastructure systems. The concept behind this effort is for local governments to be able to demonstrate their infrastructure funding needs to the Legislature and to others.

From the Small Communities Initiative:

Small communities struggling to address **water or wastewater** system issues are recommended by the regional offices of the departments of Ecology or Health for assistance from the Small Communities Initiative. Staff are available from Olympia and Spokane. To learn more,

- Check out the website for the Small Communities Initiative (<http://www.cted.wa.gov/SCI>), which includes staff contact information;
- Look through the 2006 Small Communities Initiative Annual Report for examples of how other communities packaged financing for their water/wastewater projects;
- Contact your regional Department of Health or Ecology office to see if your community might be a good candidate for this program.

From Community, Trade and Economic Development’s Business and Project Development Unit:

Communities with a focus on infrastructure as a part of **local economic development** may seek assistance from CTED’s Business and Project Development Unit, with offices in Olympia, Seattle, Spokane, and the Tri-Cities. This same group helps businesses that want to locate or expand in Washington. For more information, visit <http://www.ChooseWashington.com>.

Many program staff are familiar with the wide range of infrastructure funding programs available in Washington. It is likely that, if a program is not the right fit for your project, staff can point you to other options. Assistance through the programs, the Small Communities Initiative, and the Business and Project Development Unit is subject to resource availability.

State Grant and Loan Programs That Can Fund Other Infrastructure Projects
 (Buildings, Facilities, Recreation)
 State Agencies Managing Programs in this Volume of the JLARC Inventory

Department of Community, Trade and Economic Development

Local Government Division	Economic Development Division	Community Economic Revitalization Board
Community Services Facilities	Rural Washington Loan Fund	Rural
Building for the Arts	CDBG Economic Dev. Float Loans	Traditional
Youth Recreational Facilities	Child Care Facility Fund	Job Development Fund
CDBG Housing Rehabilitation	Section 108 Loan Guarantees	Housing Division
CDBG General Purpose		Housing Trust Fund
CDBG Community Investment		Farmworker Housing
CDBG Housing Enhancement		
CDBG Imminent Threat		

Superintendent of Public Instruction

- School Construction
- School Small Repair

Department of Archaeology & Historic Preservation

- Historic County Courthouse

Department of Agriculture

- Energy Freedom

Office of Financial Management

- Purchase of Development Easements

Washington State Historical Society

- Heritage Capital

Interagency Committee for Outdoor Recreation

Washington Wildlife and Recreation	Boating Infrastructure
Aquatic Lands Enhancement Account	National Recreational Trails
Non-Highway and Off-Road Vehicles	Firearms and Archery Ranges
Boating Facilities	Youth Athletic Facilities
Land and Water Conservation Fund	

Military Department

Emergency Management Division

- Disaster Public Assistance

Department of Transportation

- Transportation Enhancement

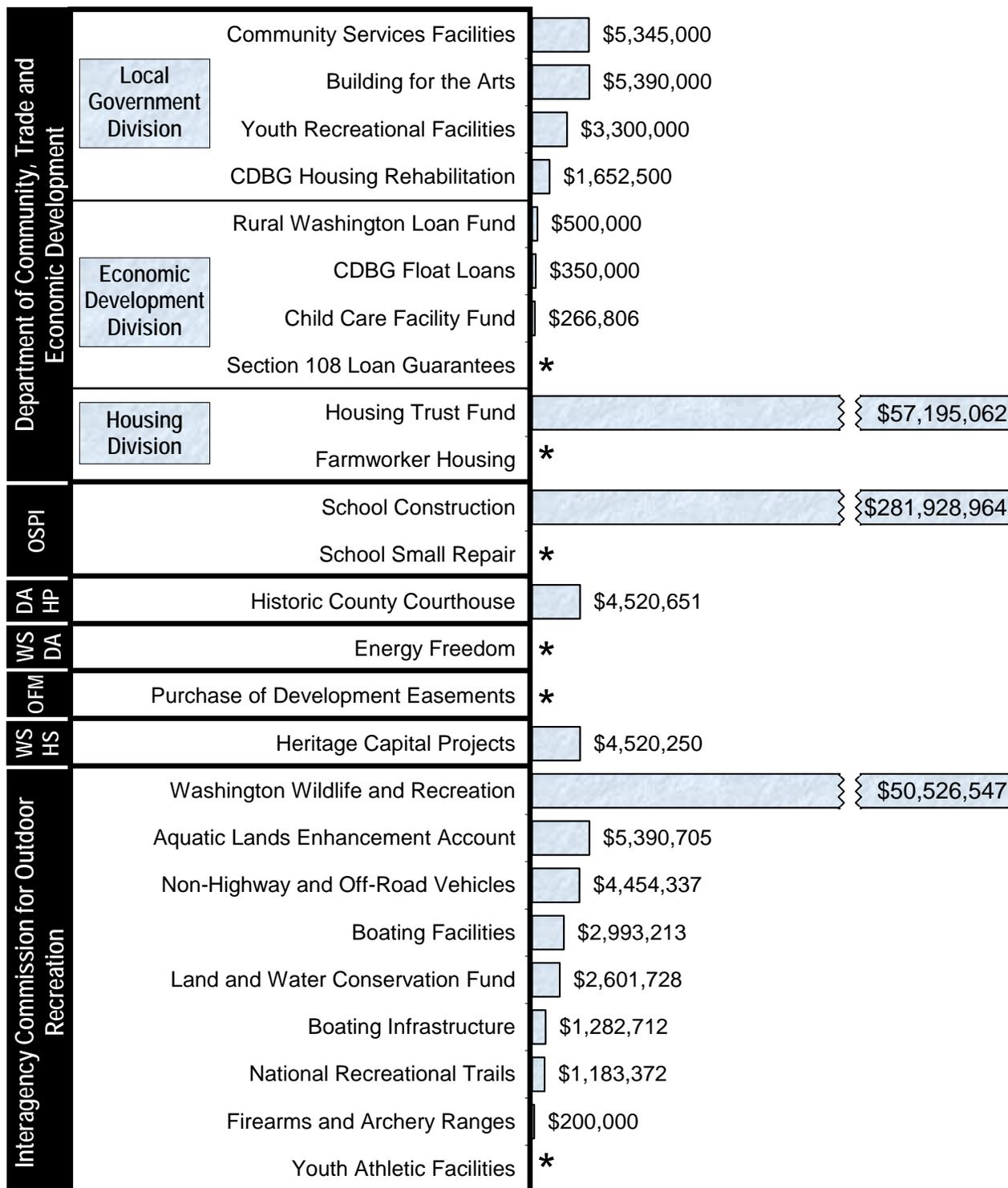
The two programs below fund projects closely related to K-12 schools, child care facilities, and/or parks.

Department of Ecology	State Parks
Safe Soils Projects	Statewide Boat Pump-Out

Resource Levels Vary for State Grant and Loan Programs That Can Fund Other Infrastructure Projects (Buildings, Facilities, Recreation)

Snapshot of Funding Levels for Projects Selected in 2005 (Page 1 of 2)

(The programs in the chart below fund only infrastructure projects in this category)

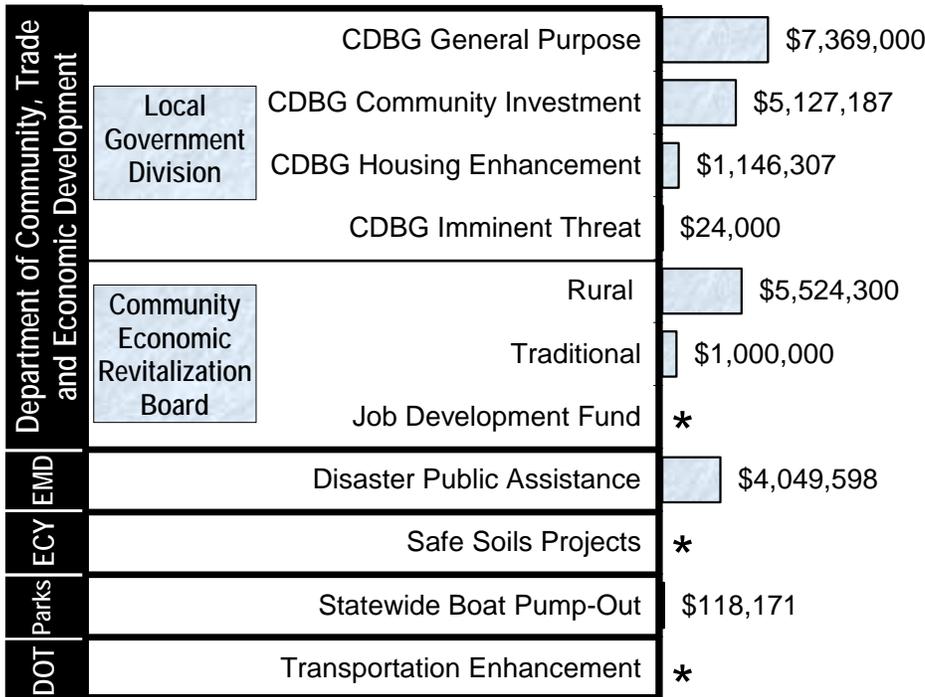


*No project selection in 2005.

Resource Levels Vary for State Grant and Loan Programs That Can Fund Other Infrastructure Projects (Buildings, Facilities, Recreation)

Snapshot of Funding Levels for Projects Selected in 2005 (Page 2 of 2)

(The programs in the chart below fund more than one kind of project, including infrastructure projects in this category)



*No project selection in 2005.

**State Grant and Loan Programs That Can Fund Other Infrastructure Projects
(Buildings, Facilities, Recreation)**

Program	Grants? Loans?	Projects Selected In 2005 (# of projects; \$ awarded)	Categories of Other Infrastructure Projects							
			Community/Social Service Facilities	Low-Income Housing	Art Facilities/ Historic Preservation	Public K-12 Schools	Industrial Buildings/ Port Facilities/ Biofuel Facilities	3 rd Party Financing	Outdoor Recreation/ Habitat Protection	Avoid Military Base Closures
Community Services Facilities Program	G	17 projects; \$5,345,000	✓							
Child Care Facility Fund Program	G, L	10 projects; \$266,806	✓							
Youth Recreational Facilities Program	G	14 projects; \$3,300,000	✓							
Community Development Block Grant (CDBG) General Purpose Grant Program*	G	13 projects; \$7,369,000	✓							
CDBG Community Investment Fund Grant Program*	G	10 projects; \$5,127,187	✓							
CDBG Housing Enhancement Grant Program*	G	5 projects; \$1,146,307	✓							
CDBG Imminent Threat Grant Program*	G	1 project; \$24,000	✓							
Housing Trust Fund Program	G, L	67 projects; \$57,195,062		✓						
Farmworker Housing Infrastructure Loan Program	L	0 projects; (First loans in 2006)		✓						
CDBG Housing Rehabilitation Grant Program	G	4 projects; \$1,652,500		✓						
Building for the Arts Program	G	21 projects; \$5,390,000			✓					

Program	Grants? Loans?	Projects Selected In 2005 (# of projects; \$ awarded)	Categories of Other Infrastructure Projects							
			Community/Social Service Facilities	Low-Income Housing	Art Facilities/ Historic Preservation	Public K-12 Schools	Industrial Buildings/ Port Facilities/ Biofuel Facilities	3 rd Party Financing	Outdoor Recreation/ Habitat Protection	Avoid Military Base Closures
Heritage Capital Projects Fund Program	G	26 projects; \$4,520,250			✓					
Historic County Courthouse Rehabilitation Grant Program	G	9 projects; \$4,520,651			✓					
Surface Transportation Program – Transportation Enhancement*	G	0 projects selected in 2005			✓				✓	
K-12 Public School Construction Assistance Program	G	36 projects; \$281,928,964				✓				
K-12 Public School Small Repair Grant Program	G	0 projects (First projects in 2006)				✓				
Safe Soils Remediation and Awareness Projects* <i>related to:</i>	G	0 projects (First projects in 2006)	✓			✓				
Community Economic Revitalization Board (CERB) Traditional Program*	G, L	1 project; \$1 million					✓			
CERB Rural Program*	G, L	15 projects; \$5,524,300					✓			
Job Development Fund Program*	G	0 projects (First projects in 2007)					✓			
Energy Freedom Program	L	0 projects (First projects in 2006)					✓	✓		
CDBG Economic Development Float Loan /Float-Funded Activity Grant Program	L	1 project; \$350,000						✓		
Rural Washington Loan Fund Program	L	2 projects; \$500,000						✓		
HUD Section 108 Loan Guarantee Program	L	0 projects						✓		

Program	Grants? Loans?	Projects Selected In 2005 (# of projects; \$ awarded)	Categories of Other Infrastructure Projects						
			Community/Social Service Facilities	Low-Income Housing	Art Facilities/ Historic Preservation	Public K-12 Schools	Industrial Buildings/ Port Facilities/ Biofuel Facilities	3 rd Party Financing	Outdoor Recreation/ Habitat Protection
Emergency Management Disaster Public Assistance Program*	G	5 grants; \$4,049,598	Some facilities may be eligible – see profile					✓	
Washington Wildlife and Recreation Program	G	77 projects; \$50,526,547						✓	
Aquatic Lands Enhancement Account Grant Program	G	13 projects; \$5,390,705						✓	
Firearm and Archery Range Recreation Grant Program	G	4 projects; \$200,000						✓	
Nonhighway and Off-Road Vehicles Activities Program	G	52 projects; \$4,454,337						✓	
Youth Athletics Facilities Program	G	0 projects						✓	
Boating Facilities Program	G	9 projects; \$2,993,213						✓	
Boating Infrastructure Grant Program	G	3 projects; \$1,282,712						✓	
Statewide Boat Pump-Out Program* - <i>related to:</i>	G	7 projects; \$118,171						✓	
National Recreational Trails Program	G	36 projects; \$1,183,372						✓	
Land and Water Conservation Fund Program	G	9 projects; \$2,601,728						✓	
Purchase of Development Easements Around Military Facilities	G	0 projects (First funds in 2006)							✓

* The programs marked with an asterisk are cross-listed with the collections of programs that fund Basic Infrastructure projects and/or Transportation Infrastructure projects. The information on the number of projects selected and the amount awarded is a total for *all* categories. *This* volume of the JLARC inventory focuses on these programs' funding of Other Infrastructure projects (Buildings, Facilities, Recreation).

**State Grant and Loan Programs That Can Fund Other Infrastructure Projects (Buildings, Facilities, Recreation):
Who Is Eligible to Apply?**

Program	Cities and Towns	Counties	Port Districts	Other Special Purpose Districts	Tribes	State Agencies	Federal Agencies	Non-Profit Organizations	Private Businesses	Other
Community Services Facilities Program								✓		
Child Care Facility Fund Program					✓			✓	✓	
Youth Recreational Facilities Program								✓		
Community Development Block Grant (CDBG) General Purpose Grant Program*	✓	✓								
CDBG Community Investment Fund Grant Program*	✓	✓								
CDBG Housing Enhancement Grant Program*	✓	✓								
CDBG Imminent Threat Grant Program*	✓	✓								
Housing Trust Fund Program	✓	✓			✓			✓		✓
Farmworker Housing Infrastructure Loan Program									✓	
CDBG Housing Rehabilitation Grant Program	✓	✓								
Building for the Arts Program								✓		
Heritage Capital Projects Fund Program	✓	✓	✓	✓	✓			✓		✓
Historic County Courthouse Rehabilitation Grant Program		✓								
Surface Transportation Program – Transportation Enhancement*	✓	✓	✓	✓	✓	✓		✓		
K-12 Public School Construction Assistance Program				✓						
K-12 Public School Small Repair Grant Program				✓						
Safe Soils Remediation and Awareness Projects*	See Profile									
Community Economic Revitalization Board (CERB) Traditional Program*	✓	✓	✓	✓	✓					✓
CERB Rural Program*	✓	✓	✓	✓	✓					✓

Program	Cities and Towns	Counties	Port Districts	Other Special Purpose Districts	Tribes	State Agencies	Federal Agencies	Non-Profit Organizations	Private Businesses	Other
Job Development Fund Program*	✓	✓	✓	✓	✓					✓
Energy Freedom Program	✓	✓	✓	✓	✓	✓				✓
CDBG Economic Development Float Loan /Float-Funded Activity Grant Program	✓	✓								
Rural Washington Loan Fund Program	✓	✓		For 3 rd Party Financing programs, another entity is the ultimate recipient of loan funds – see profiles.						
HUD Section 108 Loan Guarantee Program	✓	✓								
Emergency Management Disaster Public Assistance Program	✓	✓	✓	✓	✓	✓		✓		
Washington Wildlife and Recreation Program	✓	✓	✓	✓	✓	✓		✓		
Aquatic Lands Enhancement Account Grant Program	✓	✓	✓	✓	✓	✓				
Firearm and Archery Range Recreation Grant Program	✓	✓	✓	✓		✓		✓		
Nonhighway and Off-Road Vehicles Activities Program	✓	✓	✓	✓	✓	✓	✓	✓		
Youth Athletics Facilities Program	✓	✓						✓		
Boating Facilities Program	✓	✓	✓	✓	✓	✓				
Boating Infrastructure Grant Program	✓	✓	✓	✓	✓	✓		✓	✓	
Statewide Boat Pump-Out Program*	✓	✓	✓	✓	✓	✓		✓	✓	✓
National Recreational Trails Program	✓	✓	✓	✓	✓	✓	✓	✓		
Land and Water Conservation Fund Program	✓	✓	✓	✓	✓	✓				
Purchase of Development Easements Around Military Facilities	✓	✓								

* The programs marked with an asterisk are cross-listed with the collections of programs that fund Basic Infrastructure projects and/or Transportation Infrastructure projects. *This* volume of the JLARC inventory focuses on these programs' funding of Other Infrastructure projects (Buildings, Facilities, Recreation).

State Grant and Loan Programs That Fund **Community & Social Service Facility** Projects: Distinguishing Characteristics³

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Community Services Facilities Program	Applicants must be 501(c)3 non-profit organizations.	This program funds nonresidential social service facilities. The profile lists examples of projects that are not eligible for funding.	CTED prepares a prioritized project list once per biennium; the list is then submitted to the Legislature for approval during the legislative session of odd-numbered years.
Child Care Facility Fund Program	Applicants must be (1) a licensed child care business in the state (either for-profit or not-for-profit); or (2) a recent applicant for a child care license; or (3) actively engaged in the process of obtaining a child care license.	This program is only for assisting with the start of a licensed child care facility or for making capital improvements to an existing licensed child care facility.	The Child Care Facility Fund Committee meets quarterly to consider applications for funding.
Youth Recreational Facilities Program	Applicants must be 501(c)3 non-profit organizations.	The facility must serve as a recreational facility for "youth," defined as children in grades K-12. There must be an educational or social service program for youth at the site; the facility must have staff on site; and the facility must be available year-round. Recreational facilities that are entirely outdoors are ineligible.	CTED prepares a prioritized project list once per biennium; the list is then submitted to the Legislature for approval during the legislative session of odd-numbered years.
Community Development Block Grant (CDBG) General Purpose Grant Program	Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that do not receive funds directly from the federal Department of Housing and Urban Development.	Projects must principally benefit low- and moderate-income people (LMI = 80% of county median income). The General Purpose Grant Program can fund the same projects as the Community Investment Fund Program, but the General Purpose Program uses an annual competitive process, and there is a \$1 million cap on projects.	CTED approves a prioritized project list once each year.
CDBG Community Investment Fund Grant Program	Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that do not receive funds directly from the federal Department of Housing and Urban Development.	Projects must principally benefit low- and moderate-income people (LMI = 80% of county median income). Projects must rank in the top three of the county project priority list. There is no dollar maximum on projects.	Applicants may apply to this CTED program at any time.

³See individual program profiles for additional detail.

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
CDBG Housing Enhancement Grant Program	Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that do not receive funds directly from the federal Department of Housing and Urban Development.	Projects must principally benefit low- and moderate-income people (LMI = 80% of county median income). Only projects receiving Housing Trust Fund dollars may receive these grants.	CTED selects program grant recipients twice each year, once in the Spring and once in the Fall. This is in conjunction with grants awarded through the Housing Trust Fund.
CDBG Imminent Threat Grant Program	Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that do not receive funds directly from the federal Department of Housing and Urban Development. Applicants must be suffering from an immediate threat to public health or safety, as verified by an independent source and supported by a formal declaration of an emergency.	Projects must principally benefit low- and moderate-income people (LMI = 80% of county median income). A project is only eligible for a grant from this program if the project is turned down for an emergency loan from the Public Works Trust Fund.	Applicants may apply to this CTED program following the development and declaration of an emergency situation.
Safe Soils Remediation and Awareness Projects	Local jurisdictions or businesses do not apply directly to this program. Staff with Ecology's Toxics Cleanup Program identify areas of potential soil contamination and conduct outreach to schools, parks, and child care facilities, whether public or private, to instigate further testing.	Where contamination is found, Ecology works with the organization to develop a remediation plan, often timed to coincide with other work at the site.	Potential sites are identified by Ecology; there is no specific program award process.

State Grant and Loan Programs That Fund **Low-Income Housing** Projects: Distinguishing Characteristics⁴

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Housing Trust Fund Program	Eligible organizations include cities and counties, local housing authorities, regional support networks, nonprofit community or neighborhood based organizations, tribes, and regional or statewide nonprofit housing assistance organizations.	Housing units supported by the Housing Trust Fund may only serve people with incomes up to 80% of the local area's median income. At least 30% of the moneys used in any funding cycle are to be for the benefit of projects in rural areas of the state. The Legislature also directs some funds to specific populations.	This CTED program has two funding cycles per year, one with awards in the Spring, and one with awards in the Fall.
Farmworker Housing Infrastructure Loan Program	This program is only available to farm owners/growers. Funds from this program come in the form of no-interest deferred loans. There is no expectation of repayment if the borrower remains in compliance with the terms and conditions of the loan for a period of 15 years.	This program is only for the provision of on-farm housing for low-income migrant and seasonal farmworkers. Funds may not be used for off-farm or permanent (year-round) housing.	This is a new program; the first loans were made in April 2006. CTED accepts applications on an ongoing basis.
CDBG Housing Rehabilitation Grant Program	Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that do not receive funds directly from the federal Department of Housing and Urban Development.	Projects must principally benefit low- and moderate-income people (LMI = 80% of county median income).	Applicants may apply to this CTED program at any time.

⁴See individual program profiles for additional detail.

State Grant and Loan Programs That Fund **Art Facilities and/or Historic Preservation** Projects: Distinguishing Characteristics⁵

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Building for the Arts Program	In general, applicants must be 501(c)3 nonprofit organizations dedicated primarily to an arts-related or cultural purpose. For projects in under-represented areas (geographically isolated or economically disadvantaged), the program advisory board will consider applications from nonprofit foundations qualified to raise funds for an otherwise ineligible organization, for example, a foundation working in partnership with a school district.	This program funds “arts-related projects,” which means “facilities that focus on the active interpretation, performance, or exhibition of aesthetic traditions, practices, or works of art that characterize cultural values.”	CTED prepares a prioritized project list once per biennium; the list is then submitted to the Legislature for approval during the legislative session of odd-numbered years.
Heritage Capital Projects Fund Program	Heritage organizations, tribal governments, public development authorities, and local governments may apply, as can nonprofit organizations working on heritage projects.	This program supports locally-initiated capital projects that preserve and interpret the heritage of Washington. If program funds are used on properties on the National Register of Historic Places and are used as a match for federal funds, the project must comply with the U.S. Secretary of the Interior’s Standards and Guidelines for Historic Preservation.	The Advisory Panel of the Washington State Historical Society prepares a prioritized project list once per biennium; this list is then submitted to the Legislature for approval during the legislative session of odd-numbered years.
Historic County Courthouse Rehabilitation Grant Program	Only county governments are eligible to apply, and the county must maintain county functions at the historic courthouse facility.	All funded work must meet the U.S. Secretary of the Interior’s Standards for Rehabilitation, and the courthouse must be listed in, or eligible for listing in, the National Register of Historic Places.	This program was funded with a biennial budget proviso in 2005; the Legislature will have to determine whether to continue the program.
Surface Transportation Program – Transportation Enhancement	A number of different entities are eligible – see the profile for more information.	Projects must include at least one of 12 qualifying activities; these 12 activities include historic preservation, rehabilitation and operation of historic transportation buildings such as historic railroad facilities, and the establishment of transportation museums. The project <u>must</u> relate to surface transportation.	This program is administered by the Department of Transportation on a three-year cycle. Funding and timing are linked to the six-year Federal Transportation Acts.

⁵See individual program profiles for additional detail.

State Grant and Loan Programs That Fund **Public K-12 Schools** Projects: Distinguishing Characteristics⁶

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
K-12 Public School Construction Assistance Program	This program is the State's primary capital support for the K-12 system in Washington. Only public school districts may apply. Districts must have passed a super-majority bond, capital levy, or provided other financial means.	This program funds modernization and new construction of schools. The profile provides more detail on eligible space and the steps in the funding process.	The Legislature provides a biennial appropriation; this is an ongoing process between the school districts and the Office of the Superintendent of Public Instruction.
K-12 Public School Small Repair Grant Program	Only public school districts may apply.	This program funds urgent health and safety school facility repairs and renovations.	
Safe Soils Remediation and Awareness Projects	Local jurisdictions or businesses do not apply directly to this program. Staff with Ecology's Toxics Cleanup Program identify areas of potential soil contamination and conduct outreach to schools, parks, and child care facilities, whether public or private, to instigate further testing.	Where contamination is found, Ecology works with the organization to develop a remediation plan, often timed to coincide with other work at the site.	Potential sites are identified by Ecology; there is no specific program award process.

⁶See individual program profiles for additional detail.

State Grant and Loan Programs That Fund **Industrial Buildings, Port Facilities, or Biofuel Facilities** Projects:
Distinguishing Characteristics⁷

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Community Economic Revitalization Board (CERB) Traditional Program	CERB reviews whether local jurisdictions applying for funds are in compliance with the state's Growth Management Act. If a jurisdiction is not in compliance, CERB will consider how the non-compliance issues affect the proposed project site.	Projects must have a direct and specific connection to job creation or retention. Statute defines eligible business types (manufacturing, industrial distribution, etc.). There must be convincing evidence that a specific private development or expansion is ready to occur and will only occur if the public infrastructure improvement is made.	Applicants may bring project proposals to CERB throughout the year. CERB has six regular meetings per year.
CERB Rural Program	Applicants must meet definitions of being a rural county or a rural natural resources impact area. CERB also reviews whether local jurisdictions applying for funds are in compliance with the state's Growth Management Act. If a jurisdiction is not in compliance, CERB will consider how the non-compliance issues affect the proposed project site.	Projects must have a connection to job creation or retention. Statute defines eligible business types (manufacturing, industrial distribution, etc.). Unlike CERB's Traditional Program, this program can fund <i>prospective</i> development projects; an applicant must demonstrate the likelihood of project success with a feasibility study.	Applicants may bring project proposals to CERB throughout the year. CERB has six regular meetings per year.
Job Development Fund Program	Applicants must be able to supply a certification of compliance with the state's Growth Management Act.	The public sector project must be linked to a current or prospective private development project that will result in the creation or retention of jobs upon completion of the public project. Unlike the other two CERB programs, statute does not define eligible business types.	This is a biennial award process. CERB and the Public Works Board are generating the first prioritized list of projects in the Fall of 2006; the list will be under consideration by the Legislature in the 2007 legislative session.
Energy Freedom Program	This program is intended to promote bio-energy development in Washington. Public subdivisions of the State apply to this program on behalf of an industry partner. The public entity is awarded the loan, and in turn makes a loan to the industry partner. Eligible applicants may also include tribes and state institutions of higher education with appropriate research capabilities.	See the profile for a listing of the state statutory criteria that a project must meet in order to be eligible for funding.	This program has had one round of funding, in 2006. Given directives in the budget and from the Governor's Office, this first funding round had very tight application and award timelines.

⁷See individual program profiles for additional detail.

State Grant and Loan Programs That Fund **3rd Party Financing** Projects: Distinguishing Characteristics⁸

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Energy Freedom Program	This program is intended to promote bio-energy development in Washington. Public subdivisions of the State apply to this program on behalf of an industry partner. The public entity is awarded the loan, and in turn makes a loan to the industry partner. Eligible applicants may also include tribes and state institutions of higher education with appropriate research capabilities.	See the profile for a listing of the state statutory criteria that a project must meet in order to be eligible for funding.	This program has had one round of funding, in 2006. Given directives in the budget and from the Governor's Office, this first funding round had very tight application and award timelines.
CDBG Economic Development Float Loan/ Float-Funded Activity Grant Program	This program can provide short-term loans to eligible cities and counties; these local governments then make an equivalent loan to a business located in their jurisdiction. The purpose of the loans is to create or retain jobs. Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they are not receiving funds directly from the U.S. Department of Housing and Urban Development (HUD).	The business must demonstrate that public financing of the project is appropriate to create or retain jobs. The business must also provide an unconditional, irrevocable Letter of Credit in the full amount of the principal and interest due, as collateral for the loan. The project must either create or retain jobs and make the majority of those jobs available to lower-income candidates, or the loans may be for the removal of slum and blight in areas that affect low- and moderate income families. "Low- and moderate-income" is 80% of county median income.	CTED staff in the Economic Development Division's Business Finance Unit work with interested parties to identify situations where this loan program would be useful for financing. There is no set application or award cycle.
Rural Washington Loan Fund Program	This program can provide loans to eligible cities and counties; the local government then loans an equivalent amount to a local client, which may be a local business, an economic development agency, a nonprofit organization, etc. The loans provide gap financing to businesses with the intention of creating or retaining jobs. Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they are not receiving funds directly from the U.S. Department of Housing and Urban Development (HUD).	At least 51% of the jobs created or retained must be created or made available to low- and moderate-income people. "Low- and moderate-income" is 80% of county median income. This program will not finance a business with a negative net worth or when funds would be used for the reduction of an existing lender's risk position or to replace owner's equity.	CTED staff in the Economic Development Division's Business Finance Unit work with interested parties to identify situations where this loan program would be useful for financing. There is no set application or award cycle.

⁸See individual program profiles for additional detail.

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
HUD Section 108 Loan Guarantee Program	This program can provide loans to eligible cities and counties; the local government then loans an equivalent amount to the client, which may be a local business, an economic development agency, a local government engaged in economic development, etc. The loans provide a fund source in local communities for development projects. Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they are not receiving funds directly from the U.S. Department of Housing and Urban Development (HUD).	The economic development loan must either create or retain jobs and make the majority of those jobs available to lower-income candidates, or the loans may be for the removal of slum and blight in areas that affect low- and moderate income families. "Low- and moderate-income" is 80% of county median income.	CTED staff in the Economic Development Division's Business Finance Unit work with interested parties to identify situations where this loan program would be useful for financing. There is no set application or award cycle.

State Grant and Loan Programs That Fund **Outdoor Recreation** Projects: Distinguishing Characteristics⁹

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Surface Transportation Program – Transportation Enhancement	A number of different entities are eligible – see the profile for more information.	Projects must include at least one of 12 qualifying activities; these 12 activities include pedestrian and bicycle facilities as well as provision of safety and educational activities for pedestrians and bicyclists. The project <u>must</u> relate to surface transportation.	This program is administered by the Department of Transportation on a three-year cycle. Funding and timing are linked to the six-year Federal Transportation Acts.
Emergency Management Disaster Public Assistance Program	An eligible applicant must have damaged park or recreational facilities in a disaster-declared county.	For projects to repair parks and recreational facilities, the damage has to be caused by the declared disaster event, must not have been caused by negligence of others, and must not come under the authority of another federal agency.	This Military Department's Emergency Management Division program is available only after a Presidential declaration of a disaster.
Washington Wildlife and Recreation Program	A number of different entities are eligible. Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must have adopted comprehensive habitat or recreation plans, depending on the grant category. For the Urban Wildlife Habitat category, applicants must be within specified limits of a city or town meeting population requirements.	Eligible projects include acquisition of real property, development and renovation of properties, mitigation banking, and restoration projects. The profile identifies a number of project types that the Interagency Committee for Outdoor Recreation (IAC) has determined are ineligible for program funding.	The IAC prepares a prioritized project list once per biennium; the list is then submitted to the Legislature for approval during the legislative session of odd-numbered years.
Aquatic Lands Enhancement Account Grant Program	A number of different entities are eligible. Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands.	Funds must be used solely for aquatic lands enhancement projects. All projects must be located on lands adjoining a water body that meets the definition of "navigable." Projects intended primarily to protect or restore salmonid habitat must be consistent with the appropriate lead entity strategy or regional salmon recovery plan.	The IAC prepares a prioritized project list once per biennium; the list is then submitted to the Governor and Legislature for approval during the legislative session of odd-numbered years.

⁹See individual program profiles for additional detail.

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Firearm and Archery Range Recreation Grant Program	In addition to public entities, nonprofit shooting organizations are also eligible applicants for this program. Applicants receiving grant funds must keep their facilities open on a regular basis and usable by law enforcement personnel or the general public who possess Washington concealed pistol licenses or Washington hunting licenses or who are enrolled in a firearm safety class. The facilities must be available for hunter safety education classes and firearm safety classes on a regular basis for no fee.	Statute directs the IAC to give priority to projects for noise abatement or safety improvement. The profile identifies a number of project types that the IAC has determined are ineligible for program funding.	The IAC conducts a round of award funding once per biennium, in odd-numbered years.
Nonhighway and Off-Road Vehicles Activities Program	A number of different entities are eligible. Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must also meet planning requirements if applying for funding for certain projects. Federal agencies may apply.	Activities supported by this program must be accessed via a "nonhighway road." These are roads that are open to the public but not constructed using gas tax revenues. The IAC has identified a number of different project types that are ineligible for program funding.	The IAC conducts a round of award funding once per year.
Youth Athletic Facilities Program	Cities, towns, counties, and nonprofit organizations are eligible to apply. Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Per a statutory requirement, the amount of the grant is to be in proportion to the population of the city or county where the facility is located.	This program focuses on funding for <i>outdoor</i> athletic facilities for youth and communities, such as ball fields. The profile identifies a number of project types that the IAC has determined are ineligible for program funding.	The program was initially funded by a \$10 million private donation. The IAC will not be able to offer additional funding rounds until sufficient interest income has accrued in the account or until there is another donation.
Boating Facilities Program	Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must also have a comprehensive outdoor recreation plan.	This is a state-funded program that provides grants for acquiring, developing, and renovating recreational boating facilities, especially those for motorized boats.	The IAC conducts a round of award funding annually for local agencies and tribes; biennially for state agencies.
Boating Infrastructure Grant Program	Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. In addition to government agencies, nonprofit organizations and private businesses such as marina owners are also eligible to apply to this program if they meet certain qualifications.	This is a federally-funded program that provides grants for developing or renovating boating facilities, targeting recreational boats 26 feet and longer.	This program has an annual award process. One set of applications is evaluated by the IAC before being forwarded to the U.S. Fish and Wildlife Service, while a second set is forwarded to the federal agency without state-level evaluation. The federal agency ultimately makes the determinations about grant awards.

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Statewide Boat Pump-Out Program	Applicants for boat pump-out facilities must own or manage a marina, boat launch, or boater destination that is open to the public. Private marina owners or managers are eligible to apply. Eligible applicants for program educational projects include schools, public or private nonprofit organizations, and boating organizations.	This is a federally-funded program that provides funds for the installation of boat pump-outs and for related boater education.	Washington State Parks accepts applications for these grants throughout the year.
National Recreational Trails Program	A number of different entities are eligible to apply to this program, including nonprofit organizations and federal agencies. Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands.	This is a federally-funded program that provides funds for trails and facilities that provide a "backcountry experience" for various types of trail users. The federal legislation requires distribution of the funds among different categories, and the IAC gives funding preference to projects that further specific goals of state plans such as the State Trails Plan and the Nonhighway and Off-Road Vehicles Activities Plan.	The IAC conducts a round of award funding once per year.
Land and Water Conservation Fund Program	Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must submit a plan that includes several elements, including goals and objectives; inventory, demand, and need analysis; and a public involvement process.	This is a federally-funded program intended to assist in preserving and developing public outdoor recreational lands and facilities. Project proposals must be consistent with the Statewide Comprehensive Outdoor Recreation Plan and with the recreation elements of local comprehensive plans.	This program has an annual award process. The IAC evaluates proposals and forwards a ranked list of projects to the National Park Service. The federal agency ultimately makes the determinations about grant awards.

State Grant and Loan Programs That Fund **Purchase of Development Easements Around Military Facilities** Projects:
Distinguishing Characteristics¹⁰

Program	Special Qualifications: Who Is Eligible to Apply?	Special Qualifications: What Projects Are Eligible?	Timing of the Award Process
Purchase of Development Easements Around Military Facilities	Eligible applicants are cities or counties in the vicinity of military air facilities, specifically McChord and Fairchild Air Force Bases and Naval Air Station Whidbey Island. Applicants must be in compliance with a provision of the state's Growth Management Act regarding development in the vicinity of military installations, and applicants must also have an encroachment prevention plan.	This program is for the purchase by these neighboring cities or counties of development easements and development rights in military airport accident zones and clear zones.	The Office of Financial Management is awarding funds for these projects for the first time in 2006.

¹⁰See the individual program profile for additional detail.

Program Profiles

Community Services Facilities Program

Administered By:

Department of Community, Trade and Economic Development, Local Government Division

General Information

Program Purpose: The Community Services Facilities Program awards state grants to nonprofit, community-based organizations to defray up to 25% of eligible capital costs for the acquisition and/or major construction or renovation of community-based nonresidential social service projects. Project examples include children’s centers, youth services facilities, senior services facilities, and food bank/family support centers.

Mission Statement: The Local Government Division assists local governments as they make decisions on how they want to grow, then provides help by strategically funding infrastructure improvements and promoting vital public safety and cultural features that make Washington communities safe and satisfying places to live and work.

Year Established: First Capital Budget funding in 1995; codification in 1997.

Enabling State Statutes: RCW 43.63A.125

Administrative Rules: None.

Legislative Intent: SHB 1325 (1997), Section 1

The Legislature finds that nonprofit organizations provide a variety of social services that serve the needs of the citizens of Washington, including many services implemented under contract with state agencies. The Legislature also finds that the efficiency and quality of these services may be enhanced by the provision of safe, reliable, and sound facilities, and that, in certain cases, it may be appropriate for the state to assist in the development of these facilities.

Is there a separate governing board? No. However, per statute, the Department reviews and ranks program applications in consultation with a citizen advisory board.

Budget Information

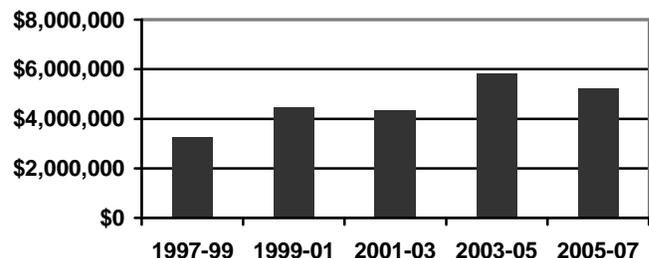
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	32,720	79,486	88,220	118,620	106,900
New Appropriation for Grants	3,239,280	4,462,575	4,322,780	5,812,380	5,238,100
Expenditure for Administration	29,954	30,202	97,391	65,502	(estimated) 150,000
Funds Awarded for Grants	3,239,280	4,462,575	4,322,780	5,812,380	(estimated) 5,238,100

FTEs for the Program in 2005-07: 5.0 FTEs administer four Division capital programs, including this one.

Fund Account(s): 057 – State Building Construction Account

Fund Sources: The State Building Construction Account is primarily funded through the sale of bonds. Program administration is funded by retaining a percentage of the appropriation (2% from each project in 2005-07).

Funds Awarded for Grants



Recent Changes to Funding Pattern: The program’s enabling statute places a limit on the total amount of funding that the Department may request in each biennial budget. From the program’s inception to the current biennium, the amount was \$6 million. The 2006 Supplemental Capital Budget contains a provision that increases this amount to \$10 million, beginning in the 2007-09 Biennium.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? Yes.	
	Number of Projects Selected in 2005: 17	
	Total Amount Awarded in 2005: \$5,345,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Although the maximum amount the Department may request each biennium is prescribed in statute, the total award amount is determined by the Legislature in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: <ul style="list-style-type: none"> • In 2005-06, the maximum amount was \$400,000 as established by the program's advisory board and the Department; • For the 2007-09 grant round, the maximum has been increased to \$1,000,000. 	
	Matching Requirements: Per statute, program funds may cover up to 25% of eligible project costs; 75% must come from other sources.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns	<input checked="" type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input type="checkbox"/> Counties	<input type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools	
<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities		
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input checked="" type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		
Eligible Projects: Acquisition, construction, or major renovation of qualifying nonresidential social service facilities. Project examples include children's centers, youth services facilities, senior services facilities, and food bank/family support centers.			
Special Qualifications Regarding Who Can Apply: Applicants must be 501(c)3 non-profit organizations. Organizations with multiple facilities can apply for up to three program grants per funding round.			
Special Qualifications Regarding Project Eligibility: The project site must either be owned by or under long-term lease by the applicant. Ineligible projects include medical facilities, inpatient mental health facilities, homeless shelters, transitional housing, retail operations such as thrift stores, and libraries.			
Recent Changes in Eligible Applicants or Categories of Projects: None.			

Timing and Steps in the Process:

Late March of even-numbered years	CTED staff host “green building” workshops for potential applicants.
Mid May	CTED staff conduct program workshops for potential applicants.
Early June	Applications are due to CTED.
Mid July – Early August	CTED staff review the applications for eligibility and completeness. Staff may rank qualifying applications using the criteria below. Qualifying applications are forwarded to the citizen advisory board.
Early August – September	CTED notifies qualified applicants that their applications have been forwarded to the board. Applicants are given an opportunity to offer testimony about their proposals and respond to questions from board members. Board members review the applications and score them using the criteria below and other qualitative factors. The board forwards its recommendations, in the form of a prioritized project list, to the director of CTED.
September	With the approval of the director, the prioritized list becomes part of the CTED budget request. It will be up to the Governor to determine whether to include the list in the Governor’s proposed Capital Budget.
Legislative Session In odd-numbered years	The Legislature makes a decision about the project list as part of its Capital Budget deliberations.
Early in the new fiscal year	CTED may begin disbursing the appropriated capital funds.

What Drives the Timing of the Application and Award Process? The process results in the development of the prioritized list in time for Capital Budget proposal development.

Evaluation Criteria:

The advisory board’s funding recommendations are based upon the numerical rankings summarized below *and* qualitative factors that may include, but are not limited to, geographic distribution of funds and the degree to which applicants have access to other funding sources.

Points Assigned by Formula (up to 40 points out of a total of 100 points)

- Percent of project funds raised – multiply percentage by .25 (up to 25 points);
- Design work started – if yes, add 5 points;
- Fundraising feasibility plan provided? – If yes, add 5 points;
- Project feasibility study provided? – If yes, add 5 points.

Points Assigned by Board Reviewers (up to 60 points out of a total of 100 points)

- Project readiness: Financial and managerial ability to complete the proposed project by the end of the biennium – up to 15 points;
- Organizational capacity: Financial and managerial ability to successfully run the completed facility – up to 15 points;
- Project results: The degree the project will increase the efficiency and/or quality of services provided – up to 15 points;
- Community need: Evidence of a clear need and credibility of documentation – up to 10 points;
- Stakeholder participation: Evidence of building partnerships relevant stakeholders – up to 5 points.

Green Building Bonus Points

- Each applicant’s high-performance “green building” checklist total score is multiplied by .25

Recent Changes to the Process or Evaluation Criteria: The addition of the LEED Certification Declaration (green building requirement for certain projects).

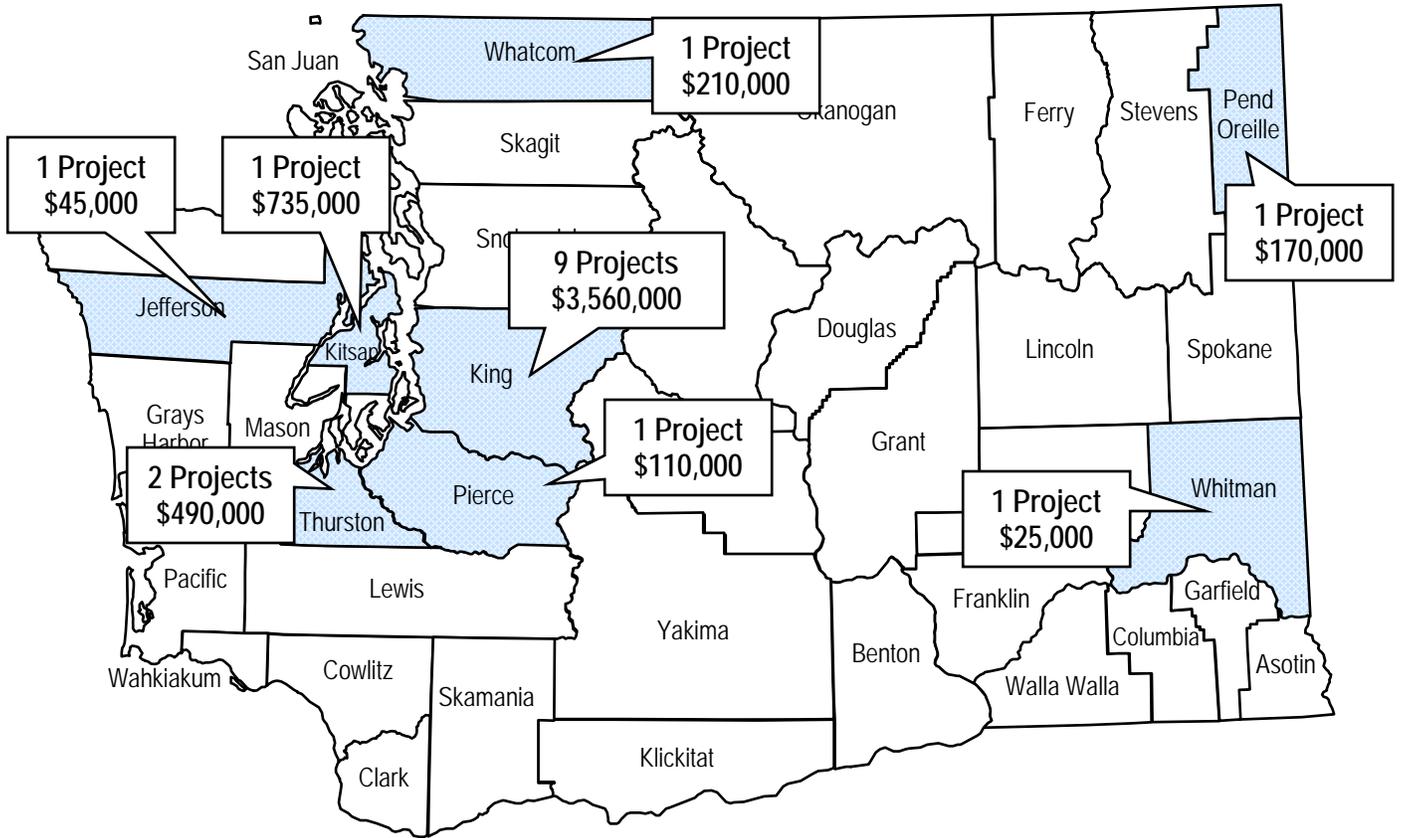
Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The program goals are to:</p> <ul style="list-style-type: none"> • Disburse awarded funds as quickly as possible; and • Distribute funds equitably throughout the state.
	<p>Performance Measures and Program Performance:</p> <ul style="list-style-type: none"> • How quickly funds are fully disbursed from the date of the award letter to the final payment date → <ul style="list-style-type: none"> For the 2003-05 Biennium: average of 173 days (15 contracts), 322 days into the biennium For the 2005-07 Biennium: average of 177 days (6 contracts), 322 days into the biennium • Where funds are awarded by county

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency reports that three recent issues have added to the complexity of CTED's Capital Programs' grants award and management process:</p>
	<ul style="list-style-type: none"> • Prevailing wage issues – There are no statutory guidelines regarding the payment of state prevailing wages specifically tailored to nonprofit organizations; • Green (high-performance) building standards – The 2005 Legislature passed a law, codified as Chapter 39.35D RCW, that requires many grant recipients to build to the Leadership in Energy and Environmental Design (LEED) silver standard. This added initial cost can be a hardship for smaller nonprofits in critically underserved areas of the state. • Executive Order 05-05 – This 2005 executive order requires that capital projects be reviewed for archaeological and cultural resources. This is required of projects not undergoing a Section 106 review under the National Historic Preservation Act if the project disturbs ground and/or involves structures more than 50 years old. This has lengthened the amount of time it takes to execute a contract with the grantee by approximately two weeks.

Website	<p>For Additional Information:</p> <p>On CTED's website, from the main website at http://www.cted.wa.gov CTED Main > Divisions > Local Government > Programs & Services > Community Development Programs > Capital Programs > Community Services Facilities (CSF) Program</p>

Community Services Facilities Program Awards, 2005

Location of Awards by County



Grant Recipients

Grant recipients are all 501(c)3 nonprofit organizations.

Types of Projects Funded

Projects included children's centers, youth services facilities, senior services facilities, a food service training facility, and a food bank distribution facility.

Child Care Facility Fund Program

Administered By:

Department of Community, Trade and Economic Development, Economic Development Division

General Information	Program Purpose: The Washington State Child Care Facility Fund was created to expand the quality and supply of private sector employer-sponsored child care in Washington. The program has a revolving loan fund and also makes grants. Per statute, only moneys from private or federal sources may be deposited into this fund.	
	Mission Statement: This mission of the Child Care Facility Fund Program is to increase the availability of quality, affordable, convenient child care for working families through prudent administration of the Child Care Facility Fund.	
	Year Established: 1989	Legislative Intent: 2SSB 6051 (1989), Section 1
	Enabling State Statutes: RCW 43.31.502-514	The Legislature finds that increasing the availability and affordability of quality child care will enhance the stability of the family and facilitate expanded economic prosperity in the state. . . . The Legislature further finds that a partnership between business and child care providers can help the market for child care adjust to the needs of businesses and working families and improve productivity, reduce absenteeism, improve recruitment, and improve morale among Washington's labor force. The Legislature further finds that private and public partnerships and investments are necessary to increase the supply, affordability, and quality of child care in the state.
	Administrative Rules: Chapter 130-14 WAC	
Is there a separate governing board? Yes, the five-member Child Care Facility Fund Committee. The Committee administers the fund and makes decisions about program grants and loans.		

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	*	138,214	126,000	126,000	126,000**
New Appropriation for Grants/Loans	*	214,500	234,000	334,000	384,000**
Expenditure for Administration	*	138,214	126,000	126,000	(estimated) 110,735
Funds Awarded for Grants/Loans	*	214,500	234,000	334,000	(estimated) 384,000

*Note: The program reports that information for 1997-99 is not available due to accounting and program index changes made in the CTED accounting system.

**Note: The program reports there is an interagency agreement with the Department of Early Learning for Administration and Program/Award funding for SFY 2006 (a one-year contract), and this is assumed for FY07. Historical levels of annual funding are anticipated (\$117,000 grant awards, \$63,000 administrative, totaling \$180,000 in a new SFY 2007 contract).

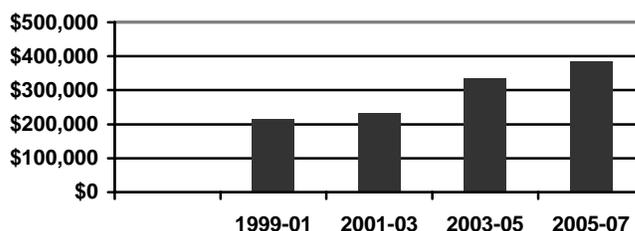
FTEs for the Program in 2005-07: 0.4

Fund Account(s):
731 – Child Care Facility Fund

Fund Sources:

- \$1 million in federal funds to capitalize a revolving loan fund, via the state Employment Security Dept;
- Grants funded through an interagency agreement with the Department of Early Learning, using federal Child Care and Development Fund Block Grant funds;
- Loan repayments.

Funds Awarded for Grants/Loans



Recent Changes to Funding Pattern:	<ul style="list-style-type: none"> • Decreases in allowed administration funding; and • Supplemental increases in Program/Award funds in each of the last two biennia.
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Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Quarterly.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 10 projects received 10 grants and 1 loan (one of the projects received both a grant and a loan).	
	Total Amount Awarded in 2005: \$266,806 in total (\$166,806 for grants; \$100,000 for loans).	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? For grants, this is determined by the amount of federal funding received through an interagency agreement with the Department of Early Learning. For loans, the determining factor is the fund balance and the uncommitted funds available. (Note: The Child Care Facility Fund is a non-appropriated, non-allocated fund.)	
	Maximum Amount That Can Be Awarded to a Project:	
	<ul style="list-style-type: none"> • For grants, \$5,000 minimum; \$25,000 maximum; • For loans, \$25,000 minimum; \$100,000 maximum. <p>The maximums are established in statute. The minimum amounts are established as policy of the Child Care Facility Fund Committee.</p>	
Matching Requirements:		
<ul style="list-style-type: none"> • For grants, per rule the applicant must be able to demonstrate a dollar-for-dollar match for any grant funds awarded (match is usually cash but can also include in-kind). • For loans, no match is required; however, the Department notes that the applicant/owner's financial participation in the project is expected. 		
Interest Rate Charged:	Repayment Statistics:	
5% fixed, as established by policy of the Committee.	There have been no loan defaults to date.	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns <input type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input checked="" type="checkbox"/> Private Businesses	<input checked="" type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans

Eligible Projects: Statute indicates funds can assist in the start of a licensed child care facility or in making capital improvements in an existing licensed child care facility.

- Projects eligible for grants: health and safety improvements or equipment for child care facilities, including but not limited to curriculum and supplies, fire alarm systems, locks, changing tables, kitchen equipment, or a plumbing upgrade required by a state licenser.
- Projects eligible for loans: improvements to real property or improvements or acquisition of personal property that is depreciable under the federal tax code, as well as the first three months of operating cost for a new child care facility.

Special Qualifications Regarding Who Can Apply: Applicants must be:

- A licensed child care business in the State of Washington, either for-profit or not-for-profit; or
- Recent applicants for a child care license; or
- Actively engaged in the process of obtaining a child care license (e.g., have attended the Department of Early Learning Child Center Provider Orientation/Training).

Serving low/moderate income children is encouraged but is not a program requirement. Family day-care providers (home-based, with 12 or fewer children under care) are ineligible.

Special Qualifications Regarding Project Eligibility: The Davis-Bacon and related Acts yield federal regulations that apply to loan funds awarded through the Child Care Facility Fund Program (recall that these are federal funds). A loan recipient must agree to comply with the requirements of the Acts where applicable to the project. Under the provisions of the Acts, the loan recipient must ensure the payment of federal prevailing wage and fringe benefit rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics employed for the purpose of construction, alteration, and/or repair of the child care facility. However, the Davis-Bacon and related Acts do not apply in the cases of privately owned businesses where the owner does the work.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

Ongoing	Applications accepted. CTED staff provide extensive technical assistance to applicants.
	CTED staff conduct a technical review of submitted applications. A staff person also conducts at least one personal interview with the applicant, prior to the quarterly Child Care Facility Fund Committee meeting.
Quarterly	The Child Care Facility Fund Committee meets, interviews applicants, scores applications, and makes decisions about grant and/or loan awards.

What Drives the Timing of the Application and Award Process? Currently available program staff and resources enable staff evaluation of applications and committee awards to be made on a quarterly basis.

Evaluation Criteria:

- The need for a new or improved child care facility in the area served by the applicant and the total number of children who will benefit;
- The steps the applicant will take to serve a reasonable number of children with disabilities, sick children, infants, children requiring night time or weekend care, or children whose costs of care are subsidized by government;
- The child care services to be available at the facility and the capacity of the applicant to provide those services;
- The extent to which the child care program activities are developmentally appropriate for the age of the children being served;
- The innovative components of the child care services to be offered;
- The degree to which the child care project/program works with or complements the service of other child care activities;

(continued on next page)

Program Goals, Objectives, and Performance Measures	<ul style="list-style-type: none"> • Why financial assistance from this state program is needed to start or improve the child care facility and, in the case of a grant request, why a grant is needed rather than a loan; • The financial status of the applicant, including other resources available to the applicant to complete the development or expansion of the child care facility and to ensure the continuing viability of the facility and the availability of its described services; • The ability of the applicant to obtain the necessary additional funding to implement the project; and • The ability of the applicant to provide ongoing funding after the Child Care Facility Fund monies have been expended. <p>A minimum score of 70 points out of a possible 100 points is required to receive funding.</p> <p>Recent Changes to the Process or Evaluation Criteria: None.</p>
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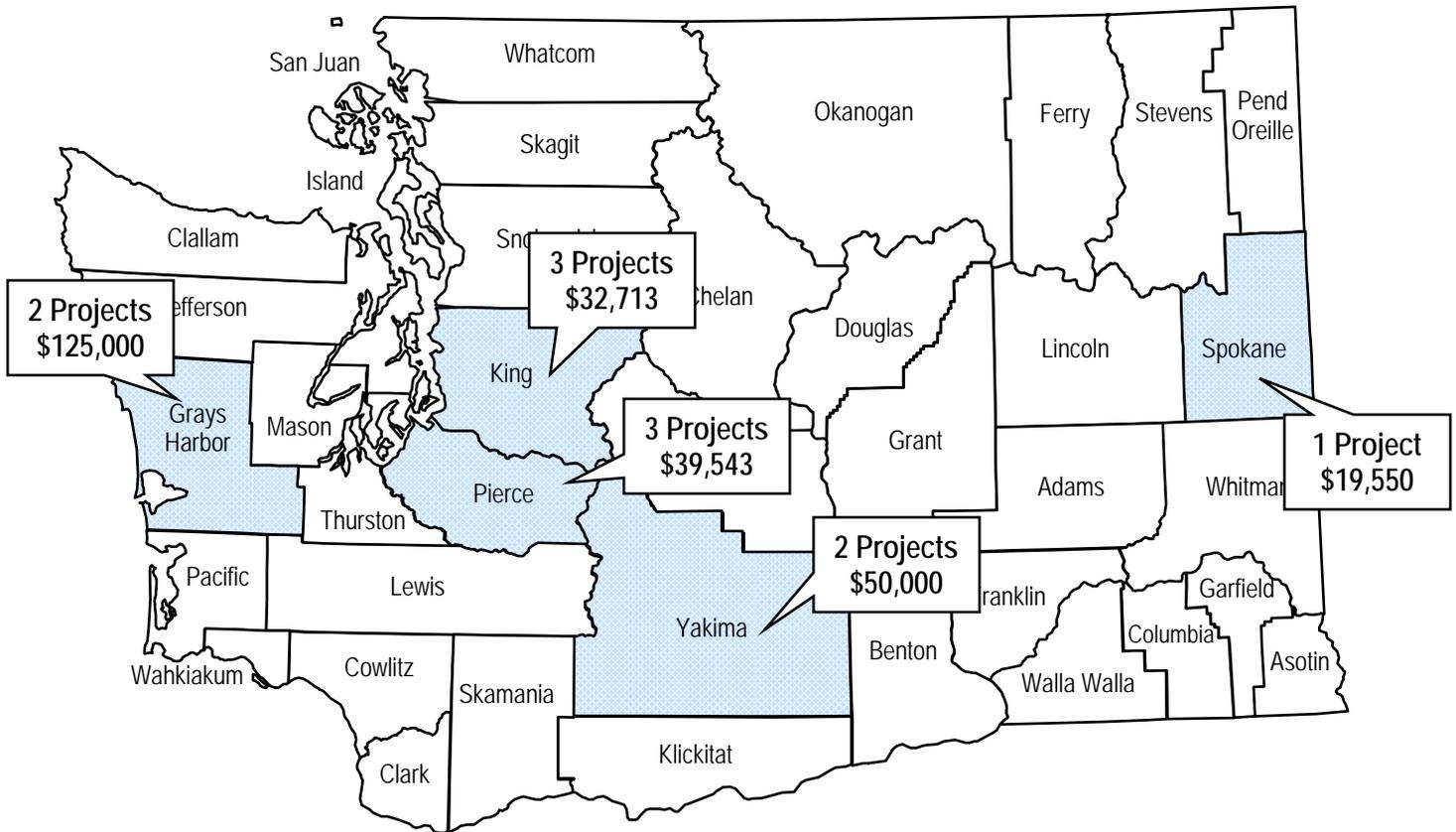
Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The goal of the Child Care Facility Fund Program is to improve the quality and capacity of Department of Early Learning-licensed child care centers in Washington.</p> <p>The program has the objective to annually award five to seven grants, and to package and approve two to four loans.</p> <p>Performance Measures and Program Performance:</p> <p>In SFY 2005, the program reports being able to make a record number of annual awards to date, based on additional funds provided for grants through the Department of Social and Health Services (now through the Department of Early Learning).</p>
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Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that:</p> <ul style="list-style-type: none"> • There is unmet demand for funding support that could be addressed with an increase in the level of funding for awards and an increase in the number of staff; • There is need for increased capitalization of the Child Care Facility revolving loan fund. A rules change in 2001 made more child care centers eligible for funding, and the revolving fund will soon be unable to meet the demand for assistance. Additional federal or private funds would be necessary to increase the fund's capitalization.
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Website	<p>For Additional Information:</p> <p>The Child Care Facility Fund Program website at CTED http://www.cted.wa.gov/ccff</p>
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Child Care Facility Fund Program Awards, 2005

Location of Awards by County



Loan/Grant Recipients

Applicants are businesses or nonprofit organizations.

Types of Projects Funded

Projects included new child care facilities, and remodeling or upgrading of existing facilities.

Youth Recreational Facilities Program

Administered By:

Department of Community, Trade and Economic Development, Local Government Division

General Information

Program Purpose: The Youth Recreational Facilities Program awards state grants to nonprofit, community-based organizations to defray up to 25% of eligible capital costs for the acquisition and/or major construction or renovation of nonresidential projects that provide a youth recreation opportunity that is supported by a social service or educational component at the same location. Project examples include clubhouses for Boys and Girls Clubs and centers for Girl Scouts.

The Youth Recreational Facilities Program should not be confused with the similarly-named Youth Athletic Facilities Program. The latter program (also included in this inventory) is administered by the Interagency Committee for Outdoor Recreation and funds youth-oriented outdoor recreational projects like ball fields.

Mission Statement: The Local Government Division assists local governments as they make decisions on how they want to grow, then provides help by strategically funding infrastructure improvements and promoting vital public safety and cultural features that make Washington communities safe and satisfying places to live and work.

Year Established:
Statute in 2003
First projects in 2005

Enabling State Statutes:
RCW 43.63A.135

Administrative Rules:
None.

Legislative Intent: ESHB 1782 (2003), Section 1

The Legislature finds that nonprofit youth organizations provide a variety of services for the youth of Washington State, including many services that enable young people, especially those facing challenging and disadvantaged circumstances, to realize their full potential as productive, responsible, and caring citizens. The Legislature also finds that the efficiency and quality of these services may be enhanced by the provision of safe, reliable, and sound facilities, and that, in certain cases, it may be appropriate for the state to assist in the development of these facilities.

Is there a separate governing board? No. However, per statute, the Department reviews and ranks program applications in consultation with a citizen advisory board.

Budget Information

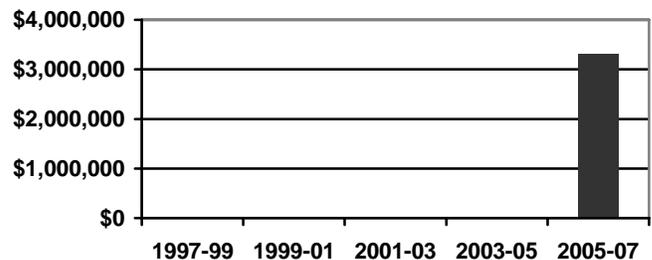
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					66,000
New Appropriation for Grants					3,300,000
Expenditure for Administration					(estimated) 50,000
Funds Awarded for Grants					(estimated) 3,300,000

FTEs for the Program in 2005-07:
5.0 FTEs administer four Division capital programs, including this one

Fund Account(s):
057 – State Building Construction Account

Fund Sources:
The State Building Construction Account is primarily funded through the sale of bonds. Program administration is funded by retaining a percentage of the appropriation (2% from each project in 2005-07).

Funds Awarded for Grants



Recent Changes to Funding Pattern: The program's enabling statute places a limit on the amount of funding that the Department may request in each biennial budget. In the program's first biennium of operation (2005-07), the amount was \$2 million. The 2006 Supplemental Capital Budget contains a provision that increases this amount to \$8 million, beginning in the 2007-09 Biennium.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? Yes.	
	Number of Projects Selected in 2005: 14	
	Total Amount Awarded in 2005: \$3,300,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Although the maximum amount the Department may request each biennium is prescribed in statute, the total award amount is determined by the Legislature in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: Per policy established by the program's advisory board and the Department, the maximum amount for 2005-07 was \$300,000 per project, increasing to \$800,000 per project for 2007-09. The Division reports that the Legislature has increased the maximum allowable amount for two projects.	
	Matching Requirements: Per statute, program funds may cover up to 25% of eligible project costs; 75% must come from other sources.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns <input type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses	<input checked="" type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Acquisition, construction, or major renovations of qualifying youth recreational facilities. Typical projects are new buildings, or additions to existing buildings, used by local Boys and Girls Clubs.		
	Special Qualifications Regarding Who Can Apply: Applicants must be 501(c)3 organizations and must have significant authority in managing the facility receiving the funds.		
	Special Qualifications Regarding Project Eligibility: The facility must serve as a recreational facility for youth, defined by policy as children in grades K-12. There must be an educational or social service program for youth at the site; the facility must have staff on-site, and it must be available year-round. Recreational facilities that are entirely outdoors are ineligible.		

Recent Changes in Eligible Applicants or Categories of Projects: None (program first round of funding in 2005).

Timing and Steps in the Process:

Late March of even-numbered years	CTED staff host “green building” workshops for potential applicants.
Late April	CTED staff conduct program workshops for potential applicants.
Late May	Applications are due to CTED.
Late June – Mid July	CTED staff review the applications for eligibility and completeness. Staff may rank qualifying applications using the criteria below. Qualifying applications are forwarded to the citizen advisory board.
By September	CTED notifies qualified applicants that their applications have been forwarded to the board. Applicants are given an opportunity to offer testimony about their proposals and respond to questions from board members. Board members review the applications and score them using the criteria below and other qualitative factors. The board forwards its recommendations, in the form of a prioritized project list, to the director of CTED.
September	With the approval of the director, the prioritized list becomes part of the CTED budget request. It will be up to the Governor to determine whether to include the list in the Governor’s proposed Capital Budget.
Legislative Session In odd-numbered years	The Legislature makes a decision about the project list as part of its Capital Budget deliberations.
Early in the new fiscal year	CTED may begin disbursing the appropriated capital funds.

What Drives the Timing of the Application and Award Process? The process results in the development of the prioritized list in time for Capital Budget proposal development.

Evaluation Criteria:

The advisory board’s funding recommendations are based upon the numerical rankings summarized below *and* qualitative factors that may include, but are not limited to, geographic distribution of funds and the degree to which applicants have access to other funding sources.

Points Assigned by Formula (up to 40 points out of a total of 100 points)

- Percent of project funds raised – multiply percentage by .25 (up to 25 points);
- Design work started – if yes, add 5 points;
- Fundraising feasibility plan provided? – If yes, add 5 points;
- Project feasibility study provided? – If yes, add 5 points.

Points Assigned by Board Reviewers (up to 60 points out of a total of 100 points)

- Project readiness: Financial and managerial ability to complete the proposed project by the end of the biennium – up to 15 points;
- Organizational capacity: Financial and managerial ability to successfully run the completed facility – up to 15 points;
- Project results: The degree the project will increase the efficiency and/or quality of services provided – up to 15 points;
- Community need: Evidence of a clear need and credibility of documentation – up to 10 points;
- Stakeholder participation: Evidence of building partnerships relevant stakeholders – up to 5 points.

Green Building Bonus Points

Each applicant’s high-performance “green building” checklist total score is multiplied by .25

Recent Changes to the Process or Evaluation Criteria: The addition of the LEED Certification Declaration (green building requirements for certain projects).

Application and Award Process

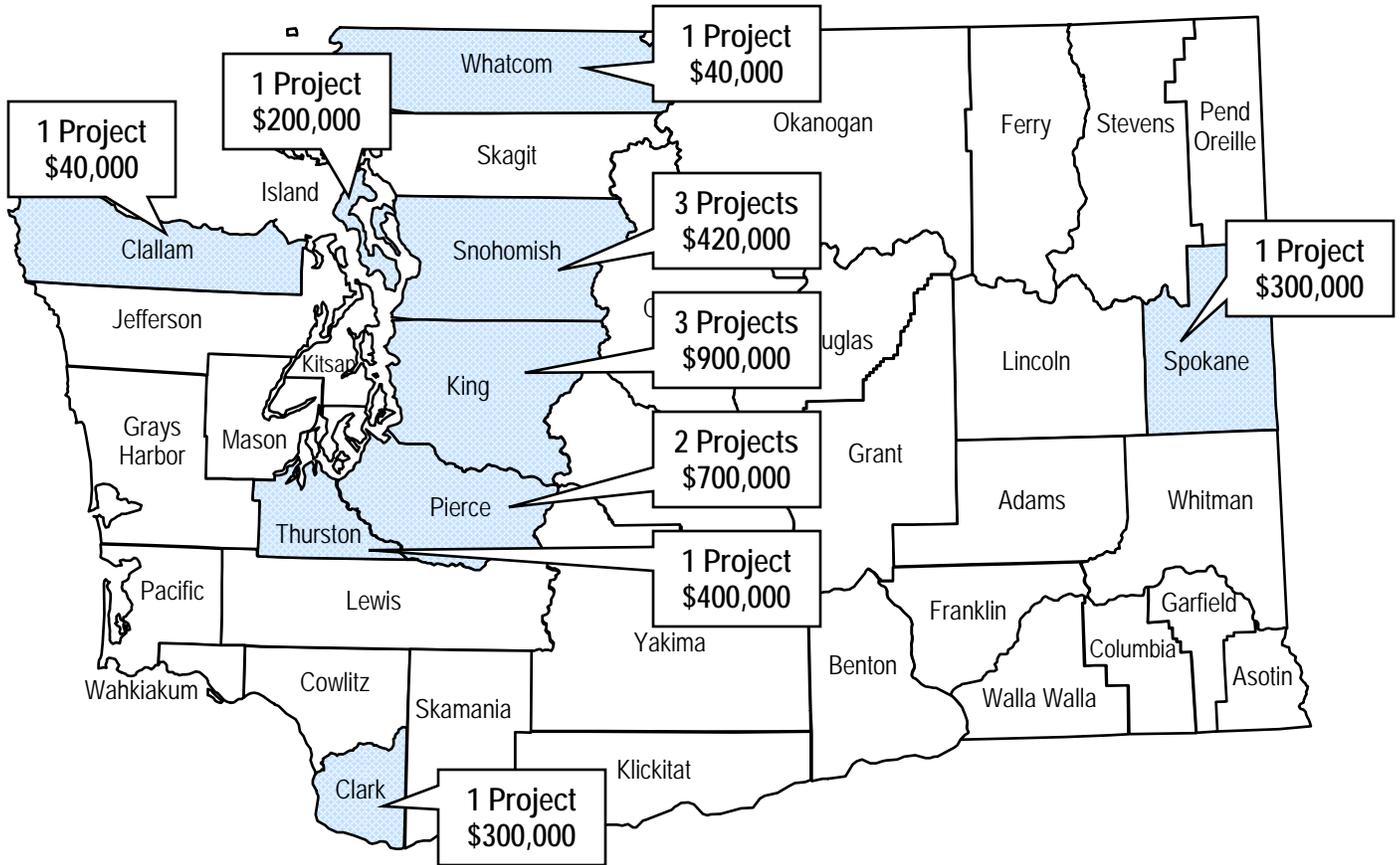
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	<p>The program goals are to:</p> <ul style="list-style-type: none"> • Disburse awarded funds as quickly as possible; and • Distribute funds equitably throughout the state.
	Performance Measures and Program Performance:
	<ul style="list-style-type: none"> • How quickly funds are fully disbursed from the date of the award letter to the final payment date → For the 2005-07 Biennium: average of 238 days (2 contracts), 322 days into the biennium • Where funds are awarded by county.

Agency-Identified Challenges\Issues	Program Challenges or Issues Identified by the Agency:
	<p>The agency reports that three recent issues have added to the complexity of CTED's Capital Programs' grants award and management process:</p> <ul style="list-style-type: none"> • Prevailing wage issues – There are no statutory guidelines regarding the payment of state prevailing wages specifically tailored to nonprofit organizations; • Green (high-performance) building standards – The 2005 Legislature passed a law, codified as Chapter 39.35D RCW, that requires many grant recipients to build to the Leadership in Energy and Environmental Design (LEED) silver standard. This added initial cost can be a hardship for smaller nonprofits in critically underserved areas of the state. • Executive Order 05-05 – This 2005 executive order requires that capital projects be reviewed for archaeological and cultural resources. This is required of projects not undergoing a Section 106 review under the National Historic Preservation Act if the project disturbs ground and/or involves structures more than 50 years old. This has lengthened the amount of time it takes to execute a contract with the grantee by approximately two weeks.

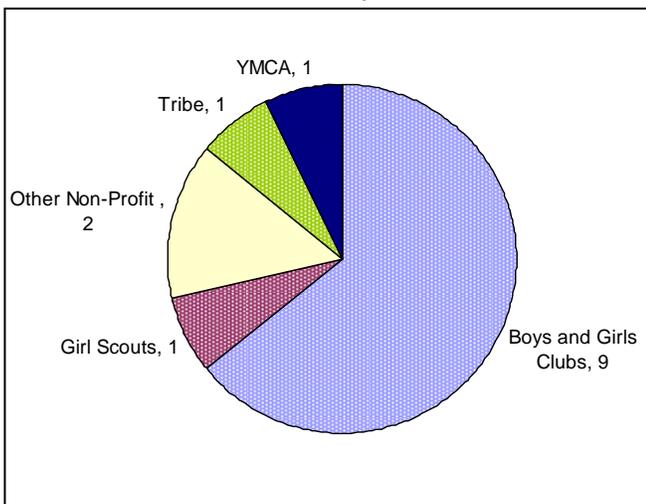
Website	For Additional Information:
	<p>On CTED's website, from the main website at http://www.cted.wa.gov CTED Main > Divisions > Local Government > Programs & Services > Community Development > Capital Programs > Youth Recreational Facilities (YRF) Program</p>

Youth Recreational Facilities Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Projects include Boys and Girls Clubs' clubhouses, a tribal youth recreation center, a Girl Scout program center, and a YMCA family skate park.

Community Development Block Grant General Purpose Grant Program

Administered By:

Dept of Community, Trade and Economic
Development, Local Government Division

General Information	Program Purpose: Community Development Block Grant (CDBG) General Purpose Grants assist small cities, towns, and counties in carrying out significant community and economic development projects that principally benefit low- and moderate-income persons. As with all of the state's CDBG grant programs, the General Purpose Grant Program is funded by the U.S. Department of Housing and Urban Development (HUD).	
	Mission Statement: The mission of all of the state's CDBG grant programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.	
	Year Established: 1982	Legislative Intent: (Congressional) 42 USC 5301(c)
	Enabling State Statutes: Not applicable (federal law)	The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.
Administrative Rules: Not applicable (federal law)		
Is there a separate governing board? No.		

Budget Information	Recent Calendar Year Budgets	2002	2003	2004	2005	2006 (Projected)												
	New Appropriation for Administration*																	
	New Appropriation for Grants	7,320,000	7,000,000	8,000,000	7,500,000	7,000,000												
	Expenditure for Administration*																	
	Funds Awarded for Grants**	7,568,556	8,093,274	9,578,115	7,369,000	8,000,000												
	<p>*Note: CTED receives administrative funding based on the total CDBG federal grant. CTED does not allocate a specific portion of this total administrative funding to each of the nine individual CDBG grant programs.</p> <p>**Note: CTED is sometimes able to award more in funding than the original allocation in the action plan, for example through the inclusion of contingency funds.</p>																	
FTEs for the Program in 2005-07: 9.2 FTEs administer all nine CDBG programs		<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Year</th> <th>Funds Awarded (\$)</th> </tr> </thead> <tbody> <tr> <td>2002</td> <td>7,568,556</td> </tr> <tr> <td>2003</td> <td>8,093,274</td> </tr> <tr> <td>2004</td> <td>9,578,115</td> </tr> <tr> <td>2005</td> <td>7,369,000</td> </tr> <tr> <td>2006</td> <td>8,000,000</td> </tr> </tbody> </table>					Year	Funds Awarded (\$)	2002	7,568,556	2003	8,093,274	2004	9,578,115	2005	7,369,000	2006	8,000,000
Year	Funds Awarded (\$)																	
2002	7,568,556																	
2003	8,093,274																	
2004	9,578,115																	
2005	7,369,000																	
2006	8,000,000																	
Fund Account(s): 001-2 – General Fund – Federal 001-1 – General Fund – State																		
Fund Sources: Annual grant from the U.S. Department of Housing and Urban Development; very small portion from General Fund State is intended to provide a required match to administer the federal grant.																		

Recent Changes to Funding Pattern: (1) At the federal level, recent budget proposals have called for reductions in funding for all states' CDBG programs; other administration proposals would eliminate or revamp the programs. (2) At the state level, CTED indicates that current policy does not allow for consideration of in-kind services by other CTED programs to count toward the state match required for administrative funding, and that the CDBG programs have not received an appropriation of sufficient state funds to meet that match requirement.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual, based on a calendar year.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 13	
	Total Amount Awarded in 2005: \$7,369,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of the federal grant the state receives from HUD, and then the state's allocation of that total grant amount among the CDBG grant programs that the state chooses to offer.	
	Maximum Amount That Can Be Awarded to a Project: \$1 million	
	Matching Requirements: There is no matching requirement, though applicants may fare better in project scoring if they can demonstrate that they are leveraging other funds.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns	<input checked="" type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input checked="" type="checkbox"/> Counties	<input type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
<input type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools		
<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities		
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
<input type="checkbox"/> Other	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input checked="" type="checkbox"/> Basic Infrastructure		
	<input checked="" type="checkbox"/> Transportation Infrastructure		
Eligible Projects: While the majority of funds in this grant program currently go to water and sewer projects, a wide range of projects are eligible, including community centers, health care facilities, child care facilities, economic development projects, and streets. Project eligibility for the General Purpose Grant Program is the same as for the Community Investment Fund Grant Program; the distinction is that the General Purpose Grant application process is an annual, competitive one while the Community Investment Fund application process is open year-round.			
Special Qualifications Regarding Who Can Apply: Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they do not receive CDBG funds from HUD directly.			
Special Qualifications Regarding Project Eligibility: Projects must principally benefit low- and moderate-income people. "Principally benefit" means that at least 51% of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80% of county median income.			

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

September	CTED staff hold two workshops for potential applicants, one in Eastern Washington and one in Western Washington.
Mid-November	Applications are due to CTED.
November – March	CTED staff screen the applications for eligibility. A team of CTED staff then evaluate each eligible application using the criteria below and give each application a score out of a possible 100 points. An application must receive a score of at least 65 points to receive funding. Based on the scores, the projects are placed in a single rank order.
End of March	CTED director reviews and approves the prioritized project list.
By March/April	CTED receives final confirmation on the amount of the state’s grant from HUD. CTED notifies successful and unsuccessful applicants.
April	CTED holds two workshops for grant recipients, one in Eastern Washington and one in Western Washington.

What Drives the Timing of the Application and Award Process? The timing of the process allows for a final prioritized project list to be released shortly after the confirmation of the amount of the federal grant from HUD, which also allows for work on contract completion so that successful applicants have their funding in time for the construction season.

Evaluation Criteria:

- Need of the community (25 possible points)
- Readiness to proceed with the project (25 possible points)
- Capacity of the jurisdiction to complete the project (25 possible points)
- Results of the project (25 possible points)

Applicants must receive a score of at least 65 points to receive funding.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals and Objectives:

These objectives are for *all* of the Community Development Block Grant programs:

- Achieve a leverage ratio of at least 1:1;
- Within 12 months, obligate 100% of the CDBG annual award from HUD;
- Provide two Application Workshops and two Management Handbook workshops each year;
- HUD requires 70% of CDBG projects benefit low- and moderate-income (LMI) persons. Washington’s CDBG program will strive to have at least 90% of projects benefit LMI persons;
- All funded construction projects will meet the High Score Standard of 65 points;
- Provide economic opportunity through improved/new accessibility, affordability or sustainability while expending no more than \$20,000 per job created;
- Provide decent housing with improved/new availability, affordability or sustainability for LMI households while expending no more than \$30,000 per household; and
- Provide a suitable living environment through improved/new accessibility, affordability or sustainability for target areas that annually serve at least 55% LMI persons.

Application and Award Process

Program Goals, Objectives, and Performance Measures

Performance Measures and Program Performance:

- Average leverage ratio each year
 - Average leverage ratio is 1:3 for 2002 through 2005;
- Percent of HUD award obligated within 12 months
 - 100% of the HUD award has been obligated within 12 months for the last four years;
- Number of workshops conducted per year
 - Five workshops in 2005
- Percent of projects benefiting LMI
 - Over the last four years, CDBG has averaged about 97% of projects benefiting LMI;
- Percent of construction projects meeting the High Standard Score
 - The High Standard Score has been met for each construction project.

The program staff are developing measures for the latter three objectives for use in 2007.

Agency-Identified Challenges\Issues**Program Challenges or Issues Identified by the Agency:**

The agency notes the following concerns:

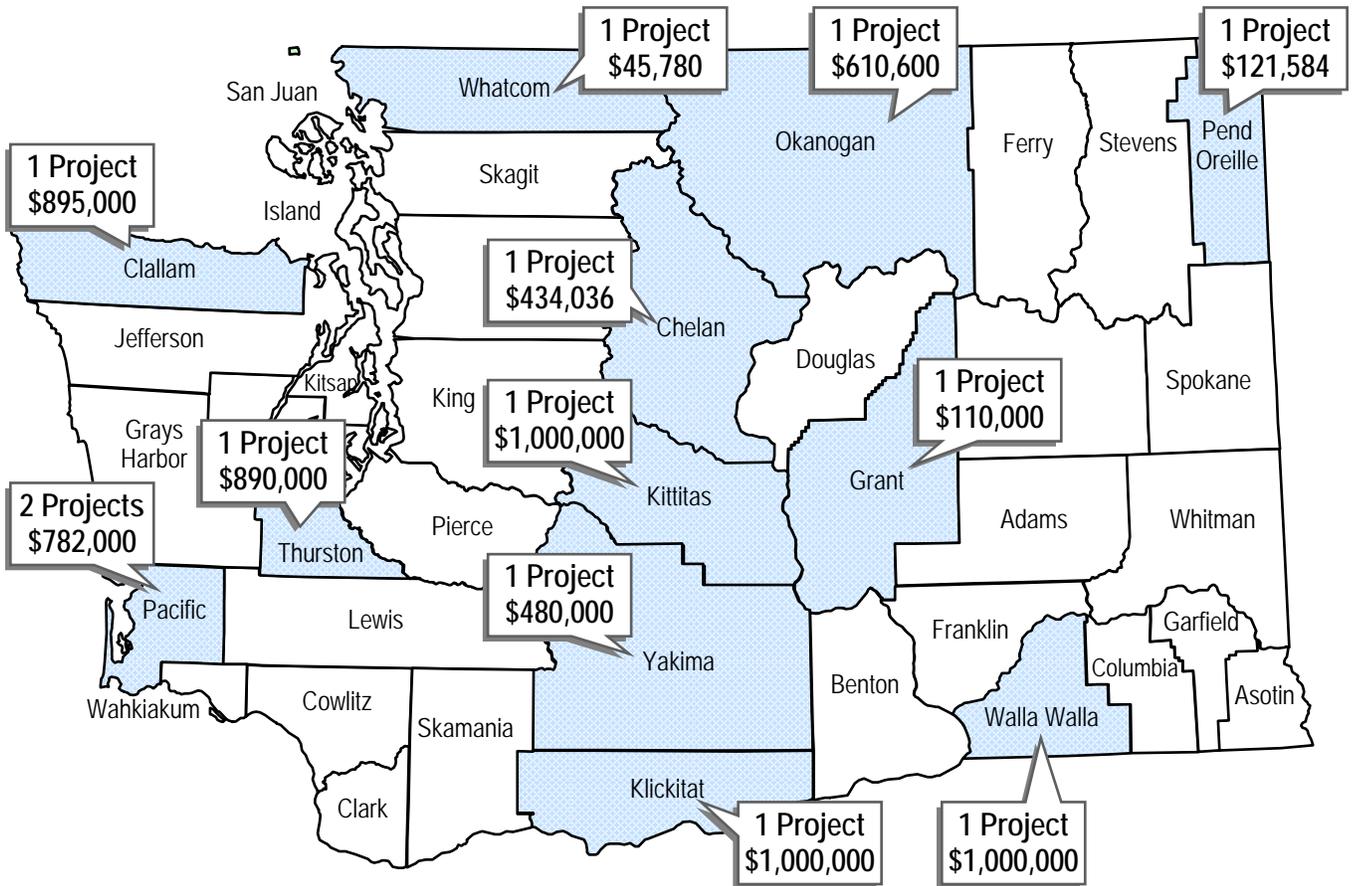
- Uncertainty about the level of federal funding in the future;
- The need for additional state general funds for administrative funding of CDBG grant programs; and
- Concern about not having enough staffing to provide sufficient help to program clients.

Website**For Additional Information:**

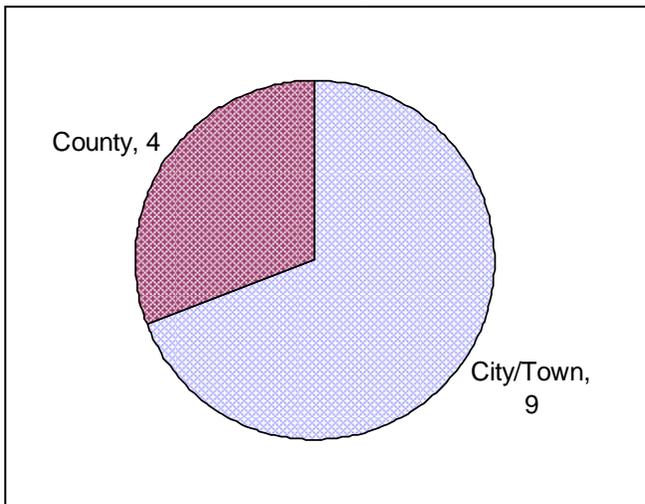
CTED Website on Community Development Block Grants
<http://www.cted.wa.gov/cdbg>

Community Development Block Grant General Purpose Grant Program Program Awards, 2005

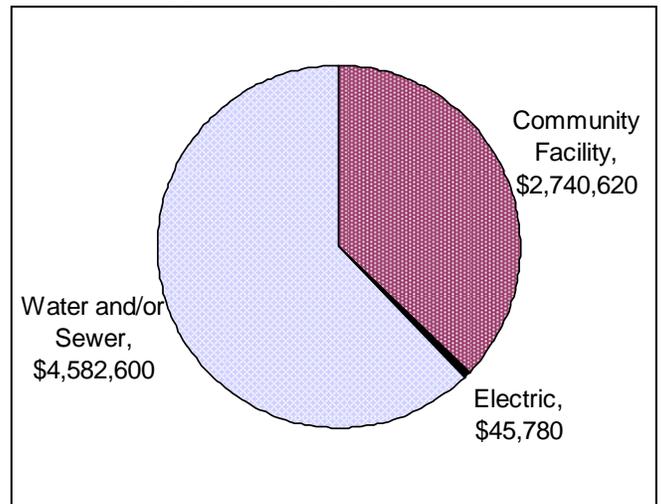
Location of Awards by County



Grant Recipients



Types of Projects Funded



Community Development Block Grant Community Investment Fund Grant Program

Administered By:
Department of Community, Trade and
Economic Development
Local Government Division

General Information

Program Purpose: Community Development Block Grant (CDBG) Community Investment Fund Grants assist small cities, towns, and counties in carrying out significant community and economic development projects that principally benefit low- and moderate-income persons. As with all of the state's CDBG grant programs, the Community Investment Fund Grant Program is funded by the U.S. Department of Housing and Urban Development (HUD).

Mission Statement: The mission of all of the state's CDBG grant programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.

Year Established: 1982

Legislative Intent: (Congressional) 42 USC 5301(c)

Enabling State Statutes:
Not applicable (federal law)

The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Administrative Rules:
Not applicable (federal law)

Is there a separate governing board? No.

Budget Information

Recent Calendar Year Budgets	2002	2003	2004	2005	2006 (Projected)
New Appropriation for Administration*					
New Appropriation for Grants	4,500,000	4,845,000	4,500,000	5,178,030	4,107,728
Expenditure for Administration*					
Funds Awarded for Grants**	7,105,193	7,315,000	5,919,200	5,127,187	4,000,000

*Note: CTED receives administrative funding based on the total CDBG federal grant. CTED does not allocate a specific portion of this total administrative funding to each of the nine individual CDBG grant programs.

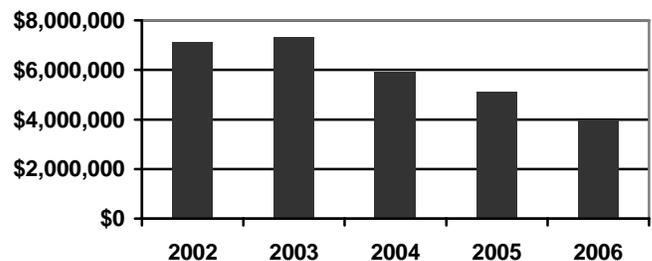
**Note: CTED is sometimes able to award more in funding than the original allocation in the action plan, for example through the inclusion of contingency funds.

FTEs for the Program in 2005-07:
9.2 FTEs administer all nine CDBG programs

Fund Account(s):
001-2 – General Fund – Federal
001-1 – General Fund – State

Fund Sources:
Annual grant from the U.S. Department of Housing and Urban Development; very small portion from General Fund State is intended to provide a required match to administer the federal grant.

Funds Awarded for Grants



Recent Changes to Funding Pattern: (1) At the federal level, recent budget proposals have called for reductions in funding for all states' CDBG programs; other administration proposals would eliminate or revamp the programs. (2) At the state level, CTED indicates that current policy does not allow for consideration of in-kind services by other CTED programs to count toward the state match required for administrative funding, and that the CDBG programs have not received an appropriation of sufficient state funds to meet that match requirement.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual, based on a calendar year.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 10	
	Total Amount Awarded in 2005: \$5,127,187	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of the federal grant the state receives from HUD, and then the state's allocation of that total grant amount among the CDBG grant programs that the state chooses to offer.	
	Maximum Amount That Can Be Awarded to a Project: No set maximum.	
	Matching Requirements: There is no matching requirement, though applicants may fare better in project scoring if they can demonstrate that they are leveraging other funds.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: While the majority of funds in this grant program currently go to water and sewer projects, a wide range of projects are eligible, including community centers, health care facilities, child care facilities, economic development projects, and streets. Project eligibility for the Community Investment Fund Grant Program is the same as for the General Purpose Grant Program; a distinction is that the General Purpose Grant application process is an annual, competitive one while the Community Investment Fund application process is open year-round.		
	Special Qualifications Regarding Who Can Apply: Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they do not receive CDBG funds from HUD directly.		

Application and Award Process	<p>Special Qualifications Regarding Project Eligibility: Projects must principally benefit low- and moderate-income people. "Principally benefit" means that at least 51% of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80% of county median income. In addition, the project must rank in the top three of the county project priority list, and the county legislative authority must submit a letter verifying the regional priority status of the project.</p> <p>Recent Changes in Eligible Applicants or Categories of Projects: None.</p>
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Application and Award Process	<p>Timing and Steps in the Process:</p> <table border="1" style="width: 100%;"> <tr> <td style="width: 30%; vertical-align: top;">Any time of year</td> <td> <p>Unlike the CDBG General Purpose Grant annual competitive process, applicants may apply for a Community Investment Fund Grant at any time. CTED staff can review a pre-application to determine if the project is eligible and to determine if the applicant needs additional technical assistance in defining a project that is viable and ready to proceed.</p> <p>Once the application is submitted, a staff person at CTED evaluates the application according to the criteria below. A project must receive a score of at least 65 points in order to receive funding. Projects are funded on a first-come, first-serve basis until funds for this program are allocated.</p> </td> </tr> </table> <p>What Drives the Timing of the Application and Award Process? An applicant may apply at any time during the year, though funds are awarded on a first-come, first-serve basis.</p> <p>Evaluation Criteria:</p> <ul style="list-style-type: none"> • Need of the community (25 possible points) • Readiness to proceed with the project (25 possible points) • Capacity of the jurisdiction to complete the project (25 possible points) • Results of the project (25 possible points) <p>Applicants must receive a score of at least 65 points to receive funding.</p> <p>Recent Changes to the Process or Evaluation Criteria: None.</p>	Any time of year	<p>Unlike the CDBG General Purpose Grant annual competitive process, applicants may apply for a Community Investment Fund Grant at any time. CTED staff can review a pre-application to determine if the project is eligible and to determine if the applicant needs additional technical assistance in defining a project that is viable and ready to proceed.</p> <p>Once the application is submitted, a staff person at CTED evaluates the application according to the criteria below. A project must receive a score of at least 65 points in order to receive funding. Projects are funded on a first-come, first-serve basis until funds for this program are allocated.</p>
Any time of year	<p>Unlike the CDBG General Purpose Grant annual competitive process, applicants may apply for a Community Investment Fund Grant at any time. CTED staff can review a pre-application to determine if the project is eligible and to determine if the applicant needs additional technical assistance in defining a project that is viable and ready to proceed.</p> <p>Once the application is submitted, a staff person at CTED evaluates the application according to the criteria below. A project must receive a score of at least 65 points in order to receive funding. Projects are funded on a first-come, first-serve basis until funds for this program are allocated.</p>		

Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>These objectives are for <i>all</i> of the Community Development Block Grant programs:</p> <ul style="list-style-type: none"> • Achieve a leverage ratio of at least 1:1; • Within 12 months, obligate 100% of the CDBG annual award from HUD; • Provide two Application Workshops and two Management Handbook workshops each year; • HUD requires 70% of CDBG projects benefit low- and moderate-income (LMI) persons. Washington's CDBG program will strive to have at least 90% of projects benefit LMI persons; • All funded construction projects will meet the High Score Standard of 65 points; • Provide economic opportunity through improved/new accessibility, affordability or sustainability while expending no more than \$20,000 per job created; • Provide decent housing with improved/new availability, affordability or sustainability for LMI households while expending no more than \$30,000 per household; and • Provide a suitable living environment through improved/new accessibility, affordability or sustainability for target areas that annually serve at least 55% LMI persons.
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Performance Measures and Program Performance:

- Average leverage ratio each year
 - Average leverage ratio is 1:3 for 2002 through 2005;
- Percent of HUD award obligated within 12 months
 - 100% of the HUD award has been obligated within 12 months for the last four years;
- Number of workshops conducted per year
 - Five workshops in 2005
- Percent of projects benefiting LMI
 - Over the last four years, CDBG has averaged about 97% of projects benefiting LMI;
- Percent of construction projects meeting the High Standard Score
 - The High Standard Score has been met for each construction project.

The program staff are developing measures for the latter three objectives for use in 2007.

Agency-Identified Challenges\Issues**Program Challenges or Issues Identified by the Agency:**

The agency notes the following concerns:

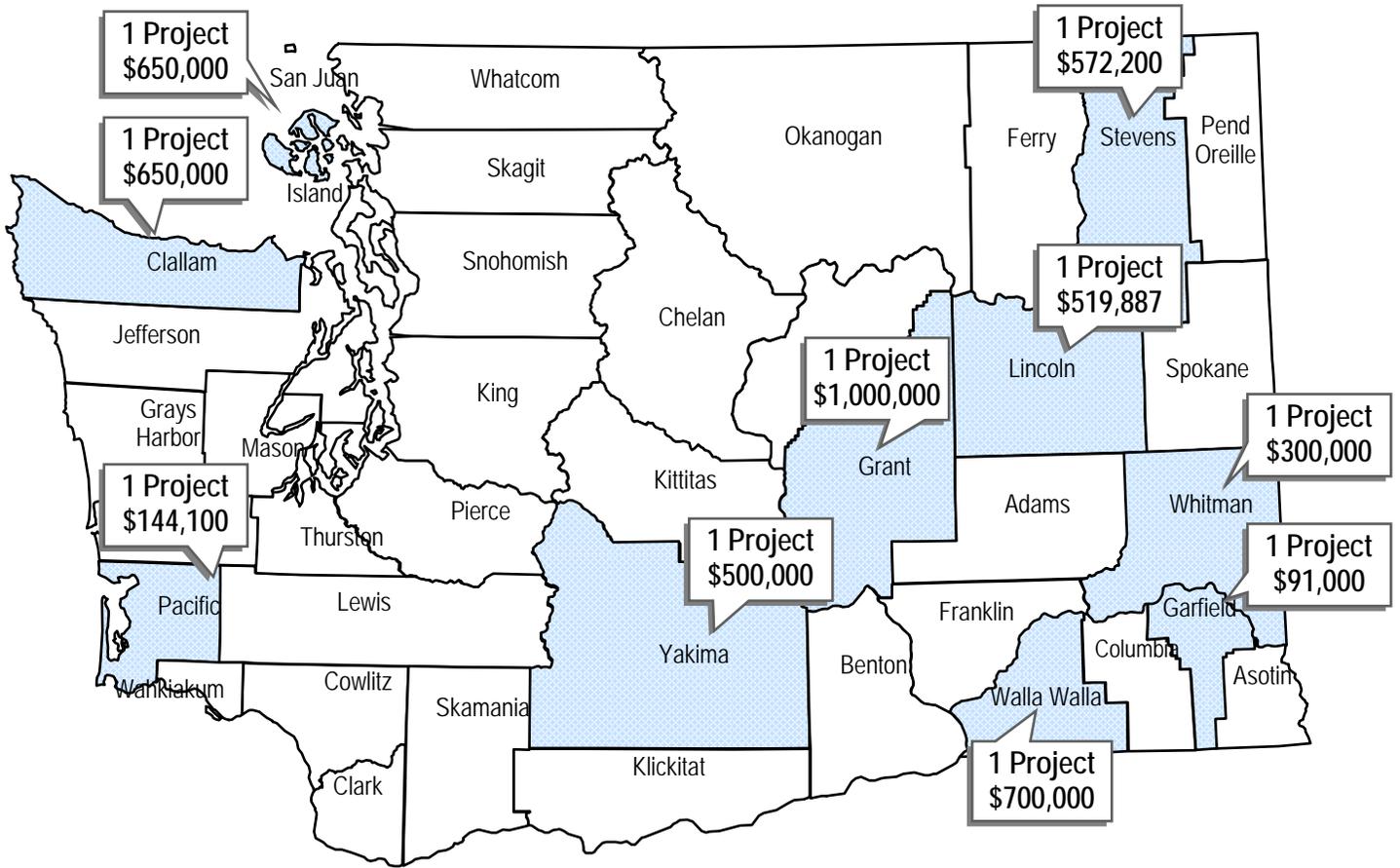
- Uncertainty about the level of federal funding in the future;
- The need for additional state general funds for administrative funding of CDBG grant programs; and
- Concern about not having enough staffing to provide sufficient help to program clients.

Website**For Additional Information:**

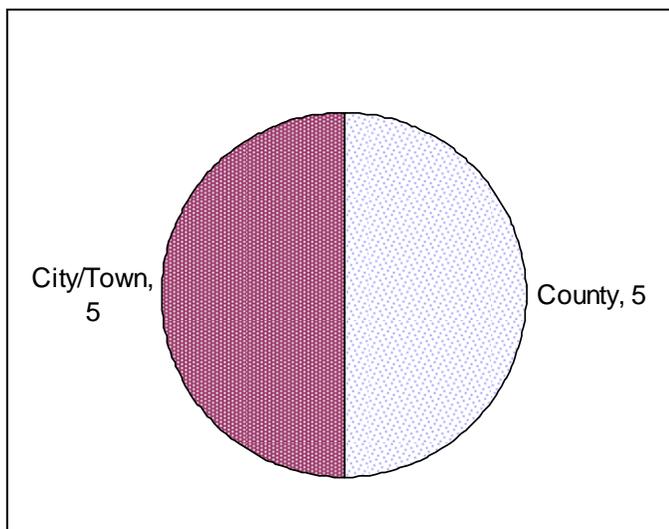
CTED Website on Community Development Block Grants
<http://www.cted.wa.gov/cdbg>

Community Development Block Grant Community Investment Fund Program Grant Awards, 2005

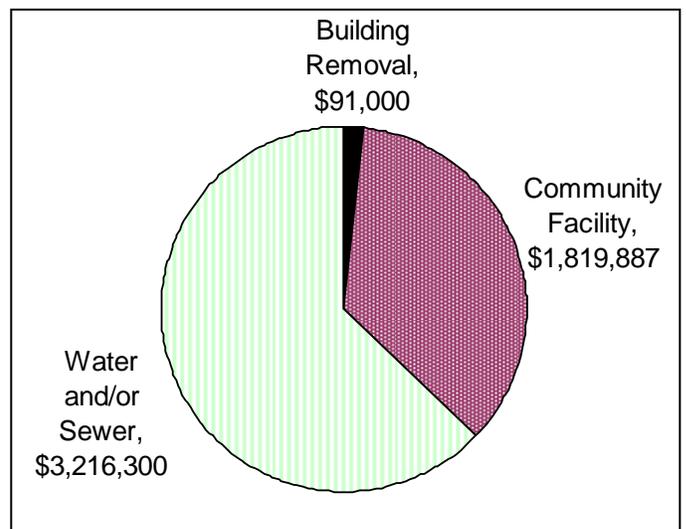
Location of Awards by County



Grant Recipients



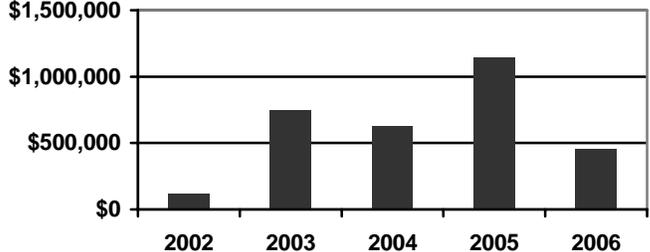
Types of Projects Funded



Community Development Block Grant Housing Enhancement Grant Program

Administered By:
Dept of Community, Trade and Economic
Development, Local Government Division

General Information	Program Purpose: Community Development Block Grant (CDBG) Housing Enhancement Grants provide eligible cities and counties with companion grants in coordination with funding from the Housing Trust Fund, allowing these local jurisdictions to partner with non-profit, low-income housing developers to assist in the development or preservation of housing projects. The Housing Enhancement Grant funds are available to cover project costs that cannot be paid for using Housing Trust Fund dollars but that are essential to the project's overall success, such as offsite water and sewer infrastructure. As with all of the state's CDBG grant programs, the Housing Enhancement Grant Program is funded by the U.S. Department of Housing and Urban Development (HUD).	
	Mission Statement: The mission of all of the state's CDBG grant programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.	
	Year Established: 1982	Legislative Intent: (Congressional) 42 USC 5301(c)
	Enabling State Statutes: Not applicable (federal law)	The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.
	Administrative Rules: Not applicable (federal law)	
Is there a separate governing board? No.		

Budget Information	Recent Calendar Year Budgets	2002	2003	2004	2005	2006 (Projected)
	New Appropriation for Administration*					
	New Appropriation for Grants	1,000,000	1,000,000	1,185,000	1,000,000	800,000
	Expenditure for Administration*					
	Funds Awarded for Grants**	115,750	742,340	624,578	1,146,307	450,000
	<p>*Note: CTED receives administrative funding based on the total CDBG federal grant. CTED does not allocate a specific portion of this total administrative funding to each of the nine individual CDBG grant programs.</p> <p>**Note: CTED is sometimes able to award more in funding than the original allocation in the action plan, for example through the inclusion of contingency funds.</p>					
FTEs for the Program in 2005-07: 9.2 FTEs administer all nine CDBG programs		<div style="text-align: center;"> Funds Awarded for Grants  </div>				
Fund Account(s): 001-2 – General Fund – Federal 001-1 – General Fund – State						
Fund Sources: Annual grant from the U.S. Department of Housing and Urban Development; very small portion from General Fund State is intended to provide a required match to administer the federal grant.						

Recent Changes to Funding Pattern: (1) At the federal level, recent budget proposals have called for reductions in funding for all states' CDBG programs; other administration proposals would eliminate or revamp the programs. (2) At the state level, CTED indicates that current policy does not allow for consideration of in-kind services by other CTED programs to count toward the state match required for administrative funding, and that the CDBG programs have not received an appropriation of sufficient state funds to meet that match requirement.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Twice per year, in conjunction with the Housing Trust Fund cycle.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 5	
	Total Amount Awarded in 2005: \$1,146,307	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of the federal grant the state receives from HUD, and then the state's allocation of that total grant amount among the CDBG grant programs that the state chooses to offer.	
	Maximum Amount That Can Be Awarded to a Project: No set maximum.	
	Matching Requirements: None, although these grants will always be in combination with funding from the Housing Trust Fund.	
	Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Eligible projects must be directly related to the housing project but ineligible for funds from the Housing Trust Fund. Examples include water or sewer lines for a housing project, with the lines running on the public domain, or a day-care facility that has been incorporated into the design of a larger housing project.		
	Special Qualifications Regarding Who Can Apply: Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they do not receive CDBG funds from HUD directly.		
	Special Qualifications Regarding Project Eligibility: Projects must principally benefit low- and moderate-income people. "Principally benefit" means that at least 51% of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80% of county median income. Additionally, only projects receiving Housing Trust Fund dollars may apply for Housing Enhancement Grants. A proposed project must be necessary and appropriate within the scope and the proposed use of a Housing Trust Fund project.		

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

Note: CDBG Housing Enhancement Grant applications are considered in conjunction with applications for Housing Trust Fund (HTF) projects. The Housing Trust Fund has two application cycles per year, one in the Spring and one in the Fall.

Twice per year	Applicants file an application for the CDBG program as part of the application for the Housing Trust Fund.
	Review of applications takes place in two stages. In Stage One, Housing Trust Fund staff review the application to see that it meets HTF threshold requirements. CDBG staff review the HTF application and the Housing Enhancement Project summary form to screen for project eligibility. CDBG staff may request additional information from the applicant, which the applicant has up to two weeks to provide.
	HTF and CDBG staff meet to finalize the eligibility determination and funding recommendation. CDBG staff notify the applicants of Housing Enhancement funding eligibility/ineligibility.
	For eligible projects, Stage Two begins. CDBG sends the applicant an acknowledgement letter along with additional required forms and information. The applicant must complete a set of federal requirements within 60 days of the date of the acknowledgement letter.
	If these requirements are satisfied, CDBG staff work to complete contract arrangements with the applicant.

What Drives the Timing of the Application and Award Process? The driver is the linkage to the Housing Trust Fund application cycles.

Evaluation Criteria:

<p>Regular CDBG Evaluation Criteria:</p> <ul style="list-style-type: none"> • Need of the community (25 possible points) • Readiness to proceed with the project (25 possible points) • Capacity of the jurisdiction to complete the project (25 possible points) • Results of the project (25 possible points) <p>Applicants must receive a score of at least 65 points to receive funding.</p>	<p>Additional threshold criteria:</p> <ul style="list-style-type: none"> • The project activity is not eligible for funding from the Housing Trust Fund; • The CDBG dollars appear to fill a funding and/or affordability gap; and • The project meets a HUD national objective.
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Recent Changes to the Process or Evaluation Criteria: None.

Program Goals and Objectives:

These objectives are for *all* of the Community Development Block Grant programs:

- Achieve a leverage ratio of at least 1:1;
- Within 12 months, obligate 100% of the CDBG annual award from HUD;
- Provide two Application Workshops and two Management Handbook workshops each year;
- HUD requires 70% of CDBG projects benefit low- and moderate-income (LMI) persons. Washington's CDBG program will strive to have at least 90% of projects benefit LMI persons;
- All funded construction projects will meet the High Score Standard of 65 points;
- Provide economic opportunity through improved/new accessibility, affordability or sustainability while expending no more than \$20,000 per job created;
- Provide decent housing with improved/new availability, affordability or sustainability for LMI households while expending no more than \$30,000 per household; and
- Provide a suitable living environment through improved/new accessibility, affordability or sustainability for target areas that annually serve at least 55% LMI persons.

Application and Award Process

Program Goals, Objectives, and Performance Measures

Performance Measures and Program Performance:

- Average leverage ratio each year
 - Average leverage ratio is 1:3 for 2002 through 2005
- Percent of HUD award obligated within 12 months
 - 100% of the HUD award has been obligated within 12 months for the last four years
- Number of workshops conducted per year
 - Five workshops in 2005
- Percent of projects benefiting LMI
 - Over the last four years, CDBG has averaged about 97% of projects benefiting LMI
- Percent of construction projects meeting the High Standard Score
 - The High Standard Score has been met for each construction project

The program staff are developing measures for the latter three objectives for use in 2007.

Agency-Identified Challenges/Issues

Program Challenges or Issues Identified by the Agency:

The agency notes the following concerns:

- Uncertainty about the level of federal funding in the future;
- The need for additional state general funds for administrative funding of CDBG grant programs; and
- Concern about not having enough staffing to provide sufficient help to program clients.

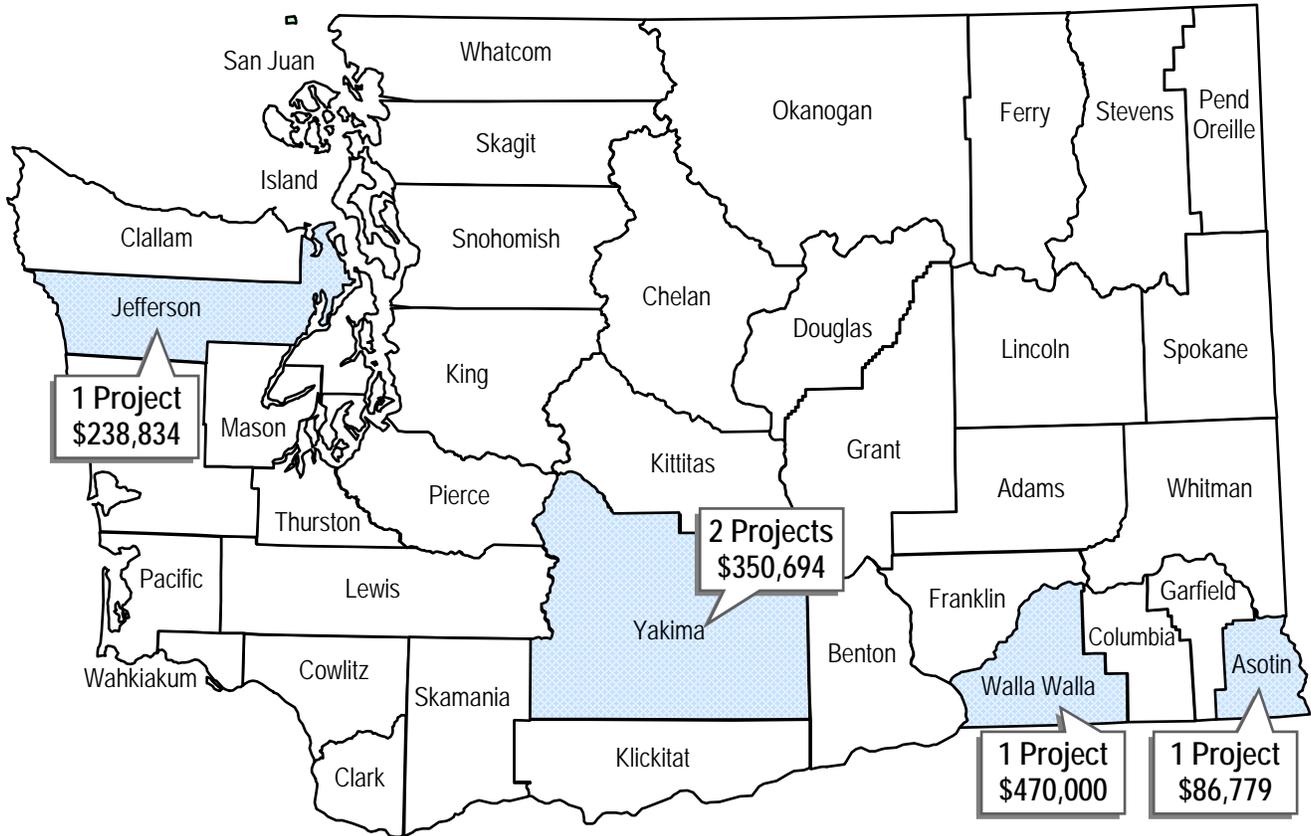
Website

For Additional Information:

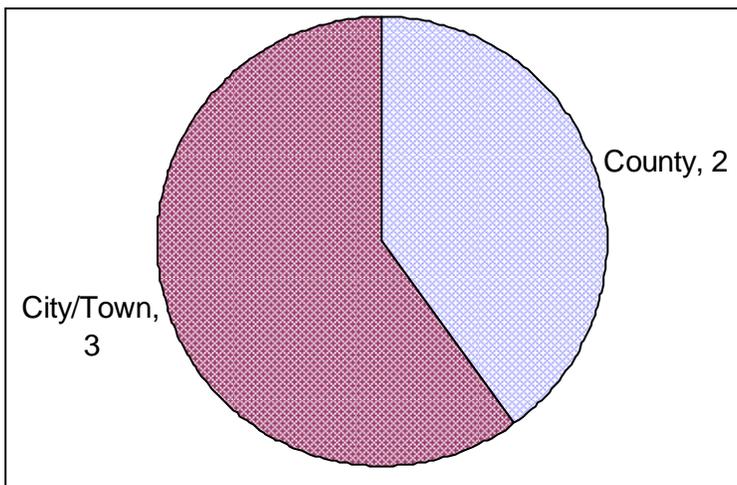
CTED Website on Community Development Block Grants
<http://www.cted.wa.gov/cdbg>

Community Development Block Grant Housing Enhancement Grant Program Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded:
 Infrastructure improvements for
 low- and moderate-income housing,
 senior housing, and
 farm worker rental units

Community Development Block Grant Imminent Threat Program

Administered By:

Dept of Community, Trade and Economic
Development, Local Government Division

General Information	Program Purpose: Community Development Block Grant (CDBG) Imminent Threat Grants assist eligible communities in meeting unique, emergency needs that pose a serious, immediate threat to public health and safety. As with all of the state's CDBG grant programs, the Imminent Threat Grant Program is funded by the U.S. Department of Housing and Urban Development (HUD).	
	Mission Statement: The mission of all of the state's CDBG grant programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.	
	Year Established: 1982	Legislative Intent: (Congressional) 42 USC 5301(c) The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.
	Enabling State Statutes: Not applicable (federal law)	
	Administrative Rules: Not applicable (federal law)	
Is there a separate governing board? No.		

Budget Information	Recent Calendar Year Budgets	2002	2003	2004	2005	2006 (Projected)										
	New Appropriation for Administration*															
	New Appropriation for Grants	400,000	400,000	400,000	300,000	166,000										
	Expenditure for Administration*															
	Funds Awarded for Grants**	572,959	0	46,612	24,000	Not yet available										
	*Note: CTED receives administrative funding based on the total CDBG federal grant. CTED does not allocate a specific portion of this total administrative funding to each of the nine individual CDBG grant programs.															
	**Note: CTED is sometimes able to award more in funding than the original allocation in the action plan, for example through the inclusion of contingency funds. Due to the emergency nature of these grants, more may be issued in the duration of the biennium															
FTEs for the Program in 2005-07: 9.2 FTEs administer all nine CDBG programs		<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Year</th> <th>Funds Awarded</th> </tr> </thead> <tbody> <tr> <td>2002</td> <td>572,959</td> </tr> <tr> <td>2003</td> <td>0</td> </tr> <tr> <td>2004</td> <td>46,612</td> </tr> <tr> <td>2005</td> <td>24,000</td> </tr> </tbody> </table>					Year	Funds Awarded	2002	572,959	2003	0	2004	46,612	2005	24,000
Year	Funds Awarded															
2002	572,959															
2003	0															
2004	46,612															
2005	24,000															
Fund Account(s): 001-2 – General Fund – Federal 001-1 – General Fund – State																
Fund Sources: Annual grant from the U.S. Department of Housing and Urban Development; very small portion from General Fund State is intended to provide a required match to administer the federal grant.																

Recent Changes to Funding Pattern: (1) At the federal level, recent budget proposals have called for reductions in funding for all states' CDBG programs; other administration proposals would eliminate or revamp the programs. (2) At the state level, CTED indicates that current policy does not allow for consideration of in-kind services by other CTED programs to count toward the state match required for administrative funding, and that the CDBG programs have not received an appropriation of sufficient state funds to meet that match requirement.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Continuous cycle, on a calendar year basis.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 1	
	Total Amount Awarded in 2005: \$24,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of the federal grant the state receives from HUD, and then the state's allocation of that total grant amount among the CDBG grant programs that the state chooses to offer.	
	Maximum Amount That Can Be Awarded to a Project: No set maximum.	
	Matching Requirements: None.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Projects must be compatible with CDBG eligible activities that include, but are not limited to, improvements to water, sewer, and drainage facilities. Recent examples are repair of a collapsed city well and repair of a broken sewer line.		
	Special Qualifications Regarding Who Can Apply: Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they do not receive CDBG funds from HUD directly. Additionally, applicants must be suffering from an immediate and urgent threat to public health or safety, as verified by an independent source and supported by a formal declaration of emergency.		
Special Qualifications Regarding Project Eligibility: Projects must principally benefit low- and moderate-income people. "Principally benefit" means that at least 51% of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80% of county median income. Additionally, a project is not eligible for an Imminent Threat Grant until it is first determined that the project is not eligible for an emergency loan from the Public Works Trust Fund.			

Recent Changes in Eligible Applicants or Categories of Projects: None.

Application and Award Process

Timing and Steps in the Process:

Any time of year	Given the emergency nature of such applications, there is no regular grant application cycle. CTED staff verify the official declaration of an emergency, the appropriate CDBG eligibility requirements, and the inability of the project to qualify for an emergency loan through the Public Works Board. Applicants answer a series of questions intended to establish the scope, severity, validity, history, and impact of the imminent threat.
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What Drives the Timing of the Application and Award Process? The emergency event.

Evaluation Criteria:

As indicated above, CTED staff evaluate the scope, severity, validity, history, and impact of the imminent threat. Program materials indicate that, given a limitation of funds, the review process is rigorous and intended to screen for only the most serious, emergency public health and safety threats, and for projects that are not eligible for an emergency loan from the Public Works Trust Fund.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals, Objectives, and Performance Measures

Program Goals and Objectives:

These objectives are for *all* of the Community Development Block Grant programs:

- Achieve a leverage ratio of at least 1:1;
- Within 12 months, obligate 100% of the CDBG annual award from HUD;
- Provide two Application Workshops and two Management Handbook workshops each year;
- HUD requires 70% of CDBG projects benefit low- and moderate-income (LMI) persons. Washington's CDBG program will strive to have at least 90% of projects benefit LMI persons;
- All funded construction projects will meet the High Score Standard of 65 points;
- Provide economic opportunity through improved/new accessibility, affordability or sustainability while expending no more than \$20,000 per job created;
- Provide decent housing with improved/new availability, affordability or sustainability for LMI households while expending no more than \$30,000 per household; and
- Provide a suitable living environment through improved/new accessibility, affordability or sustainability for target areas that annually serve at least 55% LMI persons.

Performance Measures and Program Performance:

These performance measures are for all of the CDBG grant programs:

- Average leverage ratio each year
 - Average leverage ratio is 1:3 for 2002 through 2005
- Percent of HUD award obligated within 12 months
 - 100% of the HUD award has been obligated within 12 months for the last four years
- Number of workshops conducted per year
 - Five workshops in 2005
- Percent of projects benefiting LMI
 - Over the last four years, CDBG has averaged about 97% of projects benefiting LMI
- Percent of construction projects meeting the High Standard Score
 - The High Standard Score has been met for each construction project

The program staff are developing measures for the latter three objectives for use in 2007.

Agency-Identified
Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The agency notes that, while the same overall funding concerns about all CDBG grant programs apply to this one as well, this grant program is used infrequently. The biggest challenge reported is inherent in the nature of responding to an imminent threat: being able to respond with a fast enough turn-around time on an application.

Website

For Additional Information:

CTED Website on Community Development Block Grants
<http://www.cted.wa.gov/cdbg>

Housing Trust Fund Program

Administered By:

Department of Community, Trade and Economic Development, Housing Division

General Information

Program Purpose: The Housing Trust Fund supports community efforts to ensure the availability of safe, decent, and affordable housing by providing loans and grants for construction, acquisition, and rehabilitation of low-income multi-family and single-family housing.

Mission Statement: The Housing Division invests public resources to create, preserve and enhance safe and affordable housing for Washington residents.

Year Established:
 Authorizing legislation in 1986
 Operating appropriation in 1987
 Capital appropriation in 1989

Legislative Intent: RCW 43.185.010

The Legislature declares that it is in the public interest to establish a continuously renewable resource known as the Housing Trust Fund and Housing Assistance Program to assist low and very low-income citizens in meeting their basic housing needs, and that the needs of very low-income citizens should be given priority and that whenever feasible, assistance should be in the form of loans.

Enabling State Statutes:
 Chapter 43.185 RCW and
 Chapter 43.185A RCW

Administrative Rules:
 None.

Is there a separate governing board? No. However, a subcommittee of the State Affordable Housing Advisory Board called the Policy Advisory Team advises CTED on the administration of the Housing Trust Fund Program.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Allowed Administration Cost*	2,781,718	3,354,770	4,154,083	4,800,000	6,600,000
New Appropriation for Grants/Loans	54,700,000	79,800,000	78,000,000	81,000,000	121,000,000**
Expenditure for Administration	2,781,718	3,354,770	4,154,083	4,800,000	(estimated) 6,600,000
Funds Awarded for Grants/Loans	54,700,000	79,800,000	78,000,000	81,000,000	(estimated) 121,000,000

*Note: The administrative cost information above refers to a statutory (currently 5%) administrative cap. The program also has direct project management costs that are not within the administrative cap and are paid out of the loan repayment account (Washington Housing Trust Account).

**Note: The 2005-07 amount includes a \$2.5 million appropriation for the Farmworker Housing Infrastructure Loan Program (also in this inventory).

FTEs for the Program in 2005-07: 20

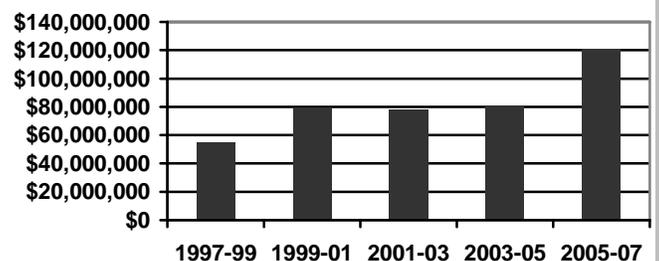
Fund Account(s):

355 – State Taxable Building Construction Acct
 532 – Washington Housing Trust Account
 263 – Community Economic Development Fee Account

Fund Sources:

The State Taxable Building Construction Account is funded through the sale of state bonds. Administrative costs for the program are funded by loan repayments (Fund 532) and origination and monitoring fees (Fund 263). Administrative expenditures are authorized as a percent of annual revenues available to projects per the Capital Budget appropriation.

Funds Awarded for Grants/Loans



Recent Changes to Funding Pattern: Funding has been steadily increasing over the life of the Trust Fund. Additionally, in 2005 the Legislature increased the administrative cap, which is calculated as a percentage of each biennium's appropriated dollars, from 4% to 5%. CTED reports that, starting in the 2003-05 biennium, the Department was restricted from using any Capital Budget resources (Fund 355) directly for administration. FTEs that were incorporated into the Capital Budget were transferred to the Operating Budget.

Frequency of the Grant/Loan Cycle: Twice per calendar year, in the Fall and the Spring. There are four award rounds each biennium. The Spring round of odd-numbered years is funded using resources from the next biennium's appropriation.

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 67

Total Amount Awarded in 2005: \$57,195,062

What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget. CTED then distributes this amount in approximately proportional amounts across a biennium.

Maximum Amount That Can Be Awarded to a Project: Per policy of CTED,

- \$1.5 million per project;
- \$500,000 for homeownership or single-family rehabilitation projects;
- \$2 million per applicant organization per funding round.

Under certain circumstances, the CTED Housing Division Assistant Director may grant a waiver of these limits.

Matching Requirements: There are no specific matching requirements. However, per statute, CTED is to give preference to specific criteria, one of which is degree of leveraging of other funds.

<p>Interest Rate Charged: Program guidelines state that interest rates vary from 0-3%. In the past year, most loans have been set at 0%, and none have exceeded 1%. Loans may include a deferral period, with amortization schedules lasting as long as 40 years.</p>	<p>Repayment Statistics: The Trust Fund has had four foreclosures out of over 1,200 projects.</p>
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<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Eligible Applicants and Projects</p>	<p>Who Is Eligible To Apply?</p> <p><input checked="" type="checkbox"/> Cities and Towns</p> <p><input checked="" type="checkbox"/> Counties</p> <p><input type="checkbox"/> Port Districts</p> <p><input type="checkbox"/> Other Special Purpose Districts</p> <p><input checked="" type="checkbox"/> Tribes</p> <p><input type="checkbox"/> State Agencies</p> <p><input type="checkbox"/> Federal Agencies</p> <p><input checked="" type="checkbox"/> Non-Profit Organizations</p> <p><input type="checkbox"/> Private Businesses</p> <p><input checked="" type="checkbox"/> Other</p>	<p>What Categories of Projects Are Eligible?</p> <p><input type="checkbox"/> Community & Social Service Facilities</p> <p><input checked="" type="checkbox"/> Low-Income Housing</p> <p><input type="checkbox"/> Art Facilities</p> <p><input type="checkbox"/> Historic Preservation</p> <p><input type="checkbox"/> Public K-12 Schools</p> <p><input type="checkbox"/> Industrial Buildings & Port Facilities</p> <p><input type="checkbox"/> Biofuel Facilities</p> <p><input type="checkbox"/> 3rd Party Financing</p> <p><input type="checkbox"/> Outdoor Recreation</p> <p><input type="checkbox"/> Habitat Protection</p> <p><input type="checkbox"/> Avoid Military Base Closures</p> <p><input type="checkbox"/> Basic Infrastructure</p> <p><input type="checkbox"/> Transportation Infrastructure</p>	<p>Award Type:</p> <p><input checked="" type="checkbox"/> Grants</p> <p><input checked="" type="checkbox"/> Loans</p>
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Eligible Projects:

Eligible activities as referenced in statute include:

- New construction, rehabilitation, or acquisition of low and very low-income housing units;
- Acquisition of real property;
- Acquisition to preserve low-income or very low-income housing;
- Down payment or closing cost assistance for eligible low-income buyers; and
- Site improvements (on-site only).

The program spreads assistance among several categories of projects:

- Assisted living facilities;
- Boarding homes;
- Community land trusts;
- Emergency shelters, including shelters for survivors of domestic violence;
- Group homes;
- Homes/loans/mortgage insurance guarantees for low-income homebuyers;
- Multi-family rental housing;
- Seasonal and year-round housing for farm workers; and
- Transitional housing.

Special Qualifications Regarding Who Can Apply: Per statute, eligible organizations include cities and counties, local housing authorities, regional support networks, nonprofit community or neighborhood based organizations, tribes, and regional or statewide nonprofit housing assistance organizations. Nonprofits must be registered with the Secretary of State and provide documentation from the IRS designating them as tax-exempt.

Special Qualifications Regarding Project Eligibility: Housing units supported by the Housing Trust Fund may only serve people with incomes up to 80% of the local area’s median income. At least 30% of the moneys used in any given funding cycle are to be for the benefit of projects in rural areas of the state, as defined by CTED. Also, through Capital Budget provisions, the Legislature directs some funds to specific populations, for example, for farmworker housing, homeless families, people with developmental disabilities, self-help housing, and domestic violence victims.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Application and Award Process	Timing and Steps in the Process: (Using a Spring funding round as an example)	
	January	CTED makes application forms and program guidelines available to potential applicants, including posting the information on CTED’s Housing Division website. CTED staff can assist potential applicants with questions.
	Early to Mid February	Applicants must submit materials for this program in two stages. At this point, Stage 1 documents are due to CTED. This first stage of submittals provides CTED with an indication of the amount of funds being requested and the types of projects proposed. CTED staff review the application materials, discuss the proposed project with the applicant, and request additional financial information if necessary.
	Late March	Applicants must submit Stage 2 application information.
	March to June	Application materials are reviewed by different teams of CTED staff. An Intake and Review Team reviews, evaluates, and prioritizes projects. A Contracts, Compliance, and Asset Management Unit conducts an assessment of organizational capacity. Staff recommendations are reviewed by a Credit Committee made up of professionals outside of CTED.
	Late June	The Director of CTED makes the final selection of projects to receive funding.

What Drives the Timing of the Application and Award Process? CTED notes that projects that target this program as a fund source are usually also applying for, or dependent upon, multiple local, federal, and private resources. One reason for assuring that there are multiple funding rounds in a biennium is that this can allow alignment with other public funders, as well as keep a project moving when there is a challenge in securing funds from another source.

Evaluation Criteria:

Statutory criteria include:

- At least 30% of funding shall benefit projects in rural areas of the state;
- The Department shall provide for a geographic distribution on a statewide basis; and
- The Department shall give first priority to applications for projects and activities which utilize existing privately owned housing stock including privately owned housing stock purchased by nonprofit public development authorities and public housing authorities.

CTED reports that it has summarized the remaining statutory criteria into the following categories:

- Project Design;
- Need;
- Organizational Capacity;
- Financial Feasibility;
- Local support; and
- Readiness.

Recent Changes to the Process or Evaluation Criteria: CTED reports that it reviews the application and criteria annually in conjunction with several other public funding programs throughout the state. Many local housing programs use the same application and criteria in order to improve coordination. Overall, CTED reports the main criteria and process have remained relatively constant, with slight modifications to specific details with each annual review. The last review led to accepting applications electronically and adding more detailed and specific questions for projects serving homeless individuals or households.

Additional requirements have been added through Executive Orders, including an Apprenticeship requirement for projects receiving over \$1 million. Recent legislation will require specific sustainability or green building requirements beginning in July 2008.

Program Goals and Objectives:

The Housing Trust Fund supports community efforts to ensure the availability of safe, decent and affordable housing by providing loans and grants for construction, acquisition, and rehabilitation of low-income multi-family and single-family housing.

The Trust Fund consists of recoverable grants and loans invested in housing stock (the Portfolio), and revolving loan funds managed by local organizations. Each housing project is monitored by the program over the life of the award (up to 40 years) to ensure it continues to meet the terms and conditions of the award. If the terms are not being met, the State will recoup its funds so that the funds can be re-awarded to new eligible projects.

Performance Measures and Program Performance:

For Portfolio Growth:

- Percent increase to the Housing Trust Fund Portfolio, which is calculated by taking the number of housing units awarded and dividing it by the total number of units in the portfolio. This performance measure was used in 2005 but will likely be dropped in favor of discussing units created directly or percent increase in stock serving specific populations in specific communities.
- Number of affordable units completed, which represents the number of units that are actually built and in the process of leasing.

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For Asset Management and Compliance:

- Percentage of projects in the portfolio in “workout” status (renegotiating terms post-award to help projects remain in compliance or to help out-of-compliance projects return to compliance so that the grant is not revoked or loan recalled).
- Percentage of annual reports submitted, reflecting complete information and minimal risk factors;
- Percentage of projects in the portfolio that have been monitored and received a site inspection.

CTED reports that the Housing Trust Fund Program, along with the entire Housing Division, is currently revisiting performance measures and developing output, efficiency, and outcome measures. This has involved documenting work flow and work loads related to the different aspects of the program. Data collection is ongoing to place Trust Fund investments in the context of specific communities’ housing issues.

The program has targeted a 15% increase in the number of housing units in its portfolio for 2005-07. For 2003 and 2004, the portfolio increased 13% each year. In December 2005, the portfolio had achieved a 10% increase, which represented 1,251 new units.

Forty-three percent of the projects in the portfolio submitted complete annual reports and reflected minimal risk factors. CTED notes that annual report tracking and analysis is a priority for the program, and there is an associated work plan with deadlines for completing improvements. Five and a half percent of the portfolio is currently in workout, representing about 50 projects in any given month. In 2005, 24.8% of the projects in the portfolio had received a site visit and monitoring. CTED indicates that currently the Housing Division is working to form a tighter link between observed risk factors on the annual report and the project’s priority on the on-site monitoring schedule. A second FTE was just added to this portion of the program so the percentage of projects monitored is expected to increase.

Program Challenges or Issues Identified by the Agency:

The Housing Trust Fund has resulted in the creation of over 30,000 units of affordable housing. The current portfolio represents State investment of over \$390 million that has been leveraged with other public and private funds at a ratio of over 4 to 1. The fund has continued to grow, as has local demand for resources to meet the increasing housing cost burdens that low-income people face.

As the portfolio matures, it is critical to the long-term preservation of projects that there be an appropriate amount of resources available for monitoring, compliance, and asset management. Administrative costs for the program are primarily born by repayments. This is becoming increasingly difficult due to the expanding responsibilities of managing the loan portfolio: it grows every biennium as a result of new projects being placed in service. Since administrative funding is tied to the amount of resources appropriated for new projects, the resources available for administration do not grow at a rate that is proportionate to the number of projects that must be managed and monitored for up to 40 years.

A certain portion of the repayment account could be reserved and specifically targeted for this purpose. Currently there are complexities associated with the repayment account, as several revenue streams and multiple programs are included in this account (Fund 532 – Washington Housing Trust Account). Many of these sources of funds are dedicated to specific uses:

- A tax on gate admissions at Pt. Defiance Zoo go to Housing Assistance for Persons who are Mentally Ill, a program in Pierce County;
- Repayment of Housing Trust Fund loans go to administrative costs of the program;
- The State’s share of a \$10 document recording fee, collected by counties (known as 2060 funds) goes to operations and maintenance of low-income housing and emergency shelter assistance.

Separating revenue sources by use could simplify accounting and improve tracking and expenditure monitoring for the Fund’s different uses, which are currently combined. It could also help long-term portfolio management to have a clearer picture of the funds available for administration of the trust fund. With so many sources incorporated within the fund, it is hard to explain and plan for the administrative needs of the Housing Trust Fund Program.

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In order to reach the hardest to serve populations in all areas of the state, local organizational capacity is key. Currently resources for organizational development and capacity, including for existing projects that may have an operating problem and be in need of assistance, must come from the program's administrative resources, which are capped at 5% of biennial appropriations.

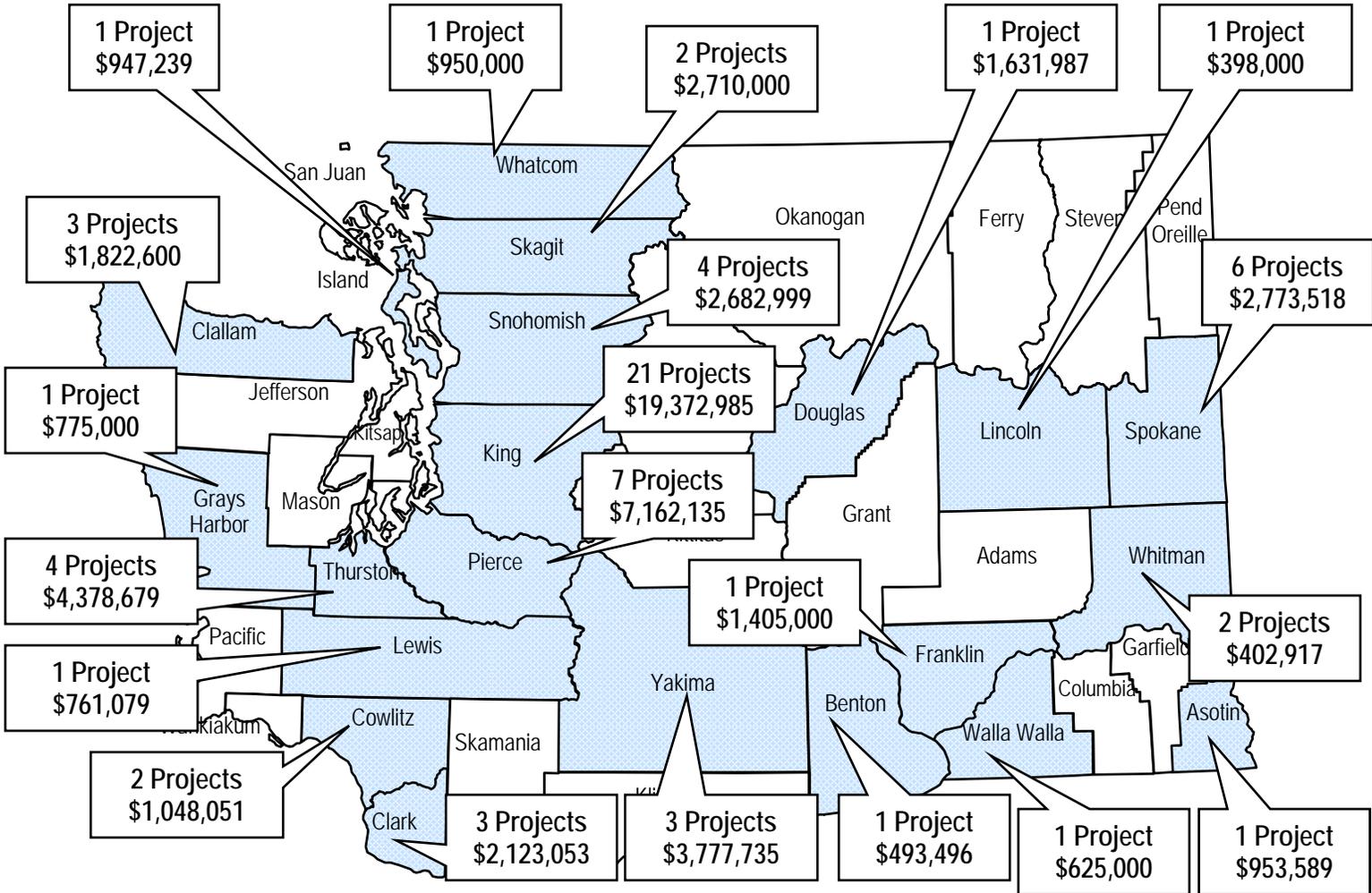
Website

For Additional Information:

The Housing Trust Fund Program website
<http://www.cted.wa.gov/htf>

Housing Trust Fund Program Awards, 2005

Location of Awards by County



Loan/Grant Recipients

Applicants include Housing Authorities, Habitat for Humanity, and a variety of other housing-related organizations.

Types of Projects Funded

Housing projects

Farmworker Housing Infrastructure Loan Program

Administered By:

Department of Community, Trade and Economic Development, Housing Division

General Information

Program Purpose: The Farmworker Housing Infrastructure Loan Program provides zero-interest deferred loans to growers to assist in financing the development of on-farm infrastructure necessary for the development or preservation of grower-provided farmworker housing.

The program was created in a section in the 2005 Capital Budget. Each biennium since 1999, the Legislature has directed \$8 million of the Housing Trust Fund appropriation to support the development of farmworker housing. The new section in the 2005 Capital Budget is specifically directed toward provision of supporting infrastructure and is made in addition to the regular \$8 million.

Mission Statement: The Housing Division invests public resources to create, preserve and enhance safe and affordable housing for Washington residents.

Year Established: 2005

Legislative Intent: ESSB 6094 (2005), Section 127

Enabling State Statutes: ESSB 6094, Section 127 (2005 Capital Budget)

\$2,500,000 of the State Taxable Building Construction Account (state appropriation in Section 126 of this act [the Housing Trust Fund section]) is provided solely for on-farm infrastructure improvements that directly support the creation or preservation of housing for low-income migrant, seasonal, or temporary farmworkers. Future loan repayments shall be used for the same purpose as specified in this section.

Administrative Rules: None.

Is there a separate governing board? No.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Allowed Administration Cost					235,500
New Appropriation for Loans					2,500,000
Expenditure for Administration					(estimated) 235,500
Funds Awarded for Loans					(estimated) 2,500,000

FTEs for the Program in 2005-07: 1.0

Fund Account(s):

355 – State Taxable Building Construction Account

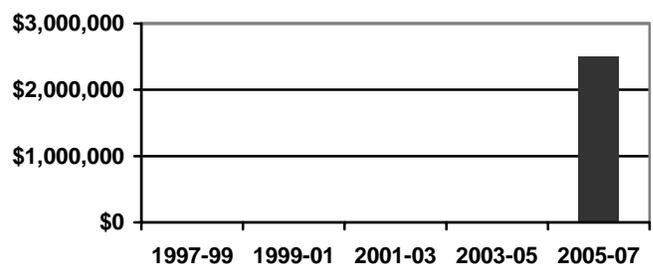
352 – Washington Housing Trust Account

Fund Sources:

The State Taxable Building Construction Account is funded through the sale of state bonds.

Administrative costs for the program are funded by Housing Trust Fund loan repayments (Fund 532). Administrative expenditures are authorized as a percent of annual revenues available to Housing Trust Fund projects per the Capital Budget appropriation.

Funds Awarded for Loans



Recent Changes to Funding Pattern: None (program new in 2005).

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Ongoing.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 0 (first loans in April 2006).	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget. CTED indicates that, to the extent feasible, it plans to distribute funds proportionally across the biennium as it does with Housing Trust Fund biennial appropriations.	
	Maximum Amount That Can Be Awarded to a Project: None currently set.	
	Matching Requirements: Per CTED policy, 50%. Growers receiving loans under the program must provide a minimum dollar-for-dollar match towards the cost of the project.	
Interest Rate Charged: Per CTED policy, 0%. These are no-interest deferred loans. There is no expectation of repayment if the borrower remains in compliance with the terms and conditions of the loan for a period of 15 years.		
Repayment Statistics: (First loans in April 2006.)		

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns	<input type="checkbox"/> Community & Social Service Facilities	<input type="checkbox"/> Grants
	<input type="checkbox"/> Counties	<input checked="" type="checkbox"/> Low-Income Housing	<input checked="" type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools	
	<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities	
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input checked="" type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		
Eligible Projects: Projects that provide on-farm housing for low-income migrant and seasonal workers.			
Special Qualifications Regarding Who Can Apply: Farm owners/growers.			
Special Qualifications Regarding Project Eligibility: Projects must:			
<ul style="list-style-type: none"> • Provide on-farm housing for low-income migrant and seasonal workers; • Be sited on land in Washington owned or controlled by the borrowing grower; • Be owned, operated, and managed by the borrowing grower; and • Meet Department of Health Temporary Worker Housing licensing standards, as well as other applicable codes and regulations. 			
Funds may not be used for off-farm or permanent (year-round) housing.			
Recent Changes in Eligible Applicants or Categories of Projects: None (program new in 2005).			

Application and Award Process	Timing and Steps in the Process:	
	Note: CTED provides the reminder that this is a pilot program, with only one season of information. The above is based on experience from 11 projects in 2006.	
	Ongoing	CTED has provided outreach to growers, including a 1-800 hotline. CTED field staff respond to inquiries from growers and regularly go on-site to discuss options and opportunities for use of the program. Program inquiries vary seasonally from 5 to 20 per week.
	Varies by type of project	Growers submit applications to CTED. CTED staff immediately screen the applications for initial eligibility, with a response in 3–5 days. Because different types of projects are eligible, including both rehabilitation of existing infrastructure and new construction, application processes vary. New construction requires more application information and oversight than renovation.
	Varies by project – multiple site visits for new construction	CTED staff conduct at least one site visit and provide technical assistance. Staff coordinate and act as intermediary between the grower and other federal, state and local agencies.
		Once a project and site have been determined acceptable, the program manager makes final approval of a project, budget, and work plan, and CTED makes the award to the grower.
	What Drives the Timing of the Application and Award Process? Grower demand (applications are accepted at any time) and project readiness.	
Evaluation Criteria:		
Projects are evaluated using a set of preference criteria designed to assess overall project design, need, financial feasibility, and readiness. Projects that address imminent health and safety issues are given priority.		
Recent Changes to the Process or Evaluation Criteria: None (program new in 2005).		

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The goal of the Farmworker Housing Infrastructure Loan Program is to increase the supply of licensed seasonal housing available for migrant farmworkers.
	Performance Measures and Program Performance:
	<ul style="list-style-type: none"> • Number of seasonal beds created or preserved. <p>The Department of Health Temporary Worker Housing regulations establish maximum occupancy limits for licensed seasonal housing based on square footage and facilities provided (including toilets, hand washing, bathing, laundry, cooking, and food handling). These regulations provide the basis for determining the number of beds created or preserved by each project.</p> <p>CTED reports that the program's first loans were issued in April 2006, and five projects have been completed.</p>

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency reports that there is an issue related to zoning. RCW 70.114A.050 states, "Temporary worker housing located on a rural worksite, and used for workers employed on the worksite, shall be considered a permitted use at the rural worksite for the purposes of zoning or other land use review processes, subject only to height, setback, and road access requirements of the underlying zone." There are conflicting interpretations among local jurisdictions regarding the definition of "rural worksite" and the applicability of zoning and other permitting requirements. Coordination is needed among state and local governments to provide for consistent application of regulations related to the development of temporary worker housing.</p>
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Website	<p>For Additional Information:</p> <p>On CTED's website, from the main website at http://www.cted.wa.gov CTED Main > Divisions > Housing > Programs & Services > Farmworker Housing</p>
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Community Development Block Grant Housing Rehabilitation Grant Program

Administered By:
Dept of Community, Trade and Economic
Development, Local Government Division

General Information	Program Purpose: Community Development Block Grant (CDBG) Housing Rehabilitation Grants assist small cities, towns, and counties in preserving and maintaining their existing housing stock. As with all of the state's CDBG grant programs, the target recipients are low- and moderate-income households, and funding comes from the U.S. Department of Housing and Urban Development (HUD).	
	Mission Statement: The mission of all of the state's CDBG grant programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low-and moderate-income residents and, as a result, benefit the entire community.	
	Year Established: 1982	Legislative Intent: (Congressional) 42 USC 5301(c) The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.
	Enabling State Statutes: Not applicable (federal law)	
	Administrative Rules: Not applicable (federal law)	
Is there a separate governing board? No.		

Budget Information	Recent Calendar Year Budgets	2002	2003	2004	2005	2006 (Projected)												
	New Appropriation for Administration*																	
	New Appropriation for Grants			1,000,000	1,500,000	1,100,000												
	Expenditure for Administration*																	
	Funds Awarded for Grants**			2,517,210	1,652,500	1,100,000												
	*Note: CTED receives administrative funding based on the total CDBG federal grant. CTED does not allocate a specific portion of this total administrative funding to each of the nine individual CDBG grant programs.																	
	**Note: CTED is sometimes able to award more in funding than the original allocation in the action plan, for example through the inclusion of contingency funds.																	
FTEs for the Program in 2005-07: 9.2 FTEs administer all nine CDBG programs		<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Year</th> <th>Funds Awarded</th> </tr> </thead> <tbody> <tr> <td>2002</td> <td>\$0</td> </tr> <tr> <td>2003</td> <td>\$0</td> </tr> <tr> <td>2004</td> <td>\$2,517,210</td> </tr> <tr> <td>2005</td> <td>\$1,652,500</td> </tr> <tr> <td>2006</td> <td>\$1,100,000</td> </tr> </tbody> </table>					Year	Funds Awarded	2002	\$0	2003	\$0	2004	\$2,517,210	2005	\$1,652,500	2006	\$1,100,000
Year	Funds Awarded																	
2002	\$0																	
2003	\$0																	
2004	\$2,517,210																	
2005	\$1,652,500																	
2006	\$1,100,000																	
Fund Account(s): 001-2 General Fund – Federal 001-1 General Fund – State																		
Fund Sources: Annual grant from the U.S. Department of Housing and Urban Development; very small portion from General Fund State is intended to provide a required state match to administer the federal grant.																		

Recent Changes to Funding Pattern: (1) At the federal level, recent budget proposals have called for reductions in funding for all states' CDBG programs; other administration proposals would eliminate or revamp the programs. (2) At the state level, CTED indicates that current policy no longer allows in-kind services provided by other CTED programs to count toward the state match required for administrative funding, and that the CDBG programs have not received an appropriation of sufficient state funds to meet the match requirement.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual, based on calendar year.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 4	
	Total Amount Awarded in 2005: \$1,652,500	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of the federal grant the state receives from HUD, and then the state's allocation of that total grant amount among the CDBG grant programs that the state chooses to offer.	
	Maximum Amount That Can Be Awarded to a Project: \$500,000	
	Matching Requirements: There is no matching requirement, though applicants may fare better in project scoring if they can demonstrate that they are leveraging other funds.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns	<input type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input checked="" type="checkbox"/> Counties	<input checked="" type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools	
<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities		
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
<input type="checkbox"/> Other	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		
Eligible Projects: Examples of eligible projects include substantial rehabilitation of housing, minor home repairs, emergency repairs, weatherization, and lead-based paint mitigation activities. Eligible properties include residential owner-occupied and non-owner-occupied housing, including manufactured housing that is part of the community's permanent housing stock.			
Special Qualifications Regarding Who Can Apply: Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are "non-entitlement" jurisdictions, meaning that they do not receive CDBG funds from HUD directly.			
Special Qualifications Regarding Project Eligibility: Projects must benefit 100% low- and moderate-income households. "Low- and moderate-income" is defined as 80% of county median income.			
Recent Changes in Eligible Applicants or Categories of Projects: None.			

Timing and Steps in the Process:

Any time of year

Applicants may apply for a Housing Rehabilitation grant at any time. CTED staff can review an application to determine if the project is eligible and to determine if the applicant needs additional technical assistance in defining a project that is viable and ready to proceed.

Once the application is submitted, a staff person at CTED evaluates the application according to the criteria below. A project must receive a score of at least 65 points in order to receive funding. Projects are funded on a first-come, first-serve basis until funds for this program are allocated.

What Drives the Timing of the Application and Award Process? An applicant may apply at any time during the year, though funds are awarded on a first-come, first-serve basis.

Evaluation Criteria:

- Need of the community (25 possible points)
- Readiness to proceed with the project (25 possible points)
- Capacity of the jurisdiction to complete the project (25 possible points)
- Results of the project (25 possible points)

Applicants must receive a score of at least 65 points to receive funding.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals and Objectives:

These objectives are for *all* of the Community Development Block Grant programs:

- Achieve a leverage ratio of at least 1:1;
- Within 12 months, obligate 100% of the CDBG annual award from HUD;
- Provide two Application Workshops and two Management Handbook workshops each year;
- HUD requires 70% of CDBG projects benefit low- and moderate-income (LMI) persons. Washington's CDBG program will strive to have at least 90% of projects benefit LMI persons;
- All funded construction projects will meet the High Score Standard of 65 points;
- Provide economic opportunity through improved/new accessibility, affordability or sustainability while expending no more than \$20,000 per job created;
- Provide decent housing with improved/new availability, affordability or sustainability for LMI households while expending no more than \$30,000 per household; and
- Provide a suitable living environment through improved/new accessibility, affordability or sustainability for target areas that annually serve at least 55% LMI persons.

Performance Measures and Program Performance:

- Average leverage ratio each year
→ Average leverage ratio is 1:3 for 2002 through 2005
- Percent of HUD award obligated within 12 months
100% of the HUD award has been obligated within 12 months for the last four years →
- Number of workshops conducted per year
→ Five workshops in 2005
- Percent of projects benefiting LMI
→ Over the last four years, CDBG has averaged about 97% of projects benefiting LMI
- Percent of construction projects meeting the High Standard Score
→ The High Standard score has been met for each construction project

Program staff report they are developing measures for the latter three objectives for use in 2007.

Program Challenges or Issues Identified by the Agency:

The agency notes the following concerns:

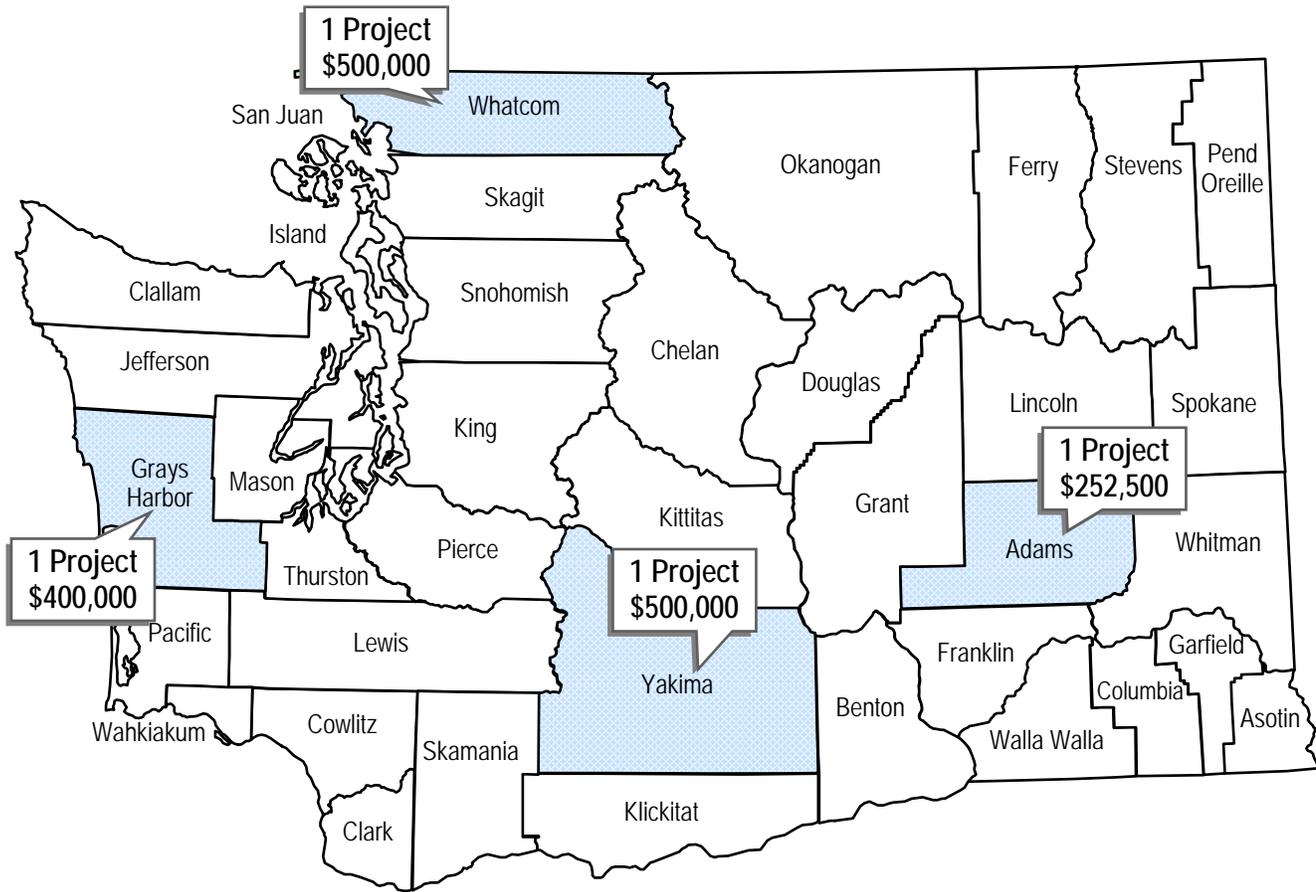
- Uncertainty about the level of federal funding in the future;
- The need for additional state general funds for administrative funding for CDBG grant programs; and
- Concern about not having enough staffing to provide sufficient help to program clients.

For Additional Information:

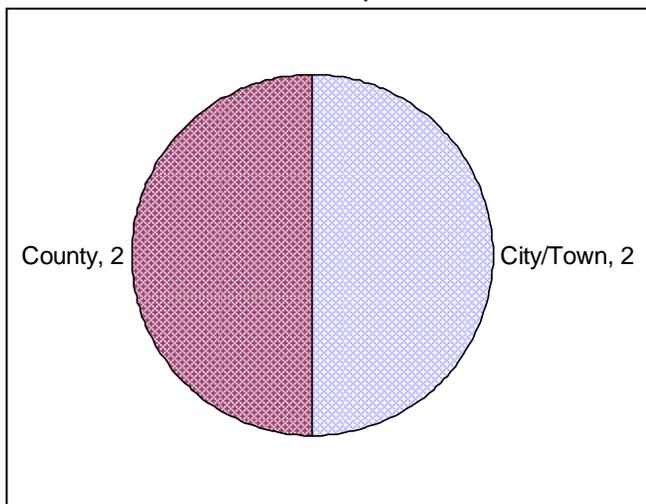
CTED website on Community Development Block Grants
<http://www.cted.wa.gov/cdbg>

Community Development Block Grant Housing Rehabilitation Grant Program Program Awards, 2005

Location of Awards by County



Grant Recipients



**Types of Projects Funded:
All Housing Rehabilitation Projects**

Building for the Arts Program

Administered By:

Department of Community, Trade and Economic Development, Local Government Division

General Information	Program Purpose: The Building for the Arts Program awards grants to nonprofit performing arts, art museum, and cultural organizations to defray up to 20% of eligible costs for the acquisition, construction, or major renovation of capital facilities.	
	Mission Statement: The Local Government Division assists local governments as they make decisions on how they want to grow, then provides help by strategically funding infrastructure improvements and promoting vital public safety and cultural features that make Washington communities safe and satisfying places to live and work.	
	Year Established: Project funding through Capital Budget provisos began in 1991; program was codified in 1999	Legislative Intent: (This program was codified via SHB 1222 in the 1999 Legislative Session. The bill did not include an intent section.)
	Enabling State Statutes: RCW 43.63A.750	
	Administrative Rules: None.	
Is there a separate governing board? No. However, per statute, the Department reviews and ranks program applications in consultation with a citizen advisory board.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07													
	New Appropriation for Administration	49,260	96,770	82,000	90,000	107,800													
	New Appropriation for Grants	4,876,740	5,432,954	4,018,000	4,410,000	4,582,200													
	Expenditure for Administration	90,674	98,000	71,301	147,718	(estimated) 80,000													
	Funds Awarded for Grants	4,876,740	5,432,954	4,018,000	4,410,000	(estimated) 4,582,200													
	FTEs for the Program in 2005-07: 5.0 FTEs administer four Division capital programs, including this one.		<div style="text-align: center;"> Funds Awarded for Grants <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Biennial Period</th> <th>Funds Awarded (\$)</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>4,876,740</td> </tr> <tr> <td>1999-01</td> <td>5,432,954</td> </tr> <tr> <td>2001-03</td> <td>4,018,000</td> </tr> <tr> <td>2003-05</td> <td>4,410,000</td> </tr> <tr> <td>2005-07</td> <td>4,582,200</td> </tr> </tbody> </table> </div>					Biennial Period	Funds Awarded (\$)	1997-99	4,876,740	1999-01	5,432,954	2001-03	4,018,000	2003-05	4,410,000	2005-07	4,582,200
	Biennial Period	Funds Awarded (\$)																	
1997-99	4,876,740																		
1999-01	5,432,954																		
2001-03	4,018,000																		
2003-05	4,410,000																		
2005-07	4,582,200																		
Fund Account(s): 057 – State Building Construction Account																			
Fund Sources: The State Building Construction Account is primarily funded through the sale of bonds. Program administration is funded by retaining a percentage of the appropriation (2% from each project in 2005-07).																			
Recent Changes to Funding Pattern: The program's enabling statute places a limit on the total amount of funding that the Department may request in each biennial budget. From the program's inception to the current biennium, the amount was \$4 million. The 2006 Supplemental Capital Budget contains a provision that increases this amount to \$12 million, beginning in the 2007-09 Biennium.																			

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? Yes.	
	Number of Projects Selected in 2005: 21	
	Total Amount Awarded in 2005: \$5,390,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Although the maximum amount the Department may request each biennium is prescribed in statute, the total award amount is determined by the Legislature in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: \$1 million, as established by the program's advisory board and the Department. The Department reports that the Board is looking at increasing the maximum for future grant rounds.	
	Matching Requirements: Per statute, program funds may not exceed 20% of the cost of a project; at least 80% must come from other sources.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns <input type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input checked="" type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Acquisition, construction, or major renovation of qualifying arts-related facilities. Recent examples of projects receiving awards include theatres, symphony and ballet facilities, longhouses, museums, and a sculpture park.		
	Special Qualifications Regarding Who Can Apply: In general, applicants must be a 501(c)3 nonprofit organization dedicated primarily to an arts-related or cultural purpose. For projects in under-represented areas (geographically isolated or economically disadvantaged), program guidelines indicate that the advisory board will consider applications from nonprofit foundations qualified to raise funds for an otherwise ineligible organization; for example, a foundation working in partnership with a school district.		
	Special Qualifications Regarding Project Eligibility: Program guidelines indicate that an "arts-related project" must involve "facilities that focus on the active interpretation, performance, or exhibition of aesthetic traditions, practices, or works of art that characterize cultural values."		
Recent Changes in Eligible Applicants or Categories of Projects: None.			

Timing and Steps in the Process:

Late March of even-numbered years	CTED staff host “green building” workshops for potential applicants.
Early April	CTED staff conduct program workshops for potential applicants.
Early May	Applications are due to CTED.
June	CTED staff review the applications for eligibility and completeness. Staff may rank qualifying applications using the criteria below. Qualifying applications are forwarded to the citizen advisory board.
By September	CTED notifies qualified applicants that their applications have been forwarded to the board. Applicants are given an opportunity to offer testimony about their proposals and respond to questions from board members. Board members review the applications and score them using the criteria below and other qualitative factors. The board forwards its recommendations, in the form of a prioritized project list, to the director of CTED.
September	With the approval of the director, the prioritized list becomes part of the CTED budget request. It will be up to the Governor to determine whether to include the list in the Governor’s proposed Capital Budget.
Legislative Session In odd-numbered years	The Legislature makes a decision about the project list as part of its Capital Budget deliberations.
Early in the new fiscal year	CTED may begin disbursing the appropriated capital funds.

What Drives the Timing of the Application and Award Process? The process results in the development of the prioritized list in time for Capital Budget proposal development.

Evaluation Criteria:

The advisory board’s funding recommendations are based upon the numerical rankings summarized below *and* qualitative factors that may include, but are not limited to, geographic distribution of funds and the degree to which applicants have access to other funding sources.

Points Assigned by Formula (up to 40 points out of a total of 100 points)

- Percent of project funds raised – multiply percentage by .25 (up to 25 points);
- Design work started – if yes, add 5 points;
- Fundraising feasibility plan provided? – If yes, add 5 points;
- Project feasibility study provided? – If yes, add 5 points.

Points Assigned by Board Reviewers (up to 60 points out of a total of 100 points)

- Project readiness: Financial and managerial ability to complete the proposed project by the end of the biennium – up to 15 points;
- Organizational capacity: Financial and managerial ability to successfully run the completed facility – up to 15 points;
- Project results: The degree the project will increase the efficiency and/or quality of services provided – up to 15 points;
- Community need: Evidence of a clear need and credibility of documentation – up to 10 points;
- Stakeholder participation: Evidence of building partnerships with relevant stakeholders – up to 5 points.

Green Building Bonus Points

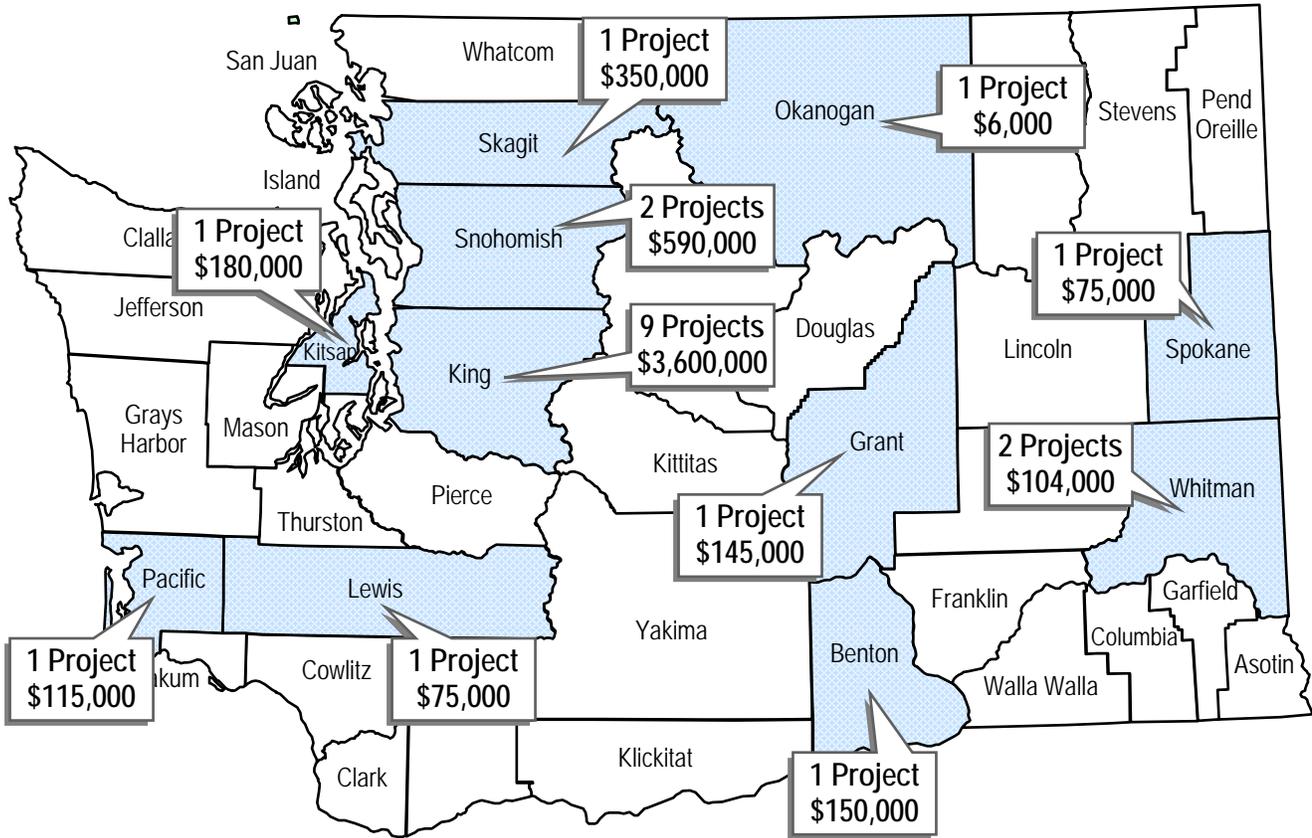
Each applicant’s high-performance “green building” checklist total score is multiplied by .25

Recent Changes to the Process or Evaluation Criteria: The addition of the LEED Certification Declaration (green building requirement for certain projects).

Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The program goals are to:</p> <ul style="list-style-type: none"> • Disburse awarded funds as quickly as possible; and • Distribute funds fairly throughout the state.
	<p>Performance Measures and Program Performance:</p> <ul style="list-style-type: none"> • How quickly funds are fully disbursed from the date of the award letter to the final payment date → <ul style="list-style-type: none"> For the 2003-05 Biennium: average of 166 days (7 contracts), 322 days into the biennium For the 2005-07 Biennium: average of 152 days (9 contracts), 322 days into the biennium • Where funds are awarded by county
Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency reports that three recent issues have added to the complexity of CTED's Capital Programs' grants award and management process:</p> <ul style="list-style-type: none"> • Prevailing wage issues – There are no statutory guidelines regarding the payment of state prevailing wages specifically tailored to nonprofit organizations; • Green (high-performance) building standards – The 2005 Legislature passed a law, codified as Chapter 39.35D RCW, that requires many grant recipients to build to the Leadership in Energy and Environmental Design (LEED) silver standard. This added initial cost can be a hardship for smaller nonprofits in critically underserved areas of the state. • Executive Order 05-05 – This 2005 executive order requires that capital projects be reviewed for archaeological and cultural resources. This is required of projects not undergoing a Section 106 review under the National Historic Preservation Act if the project disturbs ground and/or involves structures more than 50 years old. This has lengthened the amount of time it takes to execute a contract with the grantee by approximately two weeks.
	Website

Building for the Arts Program Awards, 2005

Location of Awards by County



Grant Recipients

Grant recipients are all 501(c)3 nonprofit organizations.

Types of Projects Funded

Projects included museums, a playhouse, theatres, a barn workshop, a longhouse, a facility for a symphony, and fine arts centers.

Heritage Capital Projects Fund Program

Administered By:
Washington State Historical Society

General Information

Program Purpose: The Heritage Capital Projects Fund supports locally-initiated capital projects that preserve and interpret the heritage of our State. The rationale for this competitive grant program is that there is a need to preserve evidence of the past, including artifacts, documents, buildings and sites; the need is much greater than the State can address with State resources alone; and local initiative and efforts to take on a significant portion of this work need to be assisted by the State. Since the establishment of the program, the Washington State Historical Society (WSHS) reports that funds for 131 projects have gone primarily to preserve historic structures, build museums, and conserve historic sites across the state.

Mission Statement: As indicated in program rules, to support capital needs and facilities of heritage organizations, tribal governments, public development authorities, and local government agencies that interpret and preserve Washington's history and heritage.

Year Established: 1995

Legislative Intent: SHB 1507 (1995), Section 1

Enabling State Statutes:
RCW 27.34.330

The Legislature finds that the State of Washington has a rich heritage in historical sites and artifacts that have the potential to provide life-long learning opportunities for citizens of the state. Further, the Legislature finds that many of these historical treasures are not readily accessible to citizens, and that there is a need to create an ongoing program to support the capital needs of heritage organizations and facilities.

Administrative Rules:
Chapter 255-02 WAC

Is there a separate governing board? Yes. The Washington State Historical Society administers the Heritage Capital Projects Fund, and its Advisory Panel determines grant guidelines and reviews and ranks applications. The Washington Museum Association, the Office of the Secretary of State, the Eastern Washington State Historical Society, the Department of Archaeology and Historic Preservation, and citizen members at-large are represented on the panel. Currently there are 11 members.

In the summer of even-numbered years, the panel ranks grant applications and proposes the level of funding for each ranked project. WSHS reports that, since the program's inception, this list as presented to OFM has been incorporated into the Governor's budget.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	82,000	80,000	80,000	80,000	92,250
New Appropriation for Grants	4,018,000	3,920,000	3,920,000	3,920,000	4,520,250
Expenditure for Administration	82,000	80,000	80,000	80,000	(estimated) 92,250
Funds Awarded for Grants	4,018,000	3,920,000	3,920,000	3,920,000	(estimated) 4,520,000

FTEs for the Program in 2005-07: 0.6

Fund Account(s):

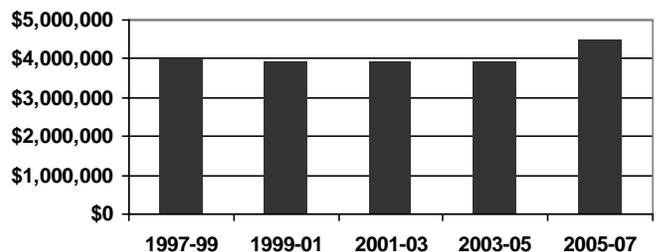
057 – State Building Construction Account

Fund Sources:

057 – State Building Construction Account

The 0.6 FTE to administer the program is funded out of a 2% per project grant administrative fee retained by WSHS.

Funds Awarded for Grants



Recent Changes to Funding Pattern: Over the years, the Legislature has routinely funded a basic list of \$4 million in projects and a few projects from an additional alternate list of \$500,000 in projects. In the 2006 Supplemental Capital Budget, the Legislature invited a list of up to \$10 million in projects in the 2007 legislative session.

Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).

Does the Legislature Approve Project Selection? Yes. The Legislature reviews the list of projects contained in the Governor's budget and may examine the total list of all applicants for program grants.

Number of Projects Selected in 2005: 26

Total Amount Awarded in 2005: \$4,612,500

What Determines the Total Amount Available for Grants or Loans in a Given Time Period? While statute dictates the maximum amount that WSHS can request in grants for the program, the Legislature determines the actual amount with an appropriation in the state Capital Budget.

Maximum Amount That Can Be Awarded to a Project: The Advisory Panel sets this amount, as policy. In some biennia, the Advisory Panel has set the maximum after receiving applications. At workshops, the maximums from previous biennia are announced. For the 2007-09 cycle, the Panel set the maximum at \$500,000 at the time of the release of the application, then raised it to \$1 million after the Legislature invited a list of \$10 million in projects rather than \$4.5 million.

Matching Requirements: Per statute, each dollar of program funding must be matched with two dollars of cost share, half of which can be in-kind. WSHS reports that projects often provide matching funds greater than this minimum.

Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).
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Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input checked="" type="checkbox"/> Art Facilities <input checked="" type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	<p>Eligible Projects: Eligible projects must be capital in nature and provide a public benefit. Major expenditure areas must be for construction; purchase, restoration and/or preservation of fixed assets; acquisition of unimproved property for construction of new heritage facilities; acquisition, protection, stabilization and/or development of significant historic or archaeological sites; improvement of interior spaces; architectural and engineering services; purchase of necessary equipment; and/or bridge loans or financing. Art Facilities is checked above because some projects are for the restoration or renovation of historic theatres.</p>		

Special Qualifications Regarding Who Can Apply: Heritage organizations, tribal governments, public development authorities, and local government agencies may apply. In addition, nonprofit organizations doing heritage projects may apply. Heritage and other nonprofit organizations are required to submit additional IRS documentation confirming that they are 501(c)3.

Special Qualifications Regarding Project Eligibility:

Ineligible requests include projects that are already completed, and funding for maintenance, operations, fund raising, promotion, and payment of debts.

The expenditure of Heritage Capital Project Fund monies on properties on the National Register of Historic Places can serve as a match for federal funds received by the Department of Archaeology and Historic Preservation. In such cases, applicants are required to follow the federal Secretary of the Interior’s Standards and Guidelines for Historic Preservation. Such compliance is seen as representing appropriate stewardship of historic resources.

There are numerous state statutory limitations on how funds are used, including the application of the state prevailing wage requirements and high-performance “green building” standards.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

January – March of even-numbered years	Each grant round begins with a staff and Advisory Panel review of the prior round’s application. Revisions are made, and new guidelines and application forms are published. For the 2007-09 cycle, the application form was released in February, placed on the Washington State Historical Society website, and explained at six workshops around the state in March. Prior to the application deadline of May 11, 2006, staff offered technical assistance to potential applicants.
May	Following receipt of applications by the required deadline, staff reviews all applications received for completeness and compliance with threshold requirements. Those applications meeting the threshold requirements are forwarded to the Advisory Panel for review and ranking.
Late July – Early August	The Advisory Panel reviews, rates (by assigning a point value), and ranks the applications based on the evaluation criteria listed below. The points given each applicant by the Advisory Panel provide a starting point for their discussion in a public meeting held in July. In addition to ranking the projects, the panel assigns a funding level to each capital project.
August	The ranked list of up to \$10 million in applications is forwarded to OFM for incorporation in the Governor’s Capital Budget request.
Legislative session in odd-numbered years	The Legislature reviews the list of projects contained in the Governor’s request budget and may examine the total list of all applicants for program grants. The Legislature approves a list of projects.
Spring	The Capital Budget is signed by the Governor. The signature date is the first day in which expenditures under this program are eligible for possible reimbursement.

What Drives the Timing of the Application and Award Process? The process results in the development of the ranked project list in time for Capital Budget proposal development.

Application and Award Process

Evaluation Criteria:

Each narrative question has a numeric score that is noted on the Application Form. Criteria include:

- Project summary and description (15 points);
- Heritage interpretation and preservation (15 points);
- Public benefit (10 points);
- Timeliness (10 points);
- Fundraising plan and status (20 points);
- Mission, goals, and plans of the applicant (10 points);
- Capacity and experience of the applicant (10 points);
- Financial capacity (5 points); and
- Project budget (5 points).

Recent Changes to the Process or Evaluation Criteria: WSHS reports that the application process and evaluation criteria have been fairly stable. In the 2004 round of applications for the 2005-07 Biennium, more emphasis was given to readiness and fundraising success. The goals were to select projects nearly ready to go; projects that would raise the funds in the year after application; and projects with the highest percentage of matching funds.

Program Goals, Objectives, and Performance Measures**Program Goals and Objectives:**

As stated in the rules for the program, the Heritage Capital Project Fund's primary goal is to support capital needs and facilities of heritage organizations, tribal governments, public development authorities, and local government agencies that interpret and preserve Washington's history and heritage.

The related agency goal is to efficiently and effectively administer this program, so that all eligible applicants and projects are able to take advantage of it.

Performance Measures and Program Performance:

The performance measure in the Washington State Historical Society's strategic plan associated with this program is the number of projects supported. WSHS notes that recipients have repeatedly stated that the State approval of a program grant has proved crucial in attracting other funds necessary to successfully complete projects.

Agency-Identified Challenges/Issues**Program Challenges or Issues Identified by the Agency:**

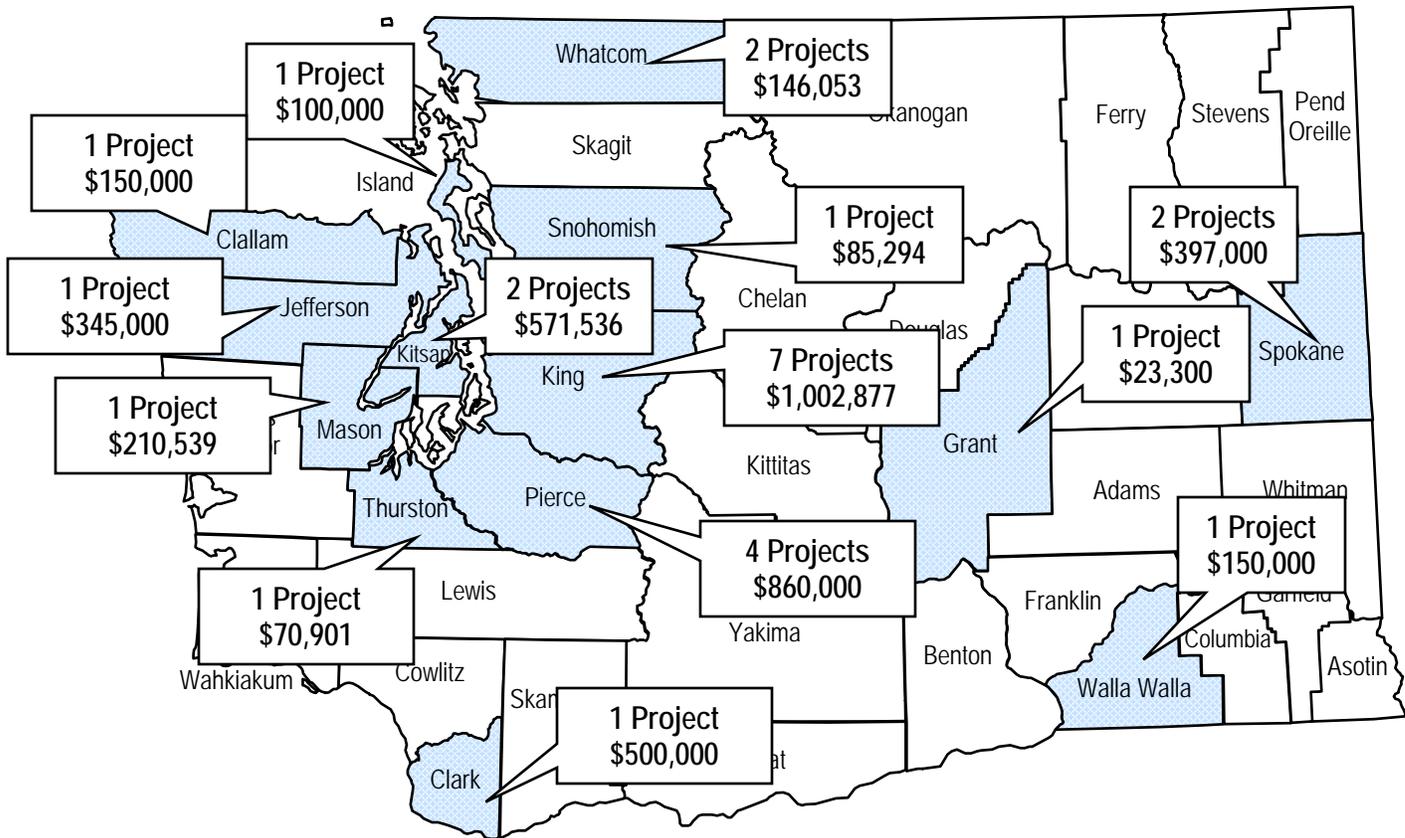
The biggest challenge of the 2007-09 round is the application of high-performance building standards requirements to historic structures. Leadership in Energy and Environmental Design (LEED) standards are now required on historic structures but don't seem particularly suited to some projects, the major purpose of which is retaining the defining characteristics of historic buildings.

Website**For Additional Information:**

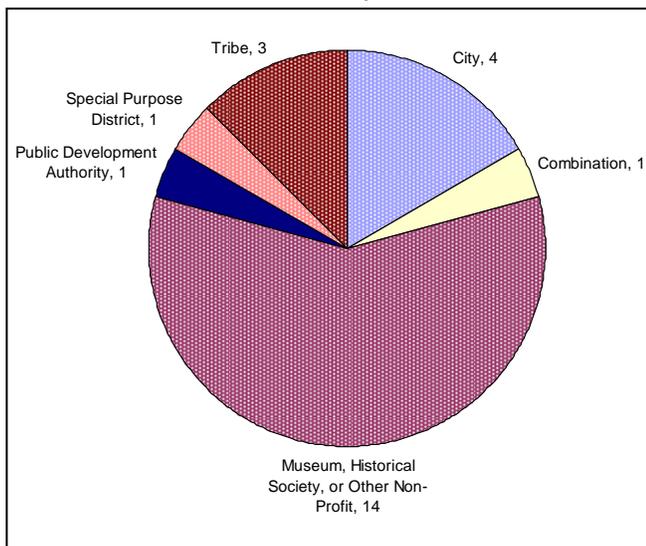
The Washington State Historical Society website for the grant program
<http://www.washingtonhistory.org/wshs/hrc/grants.htm>

Heritage Capital Projects Fund Program Awards, 2005

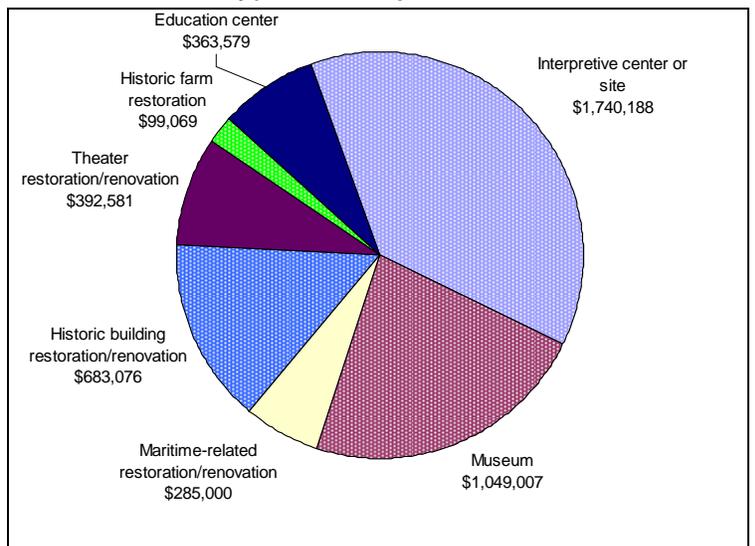
Location of Awards by County



Grant Recipients



Types of Projects Funded



Historic County Courthouse Rehabilitation Grant Program

Administered By:
Department of Archaeology and Historic Preservation

General Information	Program Purpose: The program is designed to encourage and aid county governments in their efforts to update aging courthouse facilities while retaining historic character. This program was established in a budget proviso in the 2005-07 Biennium. It is unclear whether the program will continue in future biennia.	
	Mission Statement: The Department of Archaeology and Historic Preservation (DAHP) offers the following vision: In the not too far distant future, Historic Preservation will be an essential strategy for maintaining a community's unique sense of place; a powerful tool for economic development and community revitalization; a significant generator of jobs, income, and tax revenues; an important way to understand how diverse cultures have come together to shape the society we know today; and a broad, inclusive movement that integrates its interests into community decision-making activities so that resources are identified, preserved, experienced, and enjoyed.	
	Year Established: 2005	Legislative Intent: ESSB 6094 (2005), Section 137
	Enabling State Statutes: ESSB 6094, Section 137 (2005 Capital Budget)	The appropriation is provided solely for courthouse protection and preservation, including character defining architectural features, general repairs, system upgrades, payments for renovations . . . and improvements to access and accommodations for persons with disabilities. . . . A Historic Courthouse Advisory Committee shall be established to review grant applications and make funding recommendations to the State Historic Preservation Officer. All rehabilitation work shall comply with the Secretary of Interior's standards for rehabilitation.
	Administrative Rules: None.	
Is there a separate governing board? No. However, a steering committee has been convened per the proviso to review applications and make recommendations.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07												
	New Appropriation for Administration					0												
	New Appropriation for Grants					5,000,000												
	Expenditure for Administration					(estimated) 50,000												
	Funds Awarded for Grants					(estimated) 5,000,000												
	FTEs for the Program in 2005-07: 0.2																	
Fund Account(s): 057 – State Building Construction Account	<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Biennial Period</th> <th>Funds Awarded (\$)</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>0</td> </tr> <tr> <td>1999-01</td> <td>0</td> </tr> <tr> <td>2001-03</td> <td>0</td> </tr> <tr> <td>2003-05</td> <td>0</td> </tr> <tr> <td>2005-07</td> <td>5,000,000</td> </tr> </tbody> </table>						Biennial Period	Funds Awarded (\$)	1997-99	0	1999-01	0	2001-03	0	2003-05	0	2005-07	5,000,000
Biennial Period							Funds Awarded (\$)											
1997-99	0																	
1999-01	0																	
2001-03	0																	
2003-05	0																	
2005-07	5,000,000																	
Fund Sources: The State Building Construction Account is funded primarily by the sale of state bonds.																		
Recent Changes to Funding Pattern: None (program new in 2005).																		

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial appropriation (state fiscal biennium); however the DAHP was able to offer a second grant funding round within the biennium.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 9	
	Total Amount Awarded in 2005: \$4,520,651	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: None established.	
	Matching Requirements: Per the budget proviso, counties must provide an equal amount of matching funds from public or private sources.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input checked="" type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Courthouse protection and historic preservation including preservation and rehabilitation of historic character-defining architectural features; general repairs; system upgrades; payments for renovations completed since January 1, 2003; and improvements to access and accommodations for persons with disabilities.		
	Special Qualifications Regarding Who Can Apply: Per the proviso, only counties with historic courthouses that continue to maintain county functions at the historic courthouse facility.		
	Special Qualifications Regarding Project Eligibility: All funded work must meet the U.S. Secretary of the Interior's Standards for Rehabilitation, and the courthouse must be listed in, or eligible for listing in, the National Register of Historic Places. The following are not eligible for funding: general maintenance, projects not meeting the federal standards, and courthouses that are not determined to meet National Register of Historic Places criteria.		
	Recent Changes in Eligible Applicants or Categories of Projects: Four county courthouses previously considered to be not eligible for listing in the National Register have been re-evaluated and found to meet National Register eligibility criteria.		

Timing and Steps in the Process:

Varies; the goal is to give applicants 2-3 months to complete the application.	DAHP announces the availability of funds. The Department announces the application deadline through newsletters and other press releases.
Varies; the goal is to have the application review process completed in less than one month.	DAHP has contracted with the Washington Trust for Historic Preservation (a 501(c)3 nonprofit organization) to facilitate the application process. The Field Programs Director at the Trust discusses the application process with the counties, and Trust staff provide technical assistance for the application and funding processes.
	DAHP staff screen the proposals to confirm that they meet the requirement to conform to the federal standards. The Field Programs Director meets with the Steering Committee to provide background information gathered from talking with the applicants that goes beyond what is found in the applications. The Field Programs Director also helps interpret the federal standards for the applicants and the Steering Committee.
	The Steering Committee reviews the applications and makes the final award decisions.

What Drives the Timing of the Application and Award Process?

- The budget proviso required DAHP to establish eligibility criteria and a grant application process by October 1, 2005; and
- DAHP has a goal of having recipient projects completed, with project costs reimbursed, by June 30, 2007.

Evaluation Criteria:

Evaluation criteria used in the program start with those requirements as outlined in the budget proviso language. Grant funds may be used for:

- Preservation and protection of historic character-defining features;
- General repairs;
- System upgrades;
- Improvements to access and accommodations for persons with disabilities;
- Payment for qualified rehabilitation work completed since January 1, 2003;
- All work must adhere to the U.S. Secretary of the Interior’s Standards for Rehabilitation;
- An equal amount of matching funds from public or private sources must be provided;
- County functions must continue in the historic courthouse; and
- Funds cannot be used for courthouse maintenance.

In addition, the Steering Committee has identified the following additional criteria for evaluating applications:

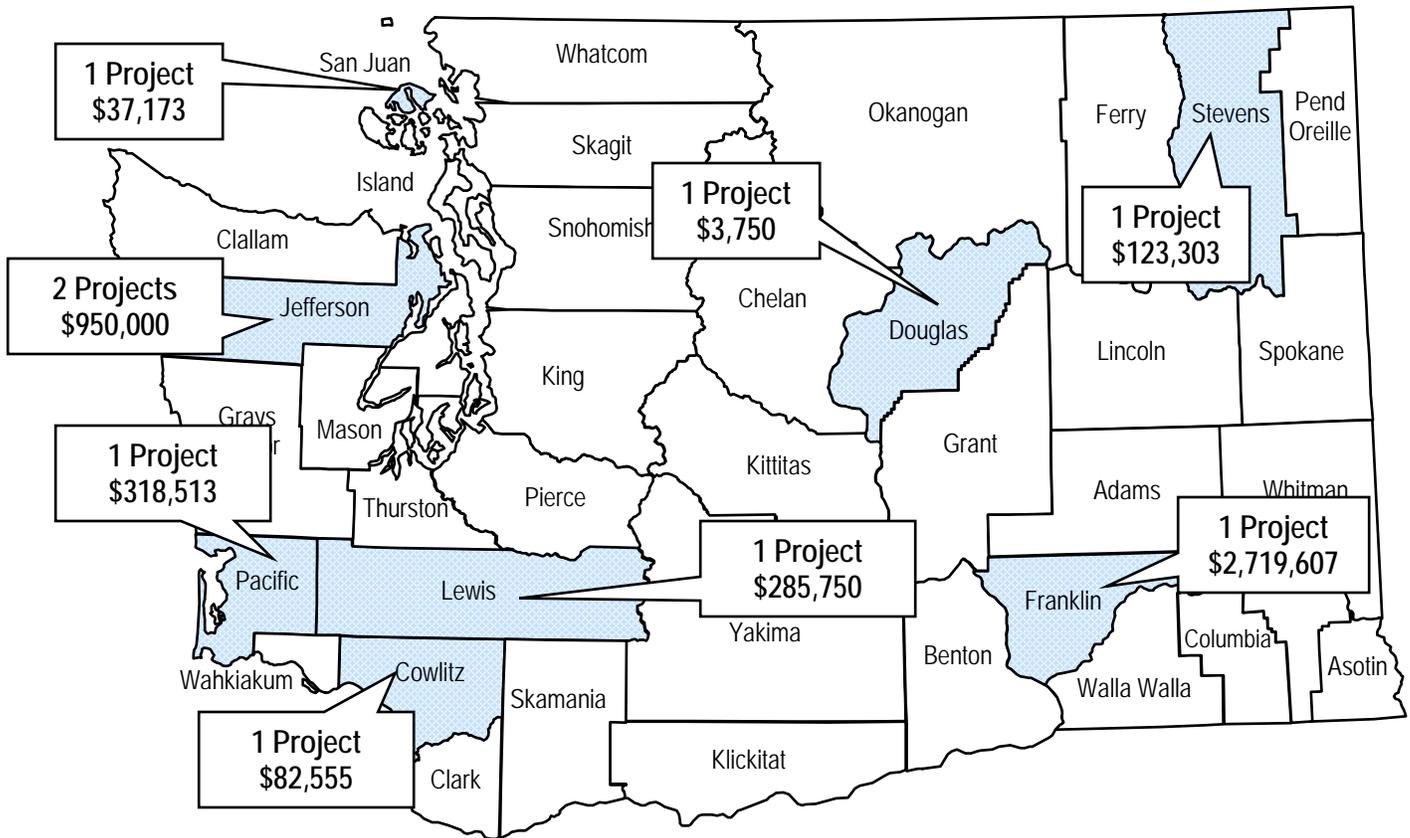
- Courthouses must be listed in, or determined eligible for listing in, the National Register of Historic Places, the Washington Heritage Register, or a local register of historic places;
- Financial need of applicant;
- Projects that assist in providing structural safety, life safety, or that improve accessibility;
- Visibility by the public or proposed work that restores historic character-defining features;
- Projects that have match-in-hand at the time of application or grant award;
- Projects for which plans are already developed and have demonstrated meeting the federal Standards for Rehabilitation; and
- Scope of work clearly defined by work elements and with a reasonable estimate of costs of each work element.

Recent Changes to the Process or Evaluation Criteria: In the second grant round, project evaluations considered ability to complete projects within one year (by June 30, 2007). Also, historic courthouses not formally listed in the National Register of Historic Places must be nominated for designation within a year of project completion.

Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The program goal is safe, accessible, and restored historic county courthouses that enhance local quality of life and stimulate economic development.</p> <p>The program objective is to provide state resources to assist financially-strapped county governments to rehabilitate their historic courthouses and extend their useful life.</p>
	<p>Performance Measures and Program Performance:</p> <p>Performance measures:</p> <ul style="list-style-type: none"> • Completion of all funded grants by June 30, 2007; • All funded rehabilitation work meets the Secretary of the Interior’s Standards for Rehabilitation. <p>Performance Measure Calculation:</p> <ul style="list-style-type: none"> • Successful project completion and cost reimbursement achieved by June 30, 2007; and • All funded rehabilitation plans and work reviewed and inspected by DAHP using the Standards. <p>For the first performance measure, projects funded in the first grant round are underway, so successful completion is unknown. For the second performance measure, all grant applications are screened by DAHP for meeting the Standards, and grant awards are made based on DAHP evaluations and recommendations regarding projects being able to demonstrate adherence to the Standards.</p>
Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes the challenges of:</p> <ul style="list-style-type: none"> • Meeting the gap between available funding and rehabilitation need; • Continuation of the grant program beyond the 2005-07 Biennium; and • Extending the program to other publicly-owned historic properties such as city halls, fire stations, and other facilities.
Website	<p>For Additional Information:</p> <p>Department of Archaeology and Historic Preservation website http://www.oahp.wa.gov/CourthouseGrant.htm</p>

Historic County Courthouse Rehabilitation Grant Program Awards, 2005

Location of Awards by County



Grant Recipients

All applicants are county governments.

Types of Projects Funded

All projects are for work on historic county courthouses.

Surface Transportation Program – Transportation Enhancement

Administered By:
Department of Transportation
Highways and Local Programs Division

General Information	Program Purpose: Transportation Enhancement activities are federally-funded, community-based projects that expand travel choices and enhance the transportation experience by improving the cultural, historic, aesthetic, and environmental aspects of the transportation infrastructure. Program projects must be in one of 12 eligible activities and must relate to surface transportation.	
	JLARC is cross-listing this Transportation Program with the collection of programs that fund Other Infrastructure (Buildings, Facilities, Recreation) because the 12 eligible categories include historic preservation, rehabilitation and operation of historic transportation buildings such as historic railroad facilities, and the establishment of transportation museums. This program can also fund pedestrian and bicycle trails. Any project must relate to surface transportation.	
	Mission Statement: The Highways and Local Programs Division serves as the steward of the local agency federal aid program by administering and managing federal funds from project development through construction administration. In addition, the Division provides technical assistance and training, and promotes cooperative planning and partnerships between the state Department of Transportation and local agencies.	
	Year Established: 1991	Legislative Intent: (Congressional) (We did not find an express statement of legislative intent in the legislation authorizing this program.)
	Enabling State Statutes: Not applicable (federal law)	
Administrative Rules: Not applicable (federal law)		
Is there a separate governing board? No. However, the Secretary of Transportation appoints a Transportation Enhancement Committee as an advisory board. The Committee consists of representatives from cities, counties, tribes, pedestrian, bicycle, trail, historic/scenic groups, and the Department.		

Budget Information	Recent Federal Fiscal Year Budgets	2003	2004	2005	2006	2007												
	New Appropriation for Administration*																	
	Federal Funds Apportioned to the State	11,400,000	13,100,000	10,500,000	10,600,000	10,500,000												
	Expenditure for Administration*																	
	Funds Awarded for Grants*	11,400,000	13,100,000	10,500,000	10,600,000	(estimated) 10,500,000												
	*Note: The Department explains that administrative funding for the federally-funded projects comes from the federal program. The Department has distributed FTEs throughout the federal programs for administration and oversight rather than assigning an amount for each individual program.																	
	FTEs for the Program in 2005-07: Approximately 3.0	<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>FFY</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>FFY 2003</td> <td>\$11,400,000</td> </tr> <tr> <td>FFY 2004</td> <td>\$13,100,000</td> </tr> <tr> <td>FFY 2005</td> <td>\$10,500,000</td> </tr> <tr> <td>FFY 2006</td> <td>\$10,600,000</td> </tr> <tr> <td>FFY 2007</td> <td>\$10,500,000 (estimated)</td> </tr> </tbody> </table>					FFY	Amount	FFY 2003	\$11,400,000	FFY 2004	\$13,100,000	FFY 2005	\$10,500,000	FFY 2006	\$10,600,000	FFY 2007	\$10,500,000 (estimated)
FFY	Amount																	
FFY 2003	\$11,400,000																	
FFY 2004	\$13,100,000																	
FFY 2005	\$10,500,000																	
FFY 2006	\$10,600,000																	
FFY 2007	\$10,500,000 (estimated)																	
	Fund Account(s): 784-6 – Miscellaneous Transportation Programs Account - Federal																	
	Fund Sources: Federal Grants from the Federal Highway Administration																	
Recent Changes to Funding Pattern: None.																		

Additional Program/Project Funding Information

Frequency of the Grant/Loan Cycle: Every three years.	
Does the Legislature Approve Project Selection? No.	
Number of Projects Selected in 2005: 0 (A set of projects was approved in 2006.)	
Total Amount Awarded in 2005: \$0	
What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The amount of federal funding apportioned to the state.	
Maximum Amount That Can Be Awarded to a Project: None established.	
Matching Requirements: No match required.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects

<p>Who Is Eligible To Apply?</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other 	<p>What Categories of Projects Are Eligible?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input checked="" type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure 	<p>Award Type:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
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Eligible Projects: Federal law states that all enhancement projects must relate to surface transportation and must include at least one of the 12 qualifying activities listed below:

- Provision of facilities for pedestrians and bicycles;
- Provision of safety and educational activities for pedestrians and bicyclists;
- Acquisition of scenic easements and scenic or historic sites;
- Scenic or historic highway programs (including the provision of tourist and welcome center facilities);
- Landscaping and other scenic beautification;
- Historic preservation;
- Rehabilitation and operation of historic transportation buildings, structures, or facilities (including historic railroad facilities and canals);
- Preservation of abandoned railway corridors (including the conversion and use of the corridors for pedestrian and bicycle trails);
- Inventory, control, and removal of outdoor advertising;
- Archaeological planning and research;
- Environmental mitigation to address water pollution due to highway runoff or to reduce vehicle-caused wildlife mortality while maintaining habitat connectivity; and
- Establishment of transportation museums.

Special Qualifications Regarding Who Can Apply: None identified.

Special Qualifications Regarding Project Eligibility: Projects must be related to surface transportation and must contain at least one of the 12 qualifying activities above. This excludes aviation or boating projects from funding.

Recent Changes in Eligible Applicants or Categories of Projects: None. However, see the information below on the current study by the Joint Transportation Committee.

Application and Award Process

Timing and Steps in the Process:

By January	The Department learns the amount of federal funding that is being apportioned to Washington for the program.
The timing for the next funding round is currently under development pending the outcome of a study by the Joint Transportation Committee.	The Department puts out a call for projects.
	Regional Transportation Planning Organizations provide assistance to applicants within their areas on the process and eligibility.
	Projects are initially evaluated and prioritized by the Regional Transportation Planning Organizations. The project applications are then forwarded to the Transportation Enhancement Committee.
	The Transportation Enhancement Committee reviews the applications and submits its prioritized project list to the Secretary of Transportation.
	The Secretary of Transportation approves projects for funding.

What Drives the Timing of the Application and Award Process? The Transportation Enhancement Committee discusses the timing with the Regional Transportation Planning Organizations for the application and prioritization process to determine the optimal timing.

Evaluation Criteria:

The Department reports that the criteria differ depending on the regional planning organization and its regional priorities.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals, Objectives, and Performance Measures

Program Goals and Objectives:

The goal of the Transportation Enhancement Program is to create a more balanced, multi-modal approach to mobility and accessibility. Program activities are intended to allow communities to develop projects that improve the quality of a community and enhance the transportation experience for people traveling by all modes.

Performance Measures and Program Performance:

The Department indicates that each local agency is required to report on the status of its projects. The Department is tracking project delivery based on the planned and actual results for the following milestones:

- Preliminary engineering start;
- Environmental documentation complete;
- Right of way complete;
- Bid advertisement date; and
- Operationally complete.

During the 2006 interim, the Joint Transportation Committee is conducting an evaluation of the Transportation Enhancement Program. The JTC's review includes information about the categories of projects submitted for consideration, a review of the allocation of funds awarded across categories, a review of the scoring criteria, and an assessment of whether certain categories of projects are disproportionately funded or unfunded. The JTC will complete its evaluation in January 2007.

Agency-Identified
Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The Department notes that requests exceed available resources and that requests are increasing each year due to the diversity and limited resources for these types of projects.

Website

For Additional Information:

On the Department of Transportation website
<http://www.wsdot.wa.gov/TA/ProgMgt/Grants/Enhance.htm>

K-12 Public School Construction Assistance Program

Administered By:
Office of the Superintendent of Public Instruction

General Information	<p>Program Purpose: The financing of public K-12 education is divided into two major parts: operations and capital. This program is the State’s primary capital support for the K-12 system in Washington. The program supports new construction and modernization.</p> <p>This program does not support minor repair or school maintenance. The Legislature is currently piloting efforts toward funding minor school repair (the K-12 Public School Small Repair Grant Program, included in this inventory), and the State partially supports maintenance through apportionment funding formulas.</p>	
	<p>Mission Statement: Support housing the state’s education program in efficient and effective environments through enhanced facility administration, development services, and sustainable partnerships.</p>	
	<p>Year Established: 1940s (Common School Construction Account was created in 1966.)</p>	<p>Legislative Intent: RCW 28A.525.010</p> <p>It is hereby declared to be the intent of the Legislature that the following provisions be enacted for the purpose of establishing and providing for the operation of a program of state assistance to school districts in providing school plant facilities.</p>
	<p>Enabling State Statutes: Chapter 28A.525 RCW</p>	
	<p>Administrative Rules: Chapters 392-343 and 344 WAC</p>	
<p>Is there a separate governing board? Yes. The State Board of Education had overall budget authority, project approval authority, rule authority, and had developed rules, budgets, budget requests, and approved specific projects. The Board used the Office of the Superintendent of Public Instruction (OSPI) administration and management to staff these functions. The State Board of Education’s authority, budget, and other related program responsibilities transferred to OSPI as of June 2006. The Superintendent is a separately elected state official.</p>		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Administration	1,779,000	1,619,000	1,931,000	2,138,000	2,355,000
	New Appropriation for Grants	289,549,000	376,681,000	339,442,000	397,769,000	626,327,000
	Expenditure for Administration	1,204,000	1,410,000	1,550,000	1,918,000	(estimated) 2,355,000
	Funds Awarded for Grants*	279,631,000	350,119,000	318,564,000	350,538,000	(estimated) 493,895,000
<p>*Note: OSPI explains that awards are typically lower than appropriations due to delays in scheduled projects. OSPI and school districts find it difficult to estimate costs years in advance, and consequently projects are often delayed or changed by the time the projects are to begin. The Legislature makes full appropriations for the State portion of a project, even if that entire amount will not be spent in that funding period.</p>						

Additional Program/Project Funding Information	FTEs for the Program in 2005-07: 11	Funds Awarded for Grants <table border="1"> <caption>Funds Awarded for Grants (Estimated)</caption> <thead> <tr> <th>Period</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>~280,000,000</td> </tr> <tr> <td>1999-01</td> <td>~350,000,000</td> </tr> <tr> <td>2001-03</td> <td>~320,000,000</td> </tr> <tr> <td>2003-05</td> <td>~350,000,000</td> </tr> <tr> <td>2005-07</td> <td>~500,000,000</td> </tr> </tbody> </table>	Period	Amount (\$)	1997-99	~280,000,000	1999-01	~350,000,000	2001-03	~320,000,000	2003-05	~350,000,000	2005-07	~500,000,000
	Period		Amount (\$)											
	1997-99		~280,000,000											
1999-01	~350,000,000													
2001-03	~320,000,000													
2003-05	~350,000,000													
2005-07	~500,000,000													
Fund Account(s): 113-1 – Common School Construction Acct 057-1 – State Building Construction Account 253-1 – Education Construction Account 291-1 – Education Savings Account														
Fund Sources: <ul style="list-style-type: none"> • Timber/mineral resource utilization from Common School Trust Lands; • Trust land transfer; • Land leases; • Lottery funding; • General obligation bonds; • Agency savings; • Investment earnings. 														
Recent Changes to Funding Pattern: First, legislative appropriations increased significantly in 2005-07. Second, OSPI reports that this program was originally designed to run on cash revenues. With average cash disbursements exceeding \$1 million each working day, the program's cash revenue streams have not kept pace with construction cash demand, so bond revenues have been increasingly utilized. Third, OSPI notes that the program is less reliant on income from trust lands than it used to be, though this continues to be an important funding source. This is due in part from escalating costs and reduced cash yields from trust lands.														

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial from the perspective of Capital Budget funding. This is more of an ongoing process at the OSPI/school district level.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 36	
	Total Amount Awarded in 2005: \$281,928,964	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: This is determined by the following statutory formula: State Assistance = Eligibility X Area Cost Allowance X Match Ratio	
	Matching Requirements: Matching requirements vary for each school district. The matching ratio is the percentage of the project costs that will be paid for by the State as determined by the formula set forth in statute. The ratio varies by the local district's ability to raise funds and is measured in terms of assessed value per student as compared to a statewide average. OSPI notes there is also a difference between what the State recognizes as "fundable" and the actual costs; the State funds a portion of the recognized amount. The school district must fund the difference. OSPI estimates that the program currently funds about 20% of actual costs, or 30% of the costs that the State recognizes and matches.	
	Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply? <input type="checkbox"/> Cities and Towns <input type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	What Categories of Projects Are Eligible? <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input checked="" type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	Award Type: <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: New school construction projects and school modernization projects.		
	Special Qualifications Regarding Who Can Apply: Only school districts may apply. Districts must have passed a super-majority bond, capital levy, or provided other financial means.		
	Special Qualifications Regarding Project Eligibility: The program does not fund administrative areas or other ineligible school facility areas. The program funds a certain amount of eligible space and can only be used for specified school construction costs. Projects must meet eligibility requirements based on age and condition for modernization, and a need for more space for new construction. The need for additional space is calculated by comparing existing capacity and future need. A project is eligible for State funding if it meets one or more of the following criteria: <ol style="list-style-type: none"> 1. Need for instructional space based on un-housed students; 2. Need for modernization of an existing facility that satisfies the housing needs of the district and is more than 20 years old and has not been modernized under the provisions of current rules in the last 20 years; and 3. Need for modernization of a facility that was built after January 1, 1993, or is at least 30 years old. 		
	Recent Changes in Eligible Applicants or Categories of Projects: None.		

Application and Award Process	Timing and Steps in the Process:	
	No less than 60 days prior to the date the district wishes the application to be considered.	The school district first submits Form D-1 to OSPI, which is an application requesting State assistance for a study and survey planning grant from the Office of the Superintendent of Public Instruction (OSPI).
	6 approval date opportunities each calendar year.	When this application has been approved by OSPI, OSPI will issue Form D-2. This form stipulates the amount of the grant money to be available to the district for the study and survey.
	Within 1 year of date of issuance of Form D-2, unless a request for an extension to complete is approved by OSPI.	After receiving Form D-2, the district proceeds to complete the study and survey. The completed study and survey must be submitted to OSPI for review and comment. Usually the new study and survey is submitted with the district's submittal of Form D-3 (project application).

No less than 60 days prior to the date the district wishes the application to be considered.	Form D-3 is submitted as the district's official request to OSPI for project approval. Upon receiving the district's Form D-3, OSPI will either deny approval of the project, or give grant approval of the project and authorize the amount of square footage that the State will match.
6 approval date opportunities each calendar year.	If approval is granted, OSPI will issue Form D-4 stating such approval and also any conditions that may or may not be applicable. If local funding has been secured and Form D-4 has been granted by January 31 the project may be eligible for funds released the following July.
Within 1 year of date of issuance of Form D-4, or the district will be required to return to the Form D-3 phase of the process.	Upon receipt of Form D-4, the district may proceed as required to: <ol style="list-style-type: none"> 1. Develop the educational specifications for the project. 2. Select the site for the project. 3. Obtain the capital funds required for the project. 4. Select the architectural/engineering design team for the project. 5. Select the value engineering consultant for the project. 6. Issue construction management contract or hire for construction management services. 7. Contract for constructability review. 8. Contract for building commissioning.
	When the district's D-5 submittals have been accepted and approved by OSPI, the district is authorized to proceed with design of the facility, complete the energy conservation report, and complete a value engineering study.
	Upon receipt of the district's Form D-5 and supporting documents, OSPI will review these documents, review the site, and issue authorization of preliminary funding status Form D-6 to the district.
Within 1 year of the date of approval of Form D-5, or the district will be required to return to the Form D-3 phase of the process.	Once the district's Form D-5 has been approved by OSPI, the design and construction documents for the project may be completed. Form D-7 is submitted by the district to OSPI at the point that the district is ready to receive construction bids. Form D-7 is accompanied by all of the necessary construction estimates, contracts, any letters of approval, the building area analysis, inspections, a value engineering report, and the building code compliance certification.
	Upon receiving Form D-7 and submittals, OSPI will review all of the documents and approvals. When approved, OSPI will confirm the eligibility of the district and prepare a breakdown of all costs for the project and estimate the amount of each item to be paid by the State and by the district. OSPI will then include the statement of eligibility and the breakdown of all costs on Form D-8 which will be forwarded to the district. Form D-8 constitutes authorization to proceed with the bid process for the construction project. Districts are not authorized to start the bid process on the proposed project until they have received Form D-8.
Within 90 days from the date of issuance of Form D-8. If this is not accomplished within the stipulated time, the district is required to return to the Form D-3 phase of the process.	The district must obtain acceptable bids for construction of the project and submit Form D-9 along with advertisements for bids, statements of all bids received, school board recommendation for award of contract, successful bidder's proposal, a statement of all local or other funds available for the project, intent to construct the project, architectural/engineering fees, and certification of costs of educational specification, energy conservation report, value engineering, and special inspections and testing.
Final notification of secured funding status is issued each July.	Upon receipt of Form D-9 and required submittals, OSPI will review the documents and issue Form D-10, which allocates State funds for the project and authorizes the district and contractor to sign the contract for construction.

What Drives the Timing of the Application and Award Process? Mostly State regulatory requirements and State budget cycles.

Evaluation Criteria:

- Projected percentage of students un-housed (based on enrollment projections by OSPI five years into the future using current State space allocations);
- Health and safety factors;
- Building condition;
- Cost/benefit factor;
- Type of space resulting from project;
- Local priority given to project;
- Joint funding for projects;
- Modified school calendar or schedule that enables more students to use state buildings each year over what the current State capacity standards recognize for State assistance purposes.

Recent Changes to the Process or Evaluation Criteria: OSPI reports there have been changes made to eligibility requirements, some funding formula changes, and some rule changes.

Program Goals and Objectives:

- Establish costs to assist in school capital budget development.
- Understand funding constraints and school capital/facility conditions.
- Take a comprehensive approach to capital budget development and projections.
- Reduce the burden of administrative tasks for schools and State government.
- Ensure better connections between K-12 operating and capital budgets.
- Improve capital allotment and expenditure monitoring processes.
- Better use information about school facilities.

Performance Measures and Program Performance:

OSPI reports that performance reporting comes in the form of various budget and project reporting processes. This includes, but is not limited to, variances of projections, project completions, capital dollars available per constituent served, reduced cost of operation, and district satisfaction.

OSPI reports that the program is looking at new ways to achieve performance measures including but not limited to how school buildings relate to student achievement, staff performance, and student health.

OSPI also reports that other states have begun funding standards of adequacy for planning, design, construction, and operation of school facilities. OSPI notes that funded adequacy standards seem to create additional equity and consistency with regard to school facilities in states that have properly used this approach.

Program Goals, Objectives, and Performance Measures

Program Challenges or Issues Identified by the Agency:

The agency notes the following:

- The agency sees a need for changes to capital funding levels and the types of work funded. Increases in “area cost allowance” and “student space allocation” are desired. Area cost allowance dictates what the State assumes it costs per square foot to build a K-12 school. The State currently recognizes a cost of \$154 per square foot and pays a portion of that number to schools. The figure was raised for the first time in 20 years from \$110 to \$115 in the 2003-05 biennium. Average actual costs are about \$190 per square foot or more.

Student space allocation is also a funding driver, dictating how much space the State assumes each student needs within a K-12 school. Younger children are allocated less space than high school students. Elementary schools (grades 1 – 6) prior to 1980 received approximately 100 square feet per student, but that was cut back to 80 and stayed at that level for 20 years. While this level was increased in the 2003-05 biennium, current State allocations are below national standards.

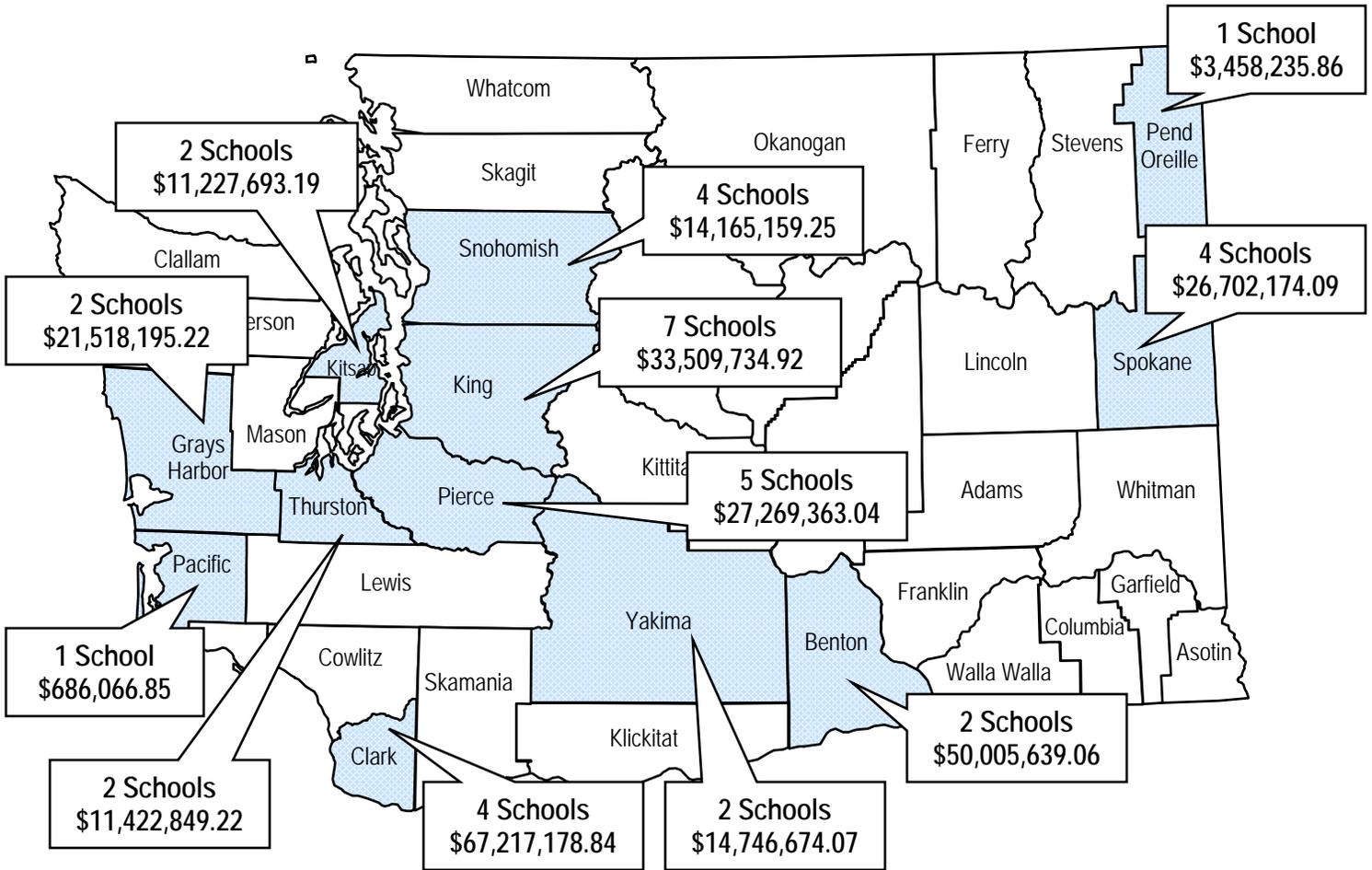
- The agency also describes a need for new school facility funding and service programs, similar to other State education funding and programs that include basic capital needs in the K-12 system. K-12 facility preservation and services, facility information systems, and asset management are currently not funded.
- Additionally, the agency reports that there appears to be need for diverse capital programs designed to meet the diverse needs of the constituency. These needs include small repair funding, remote and necessary school funding, and enhanced and dedicated school maintenance funding through school apportionment.

For Additional Information:

On OSPI's website
<http://www.k12.wa.us/SchFacilities/default.aspx>

School Construction Assistance Program Awards, 2005

Location of Awards by County



Grant Recipients

All grant recipients are school districts.

Types of Schools Funded

A mix of elementary, middle and high school projects, both modernization and new construction.

K-12 Public School Small Repair Grant Program

Administered By:
Office of the Superintendent of Public Instruction

General Information	Program Purpose: The Small Repair Grant Program provides funds to address specified costs associated with urgent school repairs and minor renovations within K-12 public school buildings. The program does not require match funding from a local school district but does require a sustained building maintenance program. The program was established for the 2005-07 biennium; the Legislature will determine whether to offer additional funding in the future.	
	Mission Statement: Support housing the state's education program in efficient and effective environments through enhanced school facility preservation administration and funding.	
	Year Established: 2005	Legislative Intent: From ESSB 6094 (2005), Section 608
	Enabling State Statutes: ESSB 6094, Section 608 (2005 Capital Budget)	The appropriation in this section is provided solely for nonrecurring costs associated with urgent health and safety school facility repairs and renovations and minimal administrative costs associated with administering the program. The State Board of Education and the Office of the Superintendent of Public Instruction, after consulting with maintenance and operations administrators of school districts, shall develop criteria for providing funding for specific projects that stay within the appropriation level provided in this section.
	Administrative Rules: Under development	
Is there a separate governing board? Yes. The program is administered by the Office of the Superintendent of Public Instruction (OSPI), a separately elected state official, and the budget proviso is also directed to the State Board of Education.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Administration					70,000
	New Appropriation for Grants					2,930,000
	Expenditure for Administration					(estimated) 70,000
	Funds Awarded for Grants*					(estimated) 2,930,000

* Note: This total includes \$2.3 million provided for the competitive portion of the grant program, and \$630,000 for three school repair projects specified by the Legislature in the budget proviso.

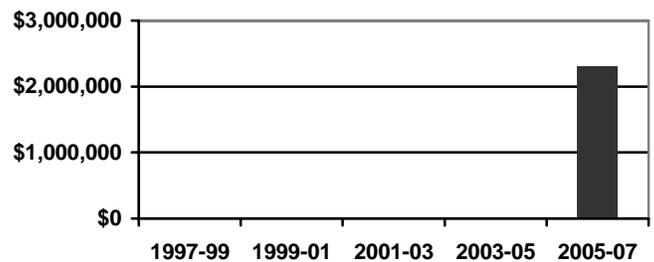
FTEs for the Program in 2005-07:
0.2 FTE of a temporary staff person in FY2007

Fund Account(s):
253 – Education Construction Account

Fund Sources:
253 – Education Construction Account

The budget proviso allows OSPI to charge a small amount for program development and administration.

Funds Awarded for Grants



Recent Changes to Funding Pattern: None (program new in 2005).

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? Not for the competitive program; the Legislature earmarked funding for three specific projects.	
	Number of Projects Selected in 2005: 0 (First competitive projects selected in Spring 2006.)	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a School District: Per the budget proviso, \$100,000 per three-year period.	
	Matching Requirements: None established.	
	Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns	<input type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input type="checkbox"/> Counties	<input type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input checked="" type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input type="checkbox"/> Tribes	<input checked="" type="checkbox"/> Public K-12 Schools	
	<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities	
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
<input type="checkbox"/> Other	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		
Eligible Projects: Urgent health and safety school facility repairs and renovations. Examples of projects funded in the first round include repair of roofing systems, boilers, and fire alarms.			
Special Qualifications Regarding Who Can Apply: Only public school districts are eligible.			
Special Qualifications Regarding Project Eligibility: Projects must be urgent school repair projects related to health and/or safety.			
Recent Changes in Eligible Applicants or Categories of Projects: None (new in 2005).			

Application and Award Process	Timing and Steps in the Process:	
	Note: This was the timing for developing the administrative structure and the first funding round for this program.	
	November 2005	<p>The application process begins. OSPI provides technical assistance on a one-on-one basis before, during, and after the application is submitted.</p> <p>Because this is the first year of the program, OSPI is still developing the process. OSPI reports that small schools have difficulty estimating capital project costs and need help determining how to apply and what to write on the application. OSPI continues to offer technical assistance after the initial application is submitted because priorities in the school district may change.</p> <p>If the program continues, OSPI indicates that this process is likely to evolve into a more steady administrative process and could be developed into a workshop.</p>

	January 2006	OSPI receives applications, but the applications continue to be refined.
		In conjunction with school district representatives, OSPI evaluates the applications and sends a notice of award to winning districts. Schools receiving notification of award must submit the following to OSPI: project budget, project timeline, written scope of work, district officials' contact information, School Board resolution identifying the individual(s) authorized to sign all documents for the project, and a School Board resolution committing the district to application of the laws and rules pertaining to public works.
	March 2006	Grant approvals from OSPI authorize school districts to proceed with designs, specifications, and bidding for approved projects.
	By June 30, 2007	During the projects, the districts submit a multi-year preventive maintenance action plan and a School Board resolution accepting and committing district resources and ongoing support of the maintenance action plan.
What Drives the Timing of the Application and Award Process? The timing of this first cycle followed the provision of funds in the state Capital Budget.		
Evaluation Criteria:		
The initial set of evaluation criteria included but was not limited to: facilities challenges; project identification and priority; associated risks and risk mitigation; extending facility useful life; capacity to fund locally; and current maintenance efforts. The initial evaluation criteria were augmented by interaction with grantees, emerging priorities for grantees, and changing grantee capacity to manage urgent school repairs. OSPI reports that this first process will inform future criteria development.		
Recent Changes to the Process or Evaluation Criteria: This is a new process, and criteria are under further development.		

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	Successful Small Repair Program projects will demonstrate needed repair in one or more of the following areas: <ul style="list-style-type: none"> • Health and Safety • Fire and Life Safety Code • Immediate Accessibility Needs • Hazardous Substance Abatement
	Performance Measures and Program Performance:
OSPI reports that performance reporting comes in the form of various budget reporting and project reporting processes. Because the program is in its first year and many projects have yet to start, there is no performance rating yet. The first performance report will be created in 2007.	

Agency-Identified Challenges\Issues	Program Challenges or Issues Identified by the Agency:
	The agency notes that: <ul style="list-style-type: none"> • Over 133 school districts applied for the 20+ available grants in the first grant cycle. The current, known fiscal demand for the urgent repair program exceeds \$9,200,000. OSPI reports that this estimate is likely low due to the size of the systems and the lack of a comprehensive school maintenance and operation program, and proper oversight by the state. • OSPI program staff recommend that the Legislature consider additional capital support programs, similar to other state education funding for higher education that could address certain, basic capital needs in the K-12 system. For example, additional funding for K-12 facility preservation services, facility information systems, and asset planning/management are currently not funded. <p style="text-align: right;">(continued on next page)</p>

- OSPI indicates that there also needs to be a distinction between urgent health and safety repair, which this program was created to address, and emergency repair needed after a catastrophe such as a fire or a flood. This new Small Repair Grant Program addresses emerging or persistent problems that a district has been unable to fix. These issues are different than an emergency need that must be addressed to get a school running again after a catastrophe. OSPI currently spends resources dealing with emergency problems every year. This could be handled more efficiently if there were a small emergency fund that could be accessed for these types of emergencies.
- Because there is diversity among the state's schools, diverse funding programs may be needed to meet the unique needs of different constituencies. Examples include small repair funding for schools, remote and necessary school funding, and enhanced school maintenance funding through student apportionment.

Website

For Additional Information:

OSPI website about the Small Repair Grant Program
<http://www.k12.wa.us/SchFacilities/SmallRepairProgram.aspx>

Safe Soils Remediation and Awareness Projects

Administered By:
 Department of Ecology
 Toxics Cleanup Program

General Information

Program Purpose: Safe Soils projects help schools, park districts, and owners/operators of child care facilities implement cleanup actions and other measures that prevent child exposure to hazardous substances in the soils, such as arsenic and lead.

The Department of Ecology provides funding for soil cleanup and remediation through the State Toxics Control Account. During the 2005 Legislative Session, the Legislature also enacted a new law (Area-Wide Soil Contamination) to assist state and local agencies with implementing actions to reduce children’s exposure to soil with area-wide arsenic and lead contamination.

The Safe Soils Projects profile is included in the Basic Infrastructure collection because of its role in hazardous waste cleanup. JLARC is also cross-listing this program with the Other Infrastructure collection of programs to give it more proximity to programs dealing with schools and day care facilities.

Mission Statement: The mission of the Toxics Cleanup Program is to get and keep contaminants out of the environment.

Year Established:
 2005 as a Capital Budget program

Enabling State Statutes:
 RCW 70.105D.070 and Chapter 70.140 RCW

Administrative Rules:
 None.

Legislative Intent: RCW 70.140.010

The Legislature finds that state and local agencies are currently implementing actions to reduce children’s exposure to soils that contain hazardous substances. The Legislature further finds that it is in the public interest to enhance those efforts in western Washington in areas located within the central Puget Sound smelter plume.

Additionally, RCW 70.105D.070 describes the uses of funds in the State Toxics Control Account.

Is there a separate governing board? No.

Budget Information

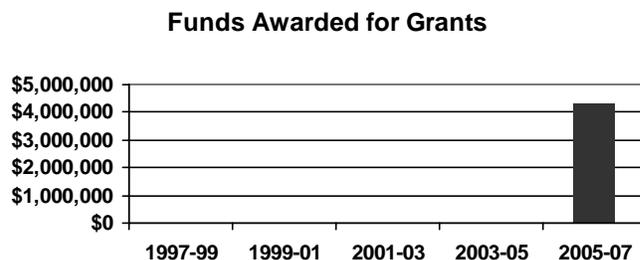
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					
New Appropriation for Grants					4,300,000
Expenditure for Administration					(estimated) 100,000
Funds Awarded for Grants*					(estimated) 4,300,000

*Note: The Legislature appropriated \$2 million in the 2005 Capital Budget and an additional \$3 million in the 2006 Supplemental Capital Budget. Of this latter appropriation, \$700,000 was specified for cleanup actions at the Everett smelter project.

FTEs for the Program in 2005-07:
 Approximately 1.0 FTE is funded by the State Toxics Control Account

Fund Account(s):
 EA-H01: 173 – State Toxics Control Account (Capital Budget appropriation)

Fund Sources:
 Hazardous Substances Tax



Recent Changes to Funding Pattern: In the 2005 budget process, Ecology requested – and the Legislature approved – appropriation of some funds in the State Toxics Control Account through the Capital Budget rather than the Operating Budget. Ecology notes that projects funded through the Operating Budget had been spanning biennia, creating funding challenges (unspent Operating Budget appropriations revert, while Capital Budget appropriations can be re-appropriated). Ecology reports that this change better accommodates the funding needs for these projects.

Additional Program/Project Funding Information

Frequency of the Grant/Loan Cycle: As explained in the process section, there is not really a “cycle” for these projects as there is for most other programs that fund infrastructure projects; instead, Ecology works to identify the sites and projects for program funds.

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 0 (first projects in 2006)

Total Amount Awarded in 2005: 0

What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation, now in the state Capital Budget.

Maximum Amount That Can Be Awarded to a Project: No maximum established.

Matching Requirements: None established.

Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).
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Eligible Applicants and Projects

<p>Who Is Eligible To Apply?</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input checked="" type="checkbox"/> Private Businesses <input type="checkbox"/> Other 	<p>What Categories of Projects Are Eligible?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure 	<p>Award Type:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
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Related to

Eligible Projects: Projects may include actions that remove contaminated soils from the property and/or measures to treat or contain hazardous substances on the affected property (e.g., capping contaminated soils with dirt, pavement, or other materials).

Special Qualifications Regarding Who Can Apply: As discussed below, Ecology has not established a formal application process for project proponents. Ecology’s Toxic’s Cleanup Program identifies areas of potential contamination and performs outreach to schools, parks, and child care facilities, whether public or private, to instigate testing. Where contamination is found, Ecology works with the organization to develop a remediation plan, often timed to coincide with other work at the site.

Special Qualifications Regarding Project Eligibility: Ecology places a special emphasis on cleanup of child use areas (e.g., schools, parks, and child care facilities). Ecology has also assigned a high priority for projects in certain areas of the state where there is a greater probability that soils will have elevated levels of arsenic caused by past industrial emissions and/or historic agricultural practices. These areas include (1) areas affected by historic emissions from the Asarco smelter in Tacoma; and (2) areas in Chelan, Douglas, Yakima, Okanogan, and Spokane counties where apples were grown between 1900 to 1947.

Recent Changes in Eligible Applicants or Categories of Projects: None (new in 2005).

Timing and Steps in the Process:

Unlike many other programs in this inventory, Ecology does not solicit applications for Safe Soils Projects. As described in part above, Ecology works with local school officials and child care providers to develop a list of potential projects for the subsequent budget period. The budget request is informed by this list, but funds are not earmarked for specific projects. When the funds become available, Ecology works with the identified local agencies on incorporating cleanup into their summer construction projects. Projects that can move forward in a given construction season are selected by Ecology for funding.

What Drives the Timing of the Application and Award Process? The availability of funds through completion of the Capital Budget process, then the ability of projects to move forward in a given construction season.

Evaluation Criteria:

- Level of hazardous substances in soils;
- Number of children who attend the school, child care facility, etc.;
- Level of participation/interest by the organization; and
- Planned construction renovation schedule, for example, whether a school is scheduled for significant renovations.

Recent Changes to the Process or Evaluation Criteria: None (new in 2005).

Program Goals and Objectives:

The goal of the Safe Soils Remediation and Awareness Program is to prevent child exposure to contaminated soils at schools, parks, and child care facilities.

Performance Measures and Program Performance:

- Number of cleanup actions conducted at schools, parks, and child care facilities;
- Number of best management practices implemented at schools, parks, and child care facilities; and
- Number of children attending schools and child care facilities that have completed cleanup actions.

Application and Award Process

Program Goals, Objectives, and Performance Measures

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>Ecology notes that Capital Budget appropriations from the State Toxics Control Account are relatively new, and most of the early challenges are related to normal startup issues experienced with new programs. However, implementation issues and challenges include:</p> <ul style="list-style-type: none"> • Integrating soil cleanup planning and implementation with state and local decision-making processes for school construction, renovation, and maintenance; • Integrating soil cleanup planning and implementation with DSHS child care licensing and inspection programs; and • Integrating soil cleanup investigation and cleanup with local land use planning/decisions that impact site selection and construction of new schools, child care facilities, parks, and residential developments.
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Website	<p>For Additional Information:</p> <p>Website for Ecology's Toxics Cleanup Program http://www.ecy.wa.gov/programs/tcp/cleanup.html</p>
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Community Economic Revitalization Board Traditional Program

Administered By:

Department of Community, Trade and Economic Development
Community Economic Revitalization Board

General Information

Program Purpose: The Community Economic Revitalization Board (CERB) Traditional Program provides funding assistance statewide for public facilities to foster business/job development and retention for specific higher wage business types (identified later in this profile). "Public facilities" include bridges, roads, domestic and industrial water, sanitary and storm sewer, railroad, electricity, telecommunications, natural gas, buildings and structures, and port facilities – all for the purpose of job creation, job retention, or job expansion.

Mission Statement: CERB's mission is to help communities create and retain jobs in partnership with business and industry, providing low-interest loans and grants to local governments to help finance construction of public facility projects supporting private sector development.

Year Established: 1982

Legislative Intent: RCW 43.160.010

Enabling State Statutes: Chapter 43.160 RCW

Administrative Rules: Chapter 133-40 WAC

The Legislature finds that it is the public policy of the state of Washington to direct financial resources toward the fostering of economic development through the stimulation of investment and job opportunities and the retention of sustainable existing employment for the general welfare of the inhabitants of the state . . . A valuable means of fostering economic development is the construction of public facilities which contribute to the stability and growth of the state's economic base.

Is there a separate governing board? Yes, the Community Economic Revitalization Board. The Board develops policies for the management of this program and makes the decisions about awarding program loans and grants.

Budget Information

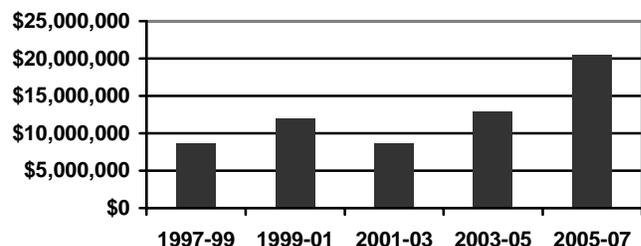
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration*	515,000	537,056	594,463	627,000	616,000
New Appropriation for Grants/Loans	10,000,000	17,000,000	7,475,000	11,380,000	20,448,000
Expenditure for Administration*	---	537,056	435,972	570,554	(estimated) 616,000
Funds Awarded for Grants/Loans**	8,600,000	11,900,000	8,600,000	12,900,000	(estimated) 20,448,000

*,**Note: The budget information above is a combined total for CERB's Traditional and Rural programs. The administrative budget information above and the FTE number below do not include the work of CTED's Business and Project Development Unit staff in support of the work of CERB.

FTEs for the Program in 2005-07:*
2.8 for combined Traditional and Rural

Fund Account(s):
887-1 – Public Facilities Construction Loan Revolving Account

Funds Awarded for Grants/Loans



Additional Program/Project Funding Information	<p>Fund Sources:</p> <ul style="list-style-type: none"> • CERB loan repayments; • Interest earnings on the Public Facilities Construction Loan Revolving Account and the Public Works Assistance Account; and • Other transfers from the Public Works Assistance Account – most recently a set of five annual transfers associated with loans repaid from the Public Works Board’s Timber and Rural Natural Resources loan program.
	<p>Recent Changes to Funding Pattern: CERB was originally funded by state bond sales in 1982. Since then, funding has come from the repayment of CERB loans plus amounts from a variety of other sources. CERB staff report that this has resulted in major fluctuations from biennium to biennium in the amount of funding CERB has available for grants and loans. Using current projections for loan repayments and interest earnings, CERB staff estimate available revenues of approximately \$6.9 million in 2007-09 for its Traditional and Rural programs, down from \$20.4 in 2005-07.</p>

Additional Program/Project Funding Information	<p>Frequency of the Grant/Loan Cycle: Open cycle; CERB normally meets six times per year to consider applications to this program.</p>
	<p>Does the Legislature Approve Project Selection? No.</p>
	<p>Number of Projects Selected in 2005: 1</p>
	<p>Total Amount Awarded in 2005: \$1,000,000</p>
	<p>What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget, based in part on projections of loan repayments and interest earnings. Per statute, at least 75% of the funding CERB receives must be used for financial assistance for projects in rural counties or rural natural resources impact areas, leaving at most 25% of funds for CERB’s Traditional Program.</p>
	<p>Maximum Amount That Can Be Awarded to a Project: Per Board policy, \$1 million per industrial construction project.</p>
	<p>Matching Requirements: The Board has set, as a target, a local match requirement of 25% of the CERB request.</p>

<p>Interest Rate Charged: Based on the rate of government bonds at the time the application comes before the Board; per statute, the rate may not exceed 10%.</p>	<p>Repayment Statistics: No loan defaults.</p>
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Eligible Applicants and Projects	<p>Who Is Eligible To Apply?</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other 	<p>What Categories of Projects Are Eligible?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input checked="" type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure 	<p>Award Type:</p> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans
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Eligible Projects: CERB’s Traditional Program can fund a wide range of projects. These include projects in Basic Infrastructure systems such as domestic and industrial water, sanitary sewer, and storm sewer as well as utilities such as electricity, natural gas, and telecommunications. The program can also fund Transportation Infrastructure projects such as roads, bridges, and rail spurs, and Other Infrastructure projects such as general purpose industrial buildings and port facilities. In the column on who is eligible to apply, the “Other” box is checked to highlight that Public Development Authorities apply for project funding through CERB’s programs.

Special Qualifications Regarding Who Can Apply: Per statute, CERB reviews whether local jurisdictions applying for funds are in compliance with the state’s Growth Management Act. If a jurisdiction is not in compliance, CERB will consider how the non-compliance issues affect the proposed project site.

Special Qualifications Regarding Project Eligibility: The major qualification for projects in this program is a proposed project’s direct and specific connection to job creation or retention. Per statute, CERB may only provide financial assistance:

- For projects which would result in specific private developments or expansions in manufacturing, production, food processes, assembly, warehousing, advanced technology, research and development, industrial distribution, processing of recycling materials, manufacturing facilities that rely on recyclable materials, which support the relocation of businesses from nondistressed urban areas to rural counties or rural natural resources impact areas, or which substantially support the trading of goods or services outside of the state’s borders;
- For projects that improve opportunities for the successful maintenance, establishment, or expansion of industrial or commercial plants or will otherwise assist in the creation or retention of long-term economic opportunities;
- When the application includes convincing evidence that *a specific private development or expansion is ready to occur and will occur only if the public facility improvement is made.*

Additionally, the applicant must demonstrate that no other timely source of funding is available to it at costs reasonably similar to financing available from CERB.

CERB is prohibited by statute from funding projects that have the primary purpose of facilitating retail shopping developments, that would displace existing jobs in any other community in the state, that are for the acquisition of real property, or that have the primary purpose of facilitating or promoting gambling.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

Note: CERB’s Traditional Program does not have a specific annual or biennial application cycle date. The Board can consider applications year-round. As per Board rules, CERB has six regular meetings per year.

Application and Award Process

Any time of year	<p>Local jurisdictions pursuing economic development efforts, and companies considering siting a business in Washington, are often in contact with CTED staff in the Business and Project Development unit. These CTED staff assist local governments or businesses to determine the range of options available to meet local economic development needs and can help identify whether CERB may be an appropriate funding source.</p> <p>If a local jurisdiction, after consultation with CTED staff, determines that CERB funding is a viable option, the potential applicant fills out an application form and assembles the required supporting documentation. Supporting documentation must include convincing evidence of an eligible private sector business development that is contingent on the proposed project. Business and Project Development staff can provide insights and feedback on proposed project applications, and CERB staff are also available to answer questions.</p>
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45 days before the CERB meeting	The applicant turns in the application form and documentation. The Business and Project Development staff role shifts from applicant assistance to board support staff, preparing a written project summary, evaluation, and staff recommendation for the Board to consider at its meeting.
At the Board meeting	Business and Project Development staff present the project to the Board. The applicant or applicant representative must be present at the meeting as well. Using the criteria below, the Board makes a decision whether to fund the project.
What Drives the Timing of the Application and Award Process? CERB staff and Business and Project Development staff can help an applicant assess whether an application is ready to go before the Board; ultimately, however, the timing is the applicant's decision.	
Evaluation Criteria: Traditional Program application evaluation criteria include:	
<ul style="list-style-type: none"> • The local unemployment rate at the area where the project is proposed; • The estimated number of jobs created or retained; • The projected wage rates associated with the project; • The ratio of dollar of CERB money to the projected new state and local tax revenues; • The cost per job; • The requested CERB funding as a percent of total project cost; • The proposed amount of local match; and • The ratio of dollar of CERB money to the amount of private investment. 	
Recent Changes to the Process or Evaluation Criteria: None.	

Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The goals and objectives for CERB programs are to:</p> <ul style="list-style-type: none"> • Encourage business and industry expansion and retention to provide stable employment; • Expand employment opportunities in economically distressed regions; • Strengthen the economies of areas with high unemployment by encouraging private capital investment and development; • Seek opportunities to leverage CERB funds with other public monies; and • Encourage responsible local government investment in public facilities projects by requiring a local match.
	<p>Performance Measures and Program Performance:</p> <p>CERB is required to report to the Legislature biennially on:</p> <ul style="list-style-type: none"> • The number of applications for CERB assistance; • The number and type of projects approved; • The grant or loan amount awarded each project; • The projected number of jobs created or retained by each project; • The actual number of jobs created or retained by each project; and • The number of delinquent loans and the number of project terminations. <p>The report may also include additional performance measures and recommendations for programmatic changes. These performance measures apply to the CERB programs, generally.</p> <p style="text-align: right;">(continued on next page)</p>

CERB staff report that data from the CERB 2004 Legislative Report show that, since 1982, the \$97 million that CERB has invested resulted in supporting the creation and/or retention of nearly 22,000 statewide jobs; CERB investment in public infrastructure was the catalyst for the investment of over \$2.3 billion in private capital investment in facilities, machinery, and equipment by business and industry; and the generation of an estimated \$58 million in new annual state and local taxes by new business developments that help stabilize local economies and generate future income.

CERB staff noted a five-year snapshot (1994-1999) of the CERB Rural and Traditional programs' job and private capital investment outcomes. The number of jobs actually created/retained by the private sector business after construction of the public infrastructure project was 113% greater than the number of jobs estimated at the time of application. The amount of actual private capital investment in private facilities and equipment was 272% greater than the amount estimated at the time of application.

Agency-Identified
Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The Board notes the following concerns:

- The ongoing and unmet need for funding for economic development projects, as witnessed by the volume of applications to CERB's regular programs and to the new Job Development Fund Program;
- The need for stable and predictable funding for CERB's regular programs. Funding for CERB programs has fluctuated widely from biennium to biennium. Having stability in the amount available may encourage communities to come forward with strong projects at the point in time when the project is ready to proceed, if they can count on the funding being there. Currently, the wide fluctuation in funding encourages applicants to come forward when the money is there, not necessarily when the project is ready to go. Timing is especially critical for these economic development projects when the public facility must be timed to complement the development of the private project.

Website

For Additional Information:

CERB website
<http://www.cted.wa.gov/cerb>

Community Economic Revitalization Board Traditional Program
Program Award, 2005



Loan/Grant Recipient:
Spokane International Airport

Type of Project Funded:
Facility Construction

Community Economic Revitalization Board Rural Program

Administered By:

Department of Community, Trade and Economic Development
Community Economic Revitalization Board

General Information	Program Purpose: The Community Economic Revitalization Board (CERB) Rural Natural Resources/Rural Counties Program expands assistance opportunities for targeted areas across the state to achieve more stable and diversified local economies. The Rural Program funds infrastructure for prospective economic development projects to support specific higher wage business types in rural counties and rural natural resources areas that have been affected by downturns in the timber and commercial salmon industries. The program also funds tourism development projects in rural areas, project-specific feasibility studies, and pre-development planning activities to help evaluate high-priority economic development projects that will assist these communities in meeting their economic development goals.	
	Mission Statement: CERB's mission is to help communities create and retain jobs in partnership with business and industry, providing low-interest loans and grants to local governments to help finance construction of public facility projects supporting private sector development.	
	Year Established: 1991	Legislative Intent: RCW 43.160.010(5)
	Enabling State Statutes: Chapter 43.160 RCW	The Legislature finds that sharing economic growth statewide is important to the welfare of the state. Rural counties and rural natural resources impact areas do not share in the economic vitality of the Puget Sound region . . . It is therefore the intent of the Legislature to increase the amount of funding available through CERB for rural counties and rural natural resources impact areas, and to authorize flexibility for available resources in these areas to help fund planning, predevelopment, and construction costs of infrastructure and facilities and sites that foster economic vitality and diversification.
	Administrative Rules: Chapter 133-40 WAC	
Is there a separate governing board? Yes, the Community Economic Revitalization Board. The Board develops policies for the management of this program and makes the decisions about awarding program loans and grants.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Administration					
	New Appropriation for Grants/Loans		CERB provided budget information for its Traditional and Rural Programs combined. See the profile for the CERB Traditional Program for this combined information.			
	Expenditure for Administration					
	Funds Awarded for Grants/Loans					
*Note: The FTE number below does not include the work of CTED's Business and Project Development Unit staff in support of the work of CERB.						

Additional Program/Project Funding Information	FTEs for the Program in 2005-07: 2.8 for combined Traditional and Rural	Funds Awarded for Grants/Loans
	Fund Account(s): 887-1 – Public Facilities Construction Loan Revolving Account	
	Fund Sources: <ul style="list-style-type: none"> • CERB loan repayments; • Interest earnings on the Public Facilities Construction Loan Revolving Account and the Public Works Assistance Account; and • Other transfers from the Public Works Assistance Account – most recently a set of five annual transfers associated with loans repaid from the Public Works Board’s Timber and Rural Natural Resources loan program. 	
Recent Changes to Funding Pattern: CERB was originally funded by state bond sales in 1982. Since then, funding has come from the repayment of CERB loans plus amounts from a variety of other sources. CERB staff report that this has resulted in major fluctuations from biennium to biennium in the amount of funding CERB has available for grants and loans. Using current projections for loan repayments and interest earnings, CERB staff estimate available revenues of approximately \$6.9 million in 2007-09 for its Traditional and Rural programs, down from \$20.4 in 2005-07.		

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Open cycle; CERB normally meets six times per year to consider applications to this program.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 15	
	Total Amount Awarded in 2005: \$5,524,300	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget, based in part on projections of loan repayments and interest earnings. Per statute, at least 75% of the funding CERB receives must be used for financial assistance for projects in rural counties or rural natural resource impact areas.	
	Maximum Amount That Can Be Awarded to a Project: Per statute, the maximum amount varies by type of project: <ul style="list-style-type: none"> • \$1 million maximum for industrial construction projects; • \$250,000 maximum for tourism construction projects; • \$50,000 maximum for feasibility studies, pre-development planning, including project engineering, and other planning efforts. 	
	Matching Requirements: The Board sets, as a target, a 25% local match for construction projects. For feasibility studies and other planning efforts, the Board sets a 50% match target.	
	Interest Rate Charged: Based on the rate of government bonds at the time the application comes before the Board; per Board policy, the rate may not exceed 6%.	Repayment Statistics: No loan defaults.

Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input checked="" type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans

Eligible Projects: CERB’s Rural Program can fund a wide range of projects. These include projects in Basic Infrastructure systems such as domestic and industrial water, sanitary sewer, and storm sewer as well as utilities such as electricity, natural gas, and telecommunications. The program can fund Transportation Infrastructure projects such as roads, bridges, and rail spurs, and Other Infrastructure projects such as general purpose industrial buildings and port facilities. The Rural Program can also fund feasibility studies and other planning efforts for these projects. In the column on who is eligible to apply, the “Other” box is checked to highlight that Public Development Authorities apply for project funding through CERB’s programs.

Special Qualifications Regarding Who Can Apply: Applicants must meet statutory definitions of being a rural county or a rural natural resources impact area. CERB also reviews whether local jurisdictions applying for funds are in compliance with the state’s Growth Management Act. If a jurisdiction is not in compliance, CERB will consider how the non-compliance issues affect the proposed project site.

Special Qualifications Regarding Project Eligibility: Projects must have a connection to job creation or job retention. Unlike CERB’s Traditional Program, which requires a commitment to a project by a private sector company, CERB’s Rural Program can fund *prospective* development construction projects. An applicant for a prospective development project must demonstrate a high likelihood that the project will provide long-term economic opportunity through a feasibility threshold analysis submitted with the application. Rural Program prospective development construction projects are targeted to the same private business types as the Traditional Program, with the addition of tourism projects that fall into other business types such as hotel/motel.

For Rural Program projects that are submitted with an eligible private sector business, the application must provide convincing evidence that a specific private development or expansion is ready to occur and will occur only if the public facility improvement is made, which is the same as the Traditional Program. Such applications are limited to the following eligible business types: manufacturing, production, food processing, assembly, warehousing, industrial distribution, advanced technology, research and development, recycling facilities, or businesses that substantially support the trading of goods and services beyond state borders.

Additionally, the applicant must demonstrate that no other timely source of funding is available to it at costs reasonably similar to financing available from CERB.

CERB is prohibited by statute from funding projects that have the primary purpose of facilitating retail shopping developments, that would displace existing jobs in any other community in the state, that are for the acquisition of real property, or that have the primary purpose of facilitating or promoting gambling.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Application and Award Process	Timing and Steps in the Process:	
	Note: CERB's Rural Program does not have a specific annual or biennial application cycle date. The Board can consider applications year-round. As per Board rules, CERB has six regular meetings per year.	
	Any time of year	Local jurisdictions pursuing economic development efforts, and companies considering siting a business in Washington, are often in contact with CTED staff in the Business and Project Development unit. These CTED staff assist local governments or businesses to determine the range of options available to meet local economic development needs and can help identify whether CERB may be an appropriate funding source.
		If a local jurisdiction, after consultation with CTED staff, determines that CERB funding is a viable option, the potential applicant fills out an application form and assembles the required supporting documentation. Supporting documentation must include convincing evidence of an eligible private sector business development that is contingent on the proposed project. Business and Project Development staff can provide insights and feedback on proposed project applications, and CERB staff are also available to answer questions.
	45 days before the CERB meeting	The applicant turns in the application form and documentation. The Business and Project Development staff role shifts from applicant assistance to board support staff, preparing a written project summary, evaluation, and staff recommendation for the Board to consider at its meeting.
	At the Board meeting	Business and Project Development staff present the project to the Board. The applicant or applicant representative must be present at the meeting as well. Using the criteria below, the Board makes a decision whether to fund the project.
	What Drives the Timing of the Application and Award Process? CERB staff and Business and Project Development staff can help an applicant assess whether an application is ready to go before the Board; ultimately, however, the timing is the applicant's decision.	
	Evaluation Criteria: Rural Program application evaluation criteria include:	
	<ul style="list-style-type: none"> • The local unemployment rate at the area where the project is proposed; • The estimated number of jobs created or retained; • The projected wage rates associated with the project; • The ratio of dollar of CERB money to the projected new state and local tax revenues; • The cost per job; • The requested CERB funding as a percent of total project cost; • The proposed amount of local match; and • The ratio of dollar of CERB money to the amount of private investment. 	
	Recent Changes to the Process or Evaluation Criteria: None.	

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	<p>The goals and objectives for CERB programs are to:</p> <ul style="list-style-type: none"> • Encourage business and industry expansion and retention to provide stable employment; • Expand employment opportunities in economically distressed regions; • Strengthen the economies of areas with high unemployment by encouraging private capital investment and development; • Seek opportunities to leverage CERB funds with other public monies; and • Encourage responsible local government investment in public facilities projects by requiring a local match.

Performance Measures and Program Performance:

CERB is required to report to the Legislature biennially on:

- The number of applications for CERB assistance;
- The number and type of projects approved;
- The grant or loan amount awarded each project;
- The projected number of jobs created or retained by each project;
- The actual number of jobs created or retained by each project; and
- The number of delinquent loans and the number of project terminations.

The report may also include additional performance measures and recommendations for programmatic changes. These performance measures apply to the CERB programs, generally.

CERB staff report that data from the CERB 2004 Legislative Report show that, since 1982, the \$97 million that CERB has invested resulted in supporting the creation and/or retention of nearly 22,000 statewide jobs; CERB investment in public infrastructure was the catalyst for the investment of over \$2.3 billion in private capital investment in facilities, machinery, and equipment by business and industry; and the generation of an estimated \$58 million in new annual state and local taxes by new business developments that help stabilize local economies and generate future income.

CERB staff noted a five-year snapshot (1994-1999) of the CERB Rural and Traditional programs' job and private capital investment outcomes. The number of jobs actually created/retained by the private sector business after construction of the public infrastructure project was 113% greater than the number of jobs estimated at the time of application. The amount of actual private capital investment in private facilities and equipment was 272% greater than the amount estimated at the time of application.

Agency-Identified Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The Board notes the following concerns:

- The ongoing and unmet need for funding for economic development projects, as witnessed by the volume of applications to CERB's regular programs and to the new Job Development Fund Program;
- The need for stable and predictable funding for CERB's regular programs. Funding for CERB programs has fluctuated widely from biennium to biennium. Having stability in the amount available may encourage communities to come forward with strong projects at the point in time when the project is ready to proceed, if they can count on the funding being there. Currently, the wide fluctuation in funding encourages applicants to come forward when the money is there, not necessarily when the project is ready to go. Timing is especially critical for these economic development projects when the public facility must be timed to complement the development of the private project.

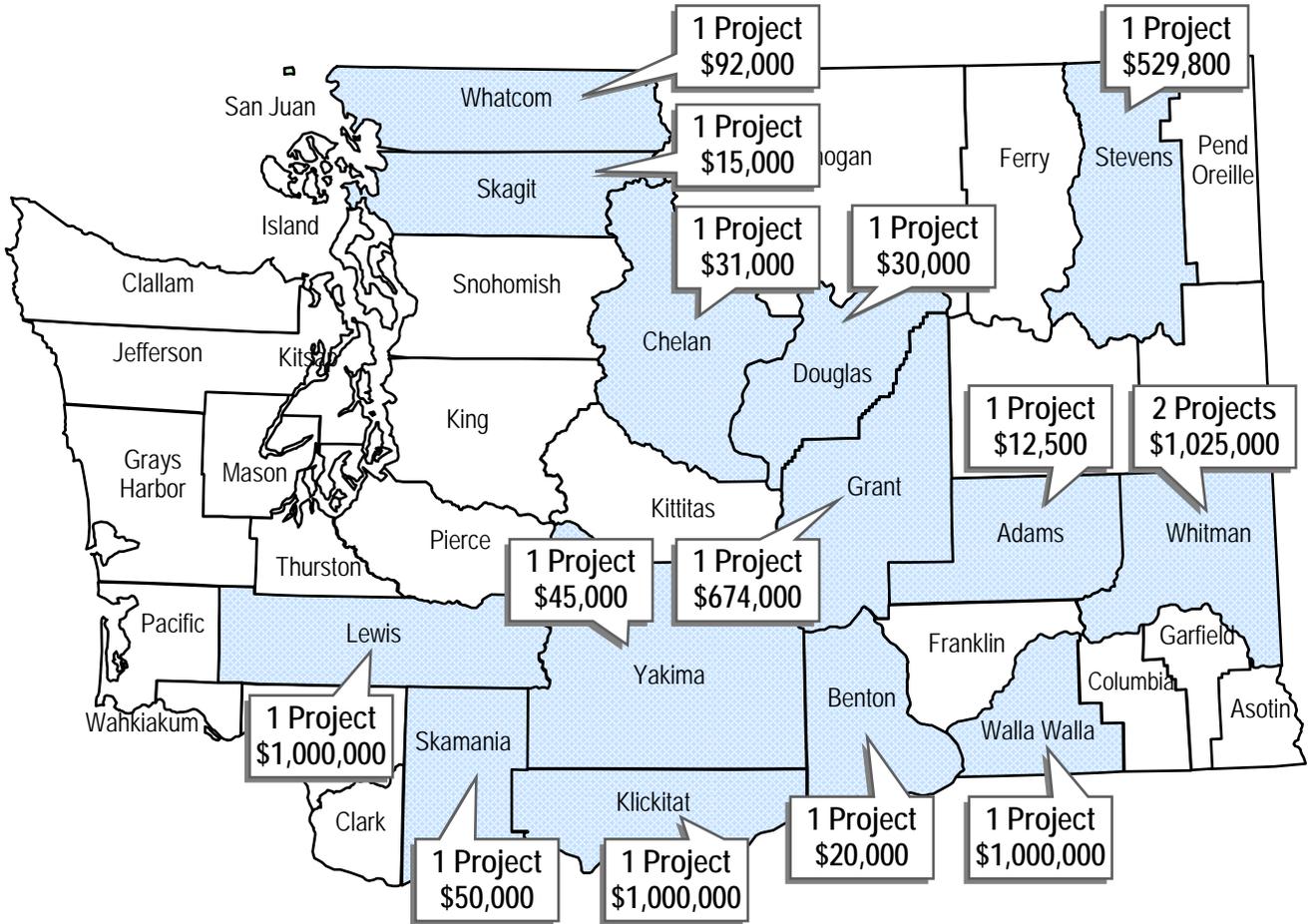
Website

For Additional Information:

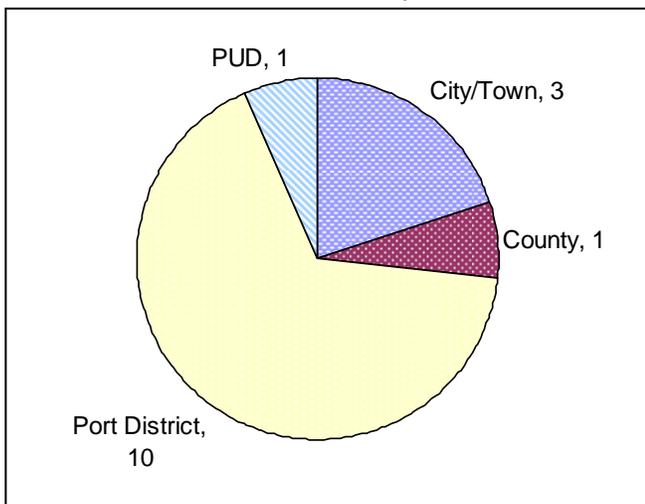
CERB website
<http://www.cted.wa.gov/cerb>

Community Economic Revitalization Board Rural Program Awards, 2005

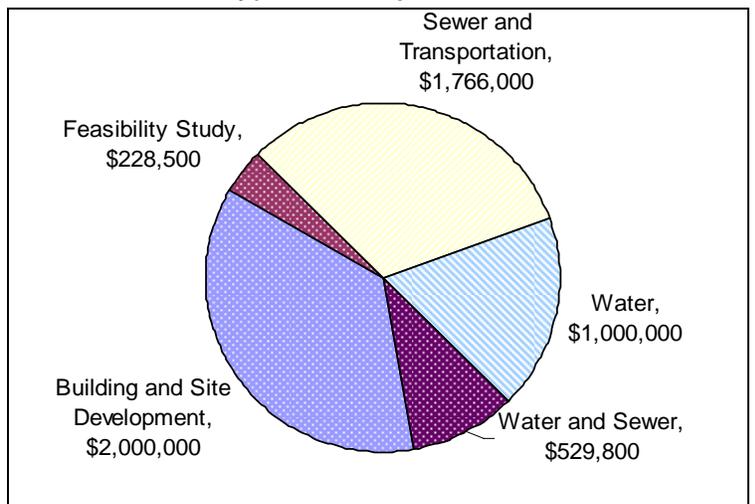
Location of Awards by County



Loan/Grant Recipients



Types of Projects Funded



Job Development Fund Program

Administered By:

Department of Community, Trade and Economic Development
 Community Economic Revitalization Board
 Public Works Board

General Information

Program Purpose: The purpose of the Job Development Fund Program is to provide grants for public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs. This new (2005) program is administered primarily by the Community Economic Revitalization Board (CERB); the Public Works Board (PWB) also plays a role in project selection.

Mission Statement: CERB's mission is to help communities create and retain jobs in partnership with business and industry, providing low-interest loans and grants to local governments to help finance construction of public facility projects supporting private sector development.

Year Established: 2005

Enabling State Statutes:
 RCW 43.160.230-240
 RCW 43.155.050

Administrative Rules:
 No rules; there are program guidelines.

Legislative Intent: From ESHB 1903 (2005), Section 1

The Legislature finds that current economic development programs and funding, which are primarily low-interest loan programs, can be enhanced by creating a grant program to assist with public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs.

Is there a separate governing board? Yes; CERB and PWB both play roles with this new program. CERB is responsible for developing the guidelines for the new program and for developing a prioritized list of projects recommended for funding. The project list then goes before the PWB for its review before the list's eventual delivery to the Legislature for final approval.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					430,000
New Appropriation for Grants					
Expenditure for Administration*					(estimated) 430,000
Funds Awarded for Grants**					

*Note: The expenditure information above and the FTE number below do not include the work of CTED's Business and Project Development Unit staff in support of CERB's work on this program, nor do they include the efforts of the Public Works Board staff.

**Note: The first grants will be awarded in 2007. The Legislature appropriated \$50 million in the 2005 Capital Budget for specific projects labeled as Job/Economic Development Grants. However, those projects were selected by the Legislature, not through the process described in this profile. The Legislature then amended its 2005 project list in the 2006 Supplemental Capital Budget.

FTEs for the Program in 2005-07: *
 2.0 for CERB

Fund Account(s):
 058-1 – Public Works Assistance Account (also known as Public Works Trust Fund)
 10-H – Job Development Account

Funds Awarded for Grants
 The Legislature will consider awarding an estimated \$49.5 million in grants via this program in 2007.

Fund Sources: Transfer of up to \$50 million each biennium from the Public Works Assistance Account to the Job Development Account.

Recent Changes to Funding Pattern: None (program new in 2005).

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial, with the first grants in 2007. The enabling legislation terminates in June 2011.	
	Does the Legislature Approve Project Selection? Yes.	
	Number of Projects Selected in 2005: 0	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative action in a budget bill or separate legislation, based on the parameters in ESHB 1903 from the 2005 Legislative Session.	
	Maximum Amount That Can Be Awarded to a Project: Per statute, \$10 million.	
	Matching Requirements: Per statute, grant assistance from the Job Development Fund may not exceed 33% of the cost of the project; the applicant must find the remaining 67% from other sources. Per CERB policy, the "cost of the project" refers to the cost of the <i>public</i> project.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input checked="" type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input checked="" type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	<p>Eligible Projects: The Job Development Fund Program can fund a wide range of projects. These include projects in Basic Infrastructure systems such as domestic and industrial water, sanitary sewer, and storm sewer as well as utilities such as electricity, natural gas, and telecommunications. The program can also fund Transportation Infrastructure such as roads, bridges, and rail spurs, and Other Infrastructure projects such as general purpose industrial buildings and port facilities. In the column on who is eligible to apply, the "Other" box is checked to highlight that Public Development Authorities apply for project funding through CERB's programs.</p>		
	<p>Special Qualifications Regarding Who Can Apply: Applicants must be able to supply a certification of compliance with the state's Growth Management Act. Applicants must also be able to demonstrate that they have provided notice to the area's Associate Development Organization of the applicant's intent to apply to the program.</p>		

Special Qualifications Regarding Project Eligibility: Per statute, the proposed public sector project must be linked to a current or prospective private development project that will result in the creation or retention of jobs upon completion of the public project. More specifically per the CERB guidelines, the public infrastructure investment must be linked to results in specific private developments or expansions in the following business types: manufacturing, production, food processing, assembly, warehousing, advanced technology, research and development, industrial distribution, processing of recyclable materials, manufacturing facilities that rely on recyclable materials, businesses that substantially support the trading of goods or services outside of the state's borders, high priority tourism facilities that create year-round jobs, or other business developments that are competitive in terms of the creation or retention of higher wage jobs and/or other comparative economic development outcomes. Since the statute did not specify specific business types as it does for CERB's other two programs, this offered an opportunity for CERB to consider applications for retail, commercial, and mixed uses.

Recent Changes in Eligible Applicants or Categories of Projects: None (program new in 2005).

Timing and Steps in the Process:

Note: The process described below is the process being used in the first round of funding being allocated through the Job Development Fund Program. CERB members and staff plan to debrief following the completion of this first experience to determine any recommendations for changes to the process or the evaluation criteria.

September – November 2005	CERB develops guidelines for the new Job Development Fund Program.
December 1, 2005	CERB issues statewide competitive project solicitation.
January 6, 2006	Deadline for potential applicants to submit a pre-application to CERB.
January 27, 2006	Deadline for CTED Business and Project Development staff to provide initial technical assistance and feedback on the proposed project to the applicant.
April 3, 2006	Deadline for submittal of final applications to CERB.
April/May 2006	CERB and CTED Business and Project Development staff screen the applications for eligibility. These staff and a staff member from the Public Works Board then score each application using the criteria below. Based on these scores, staff develop a draft prioritized project list for consideration by CERB.
May 18, 2006	CERB reviews the scoring of the applications and develops a prioritized list of projects to recommend to the Legislature for funding (\$49.5 million). CERB also exercises an option in the statute to develop an alternate list of projects (\$10 million).
August 2006	The Public Works Board reviews the CERB prioritized list and approves a project list.
Autumn 2006	The list is incorporated into budget proposals from CTED, then from the Governor.
January 2007	The Job Development Fund prioritized list goes to the Legislature for its consideration. Per statute, the Legislature may remove projects from the list but may not change the ranking of projects. If the Legislature removes projects from the original list, it may add projects from the alternate list, in order of priority.
Spring 2007	The Legislature completes its work on the list; the Governor takes action.

Application and Award Process

What Drives the Timing of the Application and Award Process? The timing of the original legislative action on ESHB 1903 and the need to have a list prepared for legislative consideration in 2007. CERB staff estimate selected applicants will receive their grant funds beginning in August or September, following the allotment process. This means that 16 to 18 months will elapse between the final application deadline (April 2006) and the receipt of grant funds for a project (Autumn 2007).

Evaluation Criteria: CERB used the following criteria in its initial round of ranking projects:

Need

- Comparative level of economic activity – 10%
- Comparative level of existing financial capacity to increase economic activity in the community – 5%

Relative Economic Benefits/Outcomes

- Jobs – 25%
- Return on the state’s investment – 30%
- Ability of the project to improve the viability of existing businesses in the project area – 5%

Commitment/Readiness to Proceed

- Local commitment – 12.5%
- Readiness to proceed – 12.5%

Maximum possible score is 100%.

Recent Changes to the Process or Evaluation Criteria: None (program new in 2005).

Program Goals, Objectives, and Performance Measures

Program Goals and Objectives:

The goals and objectives for CERB programs are to:

- Encourage business and industry expansion and retention to provide stable employment;
- Expand employment opportunities in economically distressed regions;
- Strengthen the economies of areas with high unemployment by encouraging private capital investment and development;
- Seek opportunities to leverage CERB funds with other public monies; and
- Encourage responsible local government investment in public facilities projects by requiring a local match.

Performance Measures and Program Performance:

CERB is required to report biennially to the Legislature on its programs and expects Job Development Fund grant recipients to perform the same type of outcome reporting as recipients of other CERB assistance. Information will be collected and reported on:

- Actual number of jobs created/retained;
- Actual amount of private sector investment in the private project;
- Actual amount of funds invested in the public project;
- Percent of jobs created/retained above the annual average county wage rate; and
- Actual state and local tax revenue generated.

Program Challenges or Issues Identified by the Agency:

The Board notes:

- The amount of unmet need for funding for economic development projects, as witnessed by the volume of applications to CERB’s regular programs and to this new program;
- CERB members and staff are committed to debriefing on this first process once it has been completed and to passing on to the Legislature the lessons learned from this first round of Job Development Fund project selection.

For Additional Information:

CERB website:
<http://www.cted.wa.gov/cerb>

Energy Freedom Program

Administered By:
Department of Agriculture

General Information

Program Purpose: The purpose of the Energy Freedom Program is to promote bio-energy development and to stimulate the construction of facilities in Washington to generate energy from farm sources or convert organic matter into fuels. The Program makes loans to units of local government, which then make an equivalent loan to an industry partner. The Program also provides technical assistance to loan applicants.

Mission Statement: The Department of Agriculture serves the people of Washington State by supporting the agricultural community and promoting consumer and environmental protection.

Year Established: 2006

Legislative Intent: From E3SHB 2939 (2006), Section 1

Enabling State Statutes:
Chapter 15.110 RCW

Therefore, the Legislature finds that it is in the public interest to encourage the rapid adoption and use of bioenergy, to develop a viable bioenergy industry within Washington State, to promote public research and development in bioenergy sources and markets, and to support a viable agriculture industry to grow bioenergy crops. To accomplish this, the Energy Freedom Program is established to promote public research and development in bioenergy, and to stimulate the construction of facilities in Washington to generate energy from farm sources or convert organic matter into fuels.

Administrative Rules:
None.

Is there a separate governing board? No. However, the evaluation panel for the 2006 competitive award cycle included bioenergy, economic development, and contract specialists from the departments of Agriculture, CTED, and Ecology, as well as from WSU, USDA, and a private nonprofit economic development organization.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration*					Up to 510,000
New Appropriation for Loans*					17,000,000
Expenditure for Administration					(estimated) Up to 510,000
Funds Awarded for Loans					(estimated) 17,000,000

*Note: The 2006 Supplemental Capital Budget contains two appropriations for loans for this new program. There is a \$10,250,000 appropriation for five specified projects in one section, and there is a \$6,750,000 appropriation for the competitive loan component of the new program in a different section.

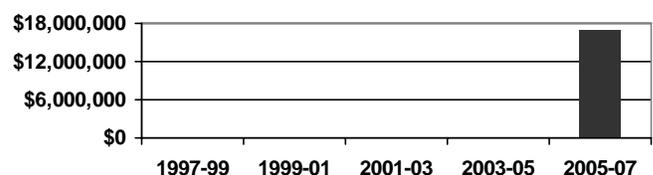
With regard to funds for program administration, the section for the competitive loan component specifies that the Department of Agriculture cannot expend more than \$202,000 of this appropriation for administrative costs. The policy bill includes a provision that the administrative costs of the Department may not exceed 3% of the total funds available for the program (3% of \$17 million = 510,000). The Department reports that it plans to pass on these funds as necessary to its local partners for administrative expenses.

FTEs for the Program in 2005-07: 0

Fund Account(s):

10R – Energy Freedom Account (new)

Funds Awarded for Loans



Additional Program/Project Funding Information	Fund Sources: 10R - Energy Freedom Account. This new account will also receive loan repayments and interest.
	Recent Changes to Funding Pattern: None (program new in 2006).

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual (state fiscal year for first funding round).	
	Does the Legislature Approve Project Selection? Not for the competitive awards (\$6,750,000); the Legislature earmarked \$10,250,000 for five specific projects.	
	Number of Projects Selected in 2005: 0 (first projects in 2006).	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: Per statute, \$5 million.	
	Matching Requirements: At least 50%. Per statute, the assistance from the program may not constitute more than 50% of the total project cost.	
	Interest Rate Charged: • 1% Established by the WSDA Director and OFM. Terms are 10 years with a 2-year deferral.	Repayment Statistics: (No loan repayments yet.)

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input checked="" type="checkbox"/> Biofuel Facilities <input checked="" type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans
	Eligible Projects: Construction of facilities, including the purchase of equipment, to convert farm products or wastes into electricity or gaseous or liquid fuels or other co-products associated with such conversion. Also, the construction of related distribution and storage facilities. Awards can be "loans, leases, product purchases, or other forms of financial or technical assistance" (per the statute), which the Department has interpreted to mean almost exclusively loans.		
	Special Qualifications Regarding Who Can Apply: Public subdivisions of the state in conjunction with an industry partner. These include port districts, conservation districts, and public development authorities. Tribes and state institutions of higher education may also be eligible applicants. Participants must provide business and feasibility plans as part of the application. The public entity is awarded the loan, and in turn makes a loan to the business. Because of 2006's rapid application and award cycle, the Department reports that the majority of the responsibility for the performance of due-diligence is being placed on the applying public entities, particularly for the five awards made by proviso.		

Special Qualifications Regarding Project Eligibility: The policy bill states that the director may approve an application only if the director finds that the project meets the criteria below. The \$10,250,000 Capital Budget appropriation states that the appropriation is provided solely for renewable energy projects including the development of biofuel oilseed crushers, supporting infrastructure, and facilities.

Recent Changes in Eligible Applicants or Categories of Projects: None (new in 2006).

Timing and Steps in the Process:

The dates and steps below describe the first funding round for the competitive loan program, in 2006.

April 14	Applications become available.
April	The Department conducts stakeholder outreach and undertakes other measures to publicize the program.
May 12	Applications are due to the Department.
June	Evaluation and ranking of the applications by an expert evaluation panel.
July	The Department makes the final decisions about the applications.

What Drives the Timing of the Application and Award Process? The Department reports that it was the intent of the Governor’s Office to have these funds awarded as loans and ready for signature as soon as possible after July 1, 2006. Applications were also designed to be consistent in content and timing with applications for the USDA’s Rural Development Renewable Energy Systems Grant and Guaranteed Loan Program, and applicants were encouraged to apply to both programs.

Evaluation Criteria:

The policy legislation provides the following guidance regarding project eligibility:

- The project will convert farm products or wastes directly into electricity or into gaseous or liquid fuels or other co-products associated with such conversion;
- The project demonstrates technical feasibility and directly assists in moving a commercially viable project into the marketplace for use by Washington citizens;
- The facility will produce long-term economic benefits to the state, a region of the state, or a particular community in the state;
- The project does not require continuing state support;
- The assistance will result in new jobs, job retention, or higher incomes for the citizens of the state;
- The state is provided an option under the assistance agreement to purchase a portion of the fuel or feedstock to be produced by the project, exercisable by the Department of General Administration;
- The project will increase energy independence or diversity for the state;
- The project will use feedstocks produced in the state, if feasible, except this criterion does not apply to the construction of facilities used to distribute and store fuels that are produced from farm products or wastes;
- Any product produced by the project will be suitable for its intended use, will meet accepted national or state standards, and will be stored and distributed in a safe and environmentally sound manner;
- The application provides for adequate reporting or disclosure of financial and employment data to the director, and permits the director to require an annual or other periodic audit of the project books; and
- For research and development projects, the application has been independently reviewed by a peer review committee as defined in the statute and the findings delivered to the director.

(continued on next page)

	<p>The policy legislation provides the following guidance for prioritizing applications if the total amount requested exceeds the amount of funding available:</p> <ul style="list-style-type: none"> • The extent to which the project will help reduce dependence on petroleum fuels and imported energy either directly or indirectly; • The extent to which the project will reduce air and water pollution either directly or indirectly; • The extent to which the project will establish a viable bioenergy production capacity in Washington; • The benefits to Washington's agricultural producers; and • The number and quality of jobs and benefits created by the project. <p>Recent Changes to the Process or Evaluation Criteria: None (program new in 2006).</p>
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Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The goal of the Energy Freedom Program is to provide loans and technical assistance to stimulate the construction of bioenergy facilities in Washington.</p> <hr/> <p>Performance Measures and Program Performance:</p> <ul style="list-style-type: none"> • Implementation of the loan program by October 1, 2006. • Implementation and strategy planning by September 1, 2006.
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Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that this is a new program. The Department is identifying challenges and issues during implementation.</p>
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Website	<p>For Additional Information:</p> <p>Department of Agriculture website for the BioEnergy Program http://www.agr.wa.gov/bioenergy</p>
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Community Development Block Grant Economic Development Float Loan/ Float-Funded Activity Grant Program

Administered By:

Dept of Community, Trade and Economic
Development, Local Government Division
and Economic Development Division

General Information

Program Purpose: Community Development Block Grant (CDBG) Float Loans and Float-Funded Activity Grants are both short-term loans available to certain cities, towns, or counties, which then make an equivalent loan to a business located in their jurisdiction. The purpose of the loans is to create or retain jobs. The majority of the jobs must be made available to qualified lower-income candidates; job retention also counts.

The funds come from the State's allocation of federal CDBG dollars that have been awarded to other projects but which have not yet been expended. Loan funds are paid to the applying local government, which then makes an equivalent loan to the business. The business repays principal and interest to that city or county, which in turn repays the principal and interest to the U.S. Department of Housing and Urban Development (HUD). The principal is then available for the state's CDBG Program. The interest is set aside in the HUD account for use by the Rural Washington Loan Fund Program.

CTED's Economic Development Division has made Float Loans for 20 years. More recently, the Local Government Division began making similar use of the same funds in response to a particular need: the U.S. Department of Agriculture's Rural Development Program makes awards that are not payable until a certain percentage of a project is complete. When the project also includes CDBG funds, Float-Funded Activity Grants (which are loans that must be repaid) can provide interim funding that is repaid when the USDA Rural Development funds become available.

Mission Statement: The mission of all of the state's CDBG programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.

Year Established: 1985

Legislative Intent: (Congressional) 42 USC 5301(c)

Enabling State Statutes:
Not applicable (federal law)

The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Administrative Rules:
Not applicable (federal law)

Is there a separate governing board? No.

Budget Information

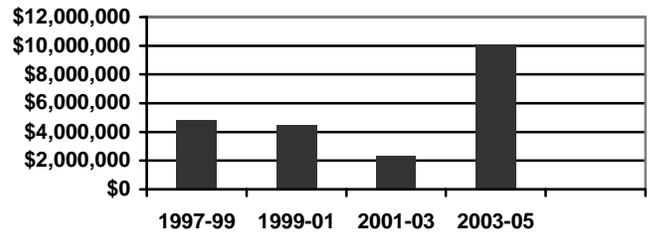
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					
New Appropriation for Loans					
Expenditure for Administration					
Funds Awarded for Loans*	4,800,000	4,500,000	2,305,000	10,050,000	Not yet available

*Note: \$3,640,000 in funds has been issued or committed as of June 19, 2006. Further estimation is not possible because of the as-needed nature of the loans.

FTEs for the Program in 2005-07:
 For the Business Finance Unit, approximately 2.0 FTEs administer three CDBG loan programs, including this one. For the Local Government Division, 9.2 FTEs administer nine CDBG programs. FTE estimates exclude the time of loan packaging staff on pre-loan marketing and technical assistance.

Fund Account(s):
 No state accounts.

Funds Awarded for Loans



Fund Sources:

This program uses CDBG funds that have been allocated by the federal government to the state's CDBG Program but which are not expected to be drawn down during the duration of the loan term. Upon state authorization, funds go from HUD to the applicant, not through a state account.

Recent Changes to Funding Pattern: Because these loans are based on the available cash flow within the CDBG Program, increases in the HUD allocation (as occurred in the late 1990s) resulted in more monies being made available for Float Loans. Reductions over the last two years in the federal CDBG allotments will ultimately mean that less money is available for Float Loans.

Additional Program/Project Funding Information

Frequency of the Grant/Loan Cycle: There is no award cycle, just verification of the loan project's compliance with CDBG rules and of the irrevocable letter of credit requirements.

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 1

Total Amount Awarded in 2005: \$350,000

What Determines the Total Amount Available for Grants or Loans in a Given Time Period?

The size of the federal CDBG award to the state, and federal limitations. The federal limitation is that there must always be enough of the state's CDBG allocation unexpended from the federal account at HUD to service and pay for all of the state program's outlays. When the state's CDBG annual award was approximately \$18 million, CTED CDBG staff calculated that their capacity for outstanding 30-month term Float Loans was about \$20 million. The 2006 CDBG award to the state is \$15.5 million, and the ceiling on outstanding Float Loans is expected to be reduced to \$17.5 million within the next year. With the current state ceiling of \$20 million in outstanding Float Loan principal, the available money for lending in this program at the start of calendar year 2006 was \$9,950,000.

Maximum Amount That Can Be Awarded to a Project:

Per a federal requirement, \$35,000 per job created/retained.

Matching Requirements: None.

Interest Rate Charged:

Staff have set the interest rate at 50% of prime fixed, with a floor at 2%. The agency notes that, because the prime rate has been increasing, the interest rates for Float Loans have risen to 4% at the present time.

Repayment Statistics:

No loan defaults. This is because of the program's requirement that there be an irrevocable letter of credit backing the loan.

Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> Businesses are the ultimate recipients of loan funds. </div>	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input checked="" type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans

Eligible Projects: CDBG-eligible economic development activities, acquisition of real property, rehabilitation of publicly-owned property, CDBG-eligible housing rehabilitation, construction/reconstruction of public facilities, and related relocation/clearance/site improvements.

Special Qualifications Regarding Who Can Apply: Applications must be from an eligible city, town, or county on behalf of a business. Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are “non-entitlement” jurisdictions, meaning that they do not receive CDBG funds from HUD directly.

Special Qualifications Regarding Project Eligibility:

- The business must demonstrate that public financing of the project is appropriate to create or retain jobs;
- The business must provide an unconditional, irrevocable Letter of Credit in U.S. dollars in the full amount of the principal and interest due, as collateral for the loan. The letter of credit must come from a financial institution with corporate headquarters in the United States. The financial institution must be acceptable to CTED. For Interim Construction Float Loans, a Commitment Letter from USDA Rural Development is acceptable in place of the Letter of Credit;
- The project must either create or retain jobs and make the majority of those jobs available to qualified lower income candidates, or loans must be for the removal of slum and blight in areas that affect low- and moderate-income families. “Low- and moderate-income” is defined as 80% of county median income;
- The business must agree to enter into an agreement with CTED and the local job service center to obtain referrals of qualified job candidates; and
- The business must agree to comply with all applicable federal, state, and local laws and regulations.

CDBG Float Loans may also be used to fund interim construction grants to eligible jurisdictions where a CDBG General Purpose or Community Investment Fund grant has been awarded (profiles of these two CDBG programs are included in this inventory). For certain construction projects and equipment purchases, Davis-Bacon rules regarding the payment of federal prevailing wage rates and benefits apply.

Shopping malls are not eligible.

Recent Changes in Eligible Applicants or Categories of Projects: Several municipalities (Anacortes, Longview, Mt. Vernon, Wenatchee) have recently been designated “entitlement” areas, and economic development and business projects there are no longer eligible for HUD loans from the state.

Timing and Steps in the Process:

Note: This is the process used by the Business Finance Unit in CTED’s Economic Development Division. The Business Finance Unit initially works with the business client. *The sponsoring local government is brought in later*, after most of the details of the loan concept have been developed.

<p>Applications for Float Loans and Float-Funded Activity Grants are accepted on an ongoing basis.</p>	<p>The Business Finance Unit of the Economic Development Division has loan specialists who work with local banks, economic development councils, accountants and revolving loan funds to identify business retention, expansion, start-up or recruitment cases where a Float Loan or another loan program may prove to be useful in facilitating the necessary financing. The loan specialists work with the client (the ultimate beneficiary of the loan) and other lenders to put together a financing concept that provides adequate security to the other participating lender(s) and an appropriate level of return on invested capital to the business owner(s). Once this concept is agreed upon by all parties, the loan specialist works with the business to develop a loan write-up or loan application.</p>
	<p>The Unit’s underwriting staff review the loan applications to identify any financial flaws in the proposal, to make sure that the proposal meets program goals and requirements, and to determine any conditions that the staff might recommend in order to better ensure program compliance. In the case of Float Loans, they also consult with CTED’s CDBG staff to verify the availability of funds to loan. There is no competitive ranking process for Float Loans.</p>
	<p>The city or county that receives the loan and re-loans the funds is brought into the negotiating process at an appropriate point that varies by project, typically after the loan concept is established. Public hearings on the part of the city or county are required to accept and make the loans at the local level under federal rules, and local rules also have an impact. The loan application process has to account for the timing of this local step.</p>
	<p>Once the Business Finance Unit staff approve the loan, they write up the conditions of the loan package in an award letter that the CTED Director or her designee signs (final authority rests with the Director of CTED). Once the loan applicant accepts the loan award and conditions, the underwriting and compliance staff put the accepted conditions and other necessary language in loan contract form, have the contract reviewed by the Attorney General’s office, and then circulate it for signature. At the end of this contracting process, the loan documents are signed, and the check for the loan is issued.</p>

What Drives the Timing of the Application and Award Process? Business Finance staff report that the timing of the business need and the speed with which applicants submit necessary documents have a significant impact on the timing of the application and award process. Other factors include the HUD requirement for 1-2 public hearings to be held prior to loan award, and the speed with which the city or county officials can become comfortable with the conduit-lending model required by HUD.

Evaluation Criteria:

Business Finance staff note that this process is non-competitive. Projects must meet program goals and requirements, and the irrevocable Letter of Credit must be provided.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals and Objectives:

The Business Finance Unit manages 8-10 loan programs, including the CDBG Float Loan Program, that are primarily intended for business and economic development financing. The primary objectives of these business-financing activities are:

- To increase the availability of loan resources for businesses so that they can create/retain jobs that support/increase the average household income and economic activity in the areas served;
- To increase the quality and capacity of childcare facilities for working parents by providing financing for childcare facilities;
- To lend to businesses that increase the diversification of the economy in targeted and high unemployment areas of Washington state when the result will help improve the standard of living in those areas;
- To encourage and provide assistance to municipalities and private developers who are reclaiming and redeveloping brownfields for productive economic use; and
- To provide technical and lending support to targeted sectors/clusters efforts supported by CTED.

Performance Measures and Program Performance:

The Business Finance Unit uses four key performance measures:

- Number of jobs created or retained by financing projects (as projected during the loan application process and supported by reasonable financial projections). The 2006 calendar year goal is 450 jobs.
- The amount of total project investment, including loans, resulting from loan packaging and loans issued in the course of the year. The Unit total investment goal in the 2006 calendar year is \$28.5 million.
- The percentage of jobs created or retained that are above the average wage for the counties in which each project is funded (compiled on a project by project basis and then added together to create a portfolio average). The Unit goal for the 2006 calendar year is 51%.
- The amount of State taxes generated or retained by the financing projects assisted by the Unit (these are focused on State sales taxes from the project itself, the State's share of any property or real estate taxes generated or retained due to the financing project, and the State's share of Business & Occupation taxes generated or retained as a result of each financing project). The Unit goal in 2006 is to exceed the State's investment in the Unit (measured by General Fund-State monies in Unit operations) by 50% to 100%.

The CDBG annual plan carries within in it three other performance targets:

- The goal that there be \$5 million in outstanding Float Loans at the end of 2005;
- That 54% of the jobs created/retained with their loans be above the average county wage; and
- That the CDBG program will maintain or exceed an annual 1: 1.85 leveraging ratio with funds or resources from other sources.

The economic development financing activities of the Business Finance Unit, for calendar year 2005, resulted in:

- 2,922 jobs created/retained (this was a phenomenal year with one huge project);
- \$530,117,913 in total project investment (again, one huge project);
- 48.4% of the jobs created/retained above county average wage;
- \$35,238,767 in State taxes generated/retained (same refrain, a huge project) which is approximately 50 times what the State invests in General Fund-State monies in the Unit's operations.

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In terms of the CDBG goals:

- There was \$10,655,000 in outstanding Float Loans at the end of 2005;
- 14 of the 26 jobs (54%) created/retained by a CDBG related loan in calendar year 2005 were above the county average wage;
- With \$1,185,000 invested by non-CDBG sources in financing projects involving \$850,000 in CDBG lending, the ratio was 1: 1.39, lower than the CDBG goal.

Agency-Identified
Challenges/Issues

Program Challenges or Issues Identified by the Agency:

The agency notes that a key challenge that exists across all of the CDBG-related loan funds is the ever smaller geographic area within which these funds can be loaned. As more cities have decided to become entitlement areas, the eligible area for this set of loan funds has diminished. At the same time, these new entitlement cities are not receiving enough money from their CDBG entitlements to set up meaningful loan funds. Given the State's restrictions on the lending of credit, federal monies in programs like the Block Grant program are the only means the State has for providing gap or low-cost business loan assistance directly to State businesses that the State is trying to retain, attract or assist in their expansions.

The agency also observes that the low interest rate cycle that the country just went through had a negative impact on the attractiveness of the CDBG Float Loans. With recent interest rate increases, this financing option has become significantly more attractive.

Website

For Additional Information:

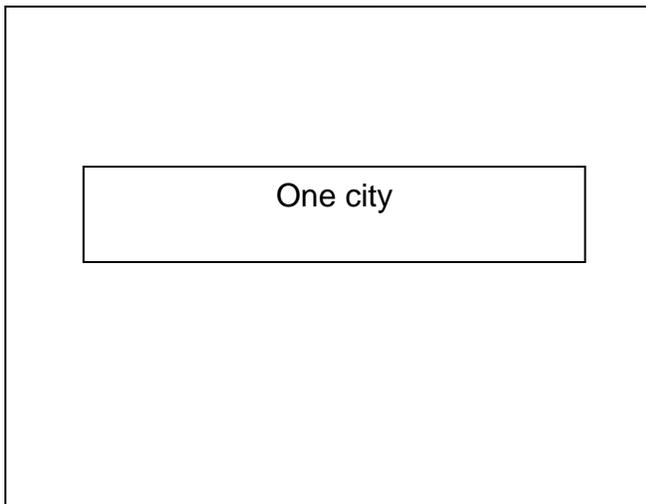
On CTED's website, from the main website at <http://www.cted.wa.gov>
CTED Main > Divisions > Economic Development > Programs & Services > Business Assistance > Financial Assistance > CDBG Float Loans

CDBG Economic Development Float Loan Program Award, 2005

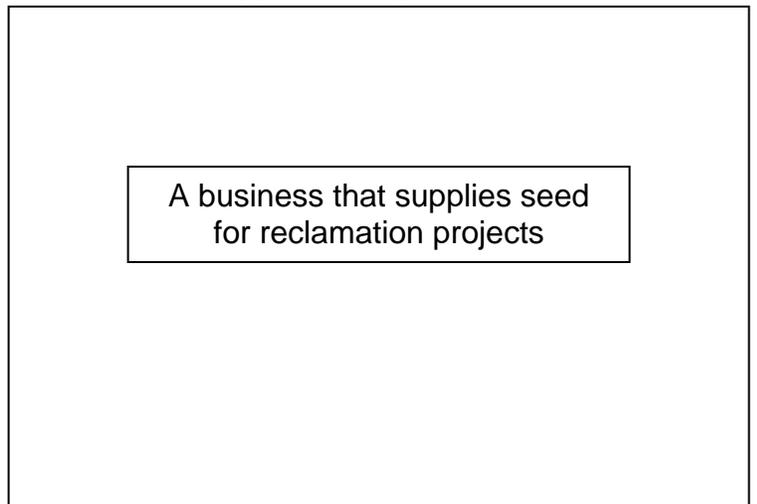
Location of Award by County



Loan Recipient



Types of Projects Funded



Rural Washington Loan Fund Program

Administered By:

Department of Community, Trade and Economic Development, Economic Development Division

General Information

Program Purpose: The purpose of the Rural Washington Loan Fund (RWLF) Program is to encourage investment by businesses and financial institutions in economically distressed areas and to make revolving loan funds available through local governments for private sector enterprises which will create or retain jobs in areas of economic stagnation, unemployment, and poverty. The RWLF Program makes loans to local municipalities, which then loan an equivalent amount to the client – a local business or economic development agency. The loans provide gap financing to businesses which are expected to create new jobs or retain existing jobs, particularly for lower-income persons in rural counties. "Gap" is defined as that portion of a project which cannot be financed through other sources, but which is the last portion needed before the overall investment can occur.

The Economic Development Division's Business Finance Unit is responsible for the program.

Mission Statement: The Economic Development Division works with local governments and organizations to attract, retain, and expand economic activity in Washington state.

Year Established: 1985

Legislative Intent: From RCW 43.168.010

Enabling State Statutes:
Chapter 43.168 RCW

Therefore, the Legislature declares there to be a substantial public purpose in providing capital to promote economic development and job creation in areas of economic stagnation, unemployment, and poverty. To accomplish this purpose, the Legislature hereby creates the Rural Washington Loan Fund and vests in the Department of Community, Trade and Economic Development the authority to spend federal funds to stimulate the economy of distressed areas.

Administrative Rules:
Chapter 365 -150 WAC

Is there a separate governing board? No. However, the Rural Washington Loan Fund Committee reviews loan presentations by Business Finance Unit staff, makes loan recommendations to CTED's director, and works with the staff to set priorities and loan policies for both the Rural Washington Loan Fund and HUD Section 108 loans (also in this inventory).

Budget Information

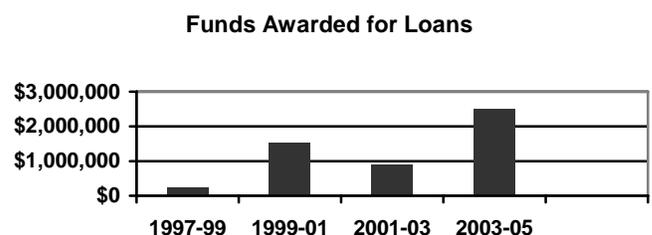
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	126,476	150,018	204,209	227,260	195,494
New Appropriations and Reappropriations of Lending Capital*	5,924,574	6,348,630	6,445,554	8,354,709	8,011,646
Expenditure for Administration	101,125	94,717	139,538	97,063	(estimated) 187,010
Funds Awarded for Loans	227,934	1,529,387	904,100	2,500,000	Not yet available**

*Note: Each biennium the account fund balance of the RWLF must be reappropriated, in addition to a new appropriation for anticipated new revenues, in order to be available for loans or capitalization grants.

**Note: \$50,000 as of June 19, 2006, with another \$700,000+ currently in process. Further estimation is not possible because of the as-needed nature of the loans.

FTEs for the Program in 2005-07:
Approximately 2 FTEs administer three CDBG loan programs, including this one. This does not include the time of loan packaging staff on pre-loan marketing and technical assistance.

Fund Account(s):
689 – Rural Washington Loan Fund



Fund Sources:

The Business Finance Unit provides the following explanation for the fund source of this loan program:

The RWLF was initially capitalized with a \$5 million appropriation from the State Building Construction Fund (which is funded primarily through the sale of bonds), augmented with additional appropriations until the RWLF was just over \$10 million in 1995. Since then the fund has disbursed some of that total as capitalization grants for local revolving loan funds, while also receiving small infusions of new capital from repayments of interest on CDBG Float Loans (above that allowed for administrative expenses). Today the RWLF is capitalized at about \$9.2 million.

Because the State Constitution prohibits lending the State's credit for private purposes, the original appropriated funds were "swapped" with federal funds in order to build the loan fund with non-State dollars. The State capital dollars so appropriated were used to supplant Community Development Block Grant funding for public construction projects that had been approved for CDBG expenditure. In turn, the CDBG monies freed up by this supplanting of funds were then used to make loans to businesses (through local municipalities). In this manner, the loan repayments to the RWLF are considered federal and can be used to make further loans to businesses.

Every biennium, the balance of funds in the RWLF is reappropriated by the Legislature for continued business lending, and new and anticipated loan repayments are appropriated by the Legislature to the RWLF, also for continued business lending. Failure to appropriate (and reappropriate) these monies would result in the federal government demanding return of the monies or an immediate plan to spend them on CDBG eligible projects. The state CDBG program has guaranteed \$500,000 in lending capacity if the fund should be deficient, whether from increased lending or insufficient loan repayments.

Recent Changes to Funding Pattern: CDBG Float Loan interest used to flow directly into the Rural Washington Loan Fund. The interest now returns to CDBG and then is re-lent on a qualifying RWLF loan. The loan repayments return to the RWLF. The CDBG guarantee of \$500,000 in capacity is also relatively recent. The agency reports that both changes were instituted in FY03.

Additional Program/Project Funding Information

Frequency of the Grant/Loan Cycle: The RWLF statute provides for at least a quarterly approval process. Loan applications are taken to the Committee after staff review and analysis. Meetings of the RWLF Committee are typically organized by staff on a demand basis.

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 3, but one loan was declined.

Total Amount Awarded in 2005: \$1,750,000 approved, though \$1 million of this was declined. Of \$750,000 awarded in 2005, \$250,000 was not actually disbursed until 2006.

What Determines the Total Amount Available for Grants or Loans in a Given Time Period?

The amount available for loans is based on the amount of money in the Rural Washington Loan Fund, minus any monies in the account that are set aside for administrative expenses, plus the \$500,000 available from CDBG. The Legislature appropriates or reappropriates the fund balance and anticipated repayment amounts in the state Capital Budget.

The Business Finance Unit reports that typically about \$400,000 of the monies in the Rural Washington Loan Fund are actually from the Coastal Loan Fund, a separate loan fund originated by an Economic Development Administration grant in 1985. Those funds are considered separate and are not used for RWLF loans.

Maximum Amount That Can Be Awarded to a Project: Per statute, \$1 million. There is also a federal limit of \$35,000 per job.

Matching Requirements: By policy, most program loans are expected to be only 1/3 of the total financing project costs.

Interest Rate Charged:

Staff and the RWLF Committee have set the interest rate at prime fixed. The agency notes that, because the prime rate has been increasing, the interest rates for RWLF loans have risen to 8% at the present time.

Repayment Statistics:

Of the 22 RWLF loans issued since January 1, 1996, three have been either written off or are likely to be in the future; on that basis, the default rate is 13.6%.

Of the \$6,725,121 lent from the RWLF Program in that same time period, the Department has taken or anticipates losses of \$490,504. This would give a default rate of 7.29%.

Eligible Applicants and Projects
Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Port Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Federal Agencies
- Non-Profit Organizations
- Private Businesses
- Other

Businesses or economic development agencies are likely the ultimate recipients of loan funds.

What Categories of Projects Are Eligible?

- Community & Social Service Facilities
- Low-Income Housing
- Art Facilities
- Historic Preservation
- Public K-12 Schools
- Industrial Buildings & Port Facilities
- Biofuel Facilities
- 3rd Party Financing
- Outdoor Recreation
- Habitat Protection
- Avoid Military Base Closures
- Basic Infrastructure
- Transportation Infrastructure

Award Type:

- Grants
- Loans

Eligible Projects: Funded activities must meet federal guidelines for “public benefit.” Loans typically help a business expand its facility or move to a new site within the state.

Special Qualifications Regarding Who Can Apply: Applications must be from an eligible municipality or county government on behalf of an organization (public or private) conducting economic development activities (businesses, non-profits, public development agencies, and municipalities). Because the program’s funds are originally from the federal Community Development Block Grant, CDBG rules apply. This means eligible cities and towns are those with less than 50,000 population or counties with less than 200,000 population that are “non-entitlement” jurisdictions, meaning that they do not receive CDBG funds directly from the U.S. Department of Housing and Urban Development. This rules out most urban areas in the state.

Special Qualifications Regarding Project Eligibility: In compliance with federal CDBG requirements, at least 51% of the jobs created/retained must be created for or made available to low- and moderate-income people. “Low- and moderate-income” is defined as 80% of county median income. For certain construction projects and equipment purchases, Davis-Bacon rules regarding the payment of federal prevailing wage rates and benefits apply.

Per state statute, shopping malls are ineligible. Also, as policy, the RWLF Program will not finance a business with a negative net worth or when funds would be used for the reduction of an existing lender’s risk position or to replace owner’s equity.

Recent Changes in Eligible Applicants or Categories of Projects: Several municipalities (Anacortes, Longview, Mt. Vernon, and Wenatchee) have recently been designated “entitlement” areas, so economic development and business projects there are no longer eligible for RWLF loans.

Timing and Steps in the Process:

Note: The Business Finance Unit initially works with the client. *The sponsoring local government is brought in later*, after most of the details of the loan concept have been developed.

Ongoing	The Business Finance Unit of the Economic Development Division has loan specialists who work with local banks, economic development councils, accountants and revolving loan funds to identify business retention, expansion, start-up or recruitment cases where the Rural Washington Loan Fund or another loan program may prove to be useful in facilitating the necessary financing. The loan specialists work with the client (the ultimate beneficiary of the loan) and other lenders to put together a financing concept that provides adequate security to the other participating lender(s) and an appropriate level of return on invested capital to the business owner(s). Once this concept is agreed upon by all parties, the loan specialist works with the business to develop a loan write-up or loan application.
Ongoing	Loan applications are reviewed by the Unit’s underwriting staff to identify any financial flaws in the proposal, to make sure that the proposal meets program goals and requirements, and to determine any conditions that the staff might recommend in order to better ensure loan repayment. After this review process, the loan package is then taken to the RWLF Committee for review. Because the meetings of the RWLF Committee are typically organized by staff on a demand basis, there is no competitive ranking process for the loan packages. RWLF Committee members may add additional conditions on the loan or remove some staff proposed recommendations. The Committee may also reject loan proposals.
	The city or county that receives the loan and then re-loans the funds is brought into the negotiating process at an appropriate point that varies by project, typically after the loan concept is established. Public hearings are required to accept and make the loans at the local level under federal rules, and local rules also have an impact. The loan application process has to account for the timing of this local step.
	Once the RWLF Committee approves the loan, the conditions of the loan package are then written up in an award letter that the CTED Director or her designee signs (final authority rests with the Director of CTED). Once the loan applicant accepts the loan award and conditions, the underwriting and compliance staff put the accepted conditions and other necessary language in loan contract form, have the contract reviewed by the Attorney General’s office, and then circulate it for signature. At the end of this contracting process, the loan documents are signed, and the check for the loan is issued.

What Drives the Timing of the Application and Award Process? Business Finance staff report that the timing of the business need and the speed with which applicants submit necessary documents have more impact on the timing of the application and award process than anything else. Other factors include the HUD requirement for 1-2 public hearings to be held prior to loan award, and the speed with which the local officials can become comfortable with the conduit-lending model required by HUD. Loan applications are taken to the RWLF Committee after staff review and analysis. Meetings of the RWLF Committee are typically organized by staff on a demand basis.

Evaluation Criteria:

Business Finance staff note that this process is non-competitive. Projects must meet program goals and requirements.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals and Objectives:

The Business Finance Unit manages 8-10 loan programs, including the Rural Washington Loan Fund Program, that are primarily intended for business and economic development financing. The primary objectives of these business-financing activities are:

- To increase the availability of loan resources for businesses so that they can create/retain jobs that support/increase the average household income and economic activity in the areas served;
- To increase the quality and capacity of childcare facilities for working parents by providing financing for childcare facilities;
- To lend to businesses that increase the diversification of the economy in targeted and high unemployment areas of Washington state when the result will help improve the standard of living in those areas;
- To encourage and provide assistance to municipalities and private developers who are reclaiming and redeveloping brownfields for productive economic use; and
- To provide technical and lending support to targeted sectors/clusters efforts supported by CTED.

Performance Measures and Program Performance:

The Business Finance Unit uses four key performance measures:

- Number of jobs created or retained by financing projects (as projected during the loan application process and supported by reasonable financial projections). The 2006 calendar year goal is 450 jobs.
- The amount of total project investment, including loans, resulting from loan packaging and loans issued in the course of the year. The Unit total investment goal in the 2006 calendar year is \$28.5 million.
- The percentage of jobs created or retained that are above the average wage for the counties in which each project is funded (compiled on a project by project basis and then added together to create a portfolio average). The Unit goal for the 2006 calendar year is 51%.
- The amount of State taxes generated or retained by the financing projects assisted by the Unit (these are focused on State sales taxes from the project itself, the State's share of any property or real estate taxes generated or retained due to the financing project, and the State's share of Business & Occupation taxes generated or retained as a result of each financing project). The Unit goal in 2006 is to exceed the State's investment in the Unit (measured by General Fund-State monies in Unit operations) by 50% to 100%.

The CDBG annual plan carries within in it three other performance targets:

- The goal that there be at least \$1.5 million in RWLF loans issued during 2005;
- That 54% of the jobs created/retained with their loans be above the average county wage; and
- That the CDBG program will maintain or exceed an annual 1:1.85 leveraging ratio with funds or resources from other sources.

The economic development financing activities of the Business Finance Unit, for calendar year 2005, resulted in:

- 2,922 jobs created/retained (this was a phenomenal year with one huge project);
- \$530,117,913 in total project investment (again, one huge project);
- 48.4% of the jobs created/retained above county average wage;
- \$35,238,767 in State taxes generated/retained (same refrain, a huge project) which is approximately 50 times what the State invests in General Fund-State monies in the Unit's operations.

(continued on next page)

In terms of the CDBG goals:

- There was only \$750,000 in new RWLF loans issued in 2005. The element in this failure to meet the goal was the supplanting of a \$1 million loan offer to Hempler Meats by a Canadian loan offer—the business decided to relocate to British Columbia.
- 14 of the 26 jobs (54%) created/retained by a CDBG related loan in calendar year 2005 were above the county average wage.
- With \$1,185,000 invested by non-CDBG sources in financing projects involving \$850,000 in CDBG lending, the ratio was 1:1.39, lower than the CDBG goal—although it exceeded the goal for RWLF loans with a ratio of 1:3.2.

Agency-Identified
Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The agency notes that a key challenge that exists across all of the CDBG-related loan funds is the ever smaller geographic area within which these funds can be loaned. As more cities have decided to become entitlement areas, the eligible area for this set of loan funds has diminished. At the same time, these new entitlement cities are not receiving enough money from their CDBG entitlements to set up meaningful loan funds. Given the State's restrictions on the lending of credit, federal monies in programs like the Block Grant program are the only means the State has for providing gap or low-cost business loan assistance directly to State businesses that the State is trying to retain, attract or assist in their expansions.

The agency also notes that the Rural Washington Loan Fund, as a gap financing tool, is most useful when money is tight either due to business cycles or industry cycles. Its ability to be subordinated to other lenders, while at a slightly sub-market interest rate, is very useful in tight money periods for spurring bank business loans that otherwise would not be issued.

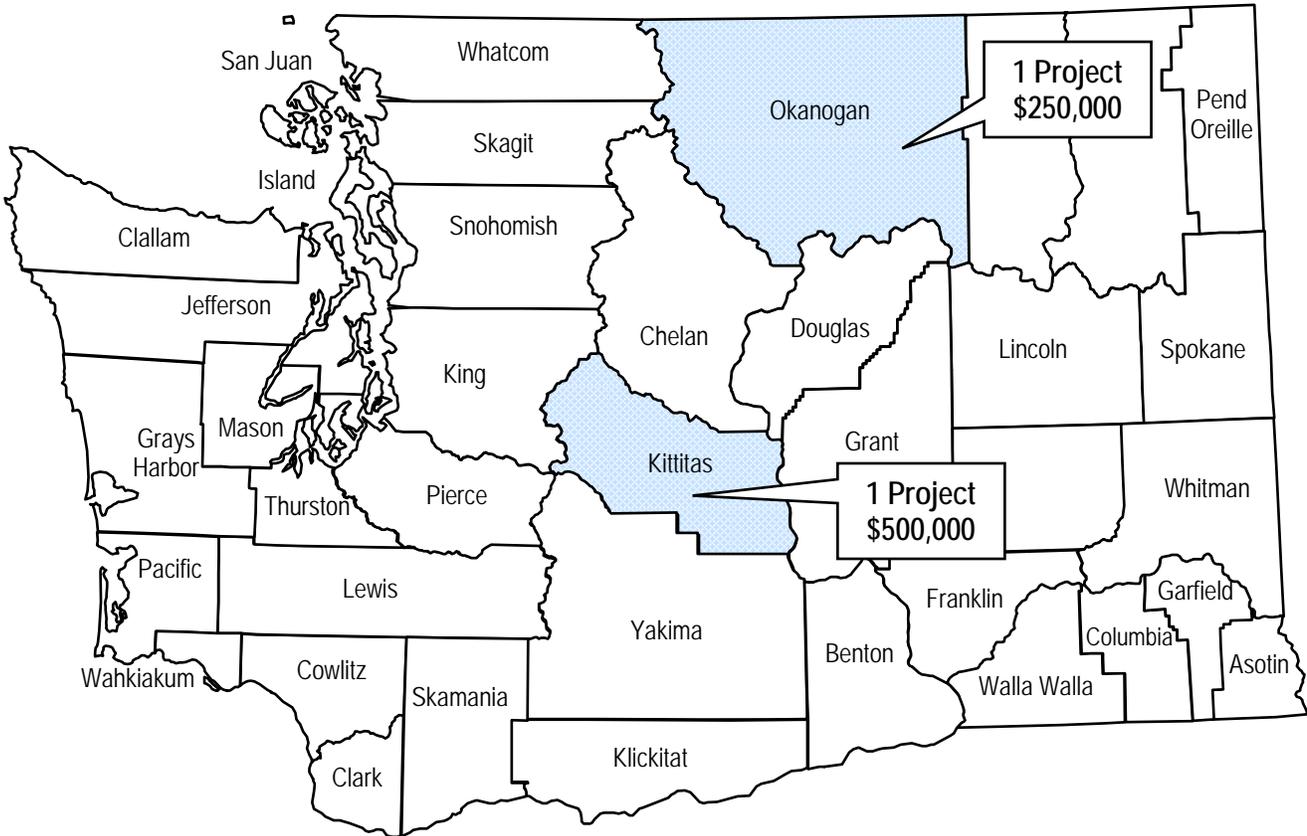
Website

For Additional Information:

On CTED's website, from the main website at <http://www.cted.wa.gov>
CTED Main > Divisions > Economic Development > Programs & Services > Business Assistance > Financial Assistance > Rural Washington Loan Fund

Rural Washington Loan Fund Program Awards, 2005

Location of Awards by County



Loan Recipients

Program applicants are city or county governments meeting the qualifications for federal Community Development Block Grants.

Types of Projects Funded

A recreational vehicle business and a behavioral sciences business.

HUD Section 108 Loan Guarantee Program

Administered By:

Department of Community, Trade and Economic Development, Economic Development Division

General Information

Program Purpose: Section 108 is the loan guarantee program of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant program (CDBG). The reference in the name is to Section 108 of the enabling legislation. Section 108 loans provide communities with financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

The program makes loans to eligible cities, towns, or counties, which then loan an equivalent amount to the client, which can be a local business, an economic development agency, or a municipal government engaged in economic development. The loans are guaranteed by the state's CDBG award.

The Economic Development Division's Business Finance Unit is responsible for the program.

Mission Statement: The mission of all of the state's CDBG programs is to improve and maintain the economic and physical environment of eligible cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.

Year Established: First use in Washington in 1994

Enabling State Statutes: Not applicable (federal law)

Administrative Rules: Not applicable (federal law)

Legislative Intent: (Congressional) 42 USC 5301(c)

The primary objective . . . of the community development program of each grantee is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Is there a separate governing board? No. However, CTED uses the Rural Washington Loan Fund Committee for reviewing HUD Section 108 loan applications and making recommendations to the CTED director.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration*	63,411	30,990	23,808	103,820	73,962
New Appropriation for Loans					
Expenditure for Administration*	33,204	0	810	44,264	(estimated) 71,841
Loan Funds Guaranteed	0	0	7,525,000	0	(estimated) 0

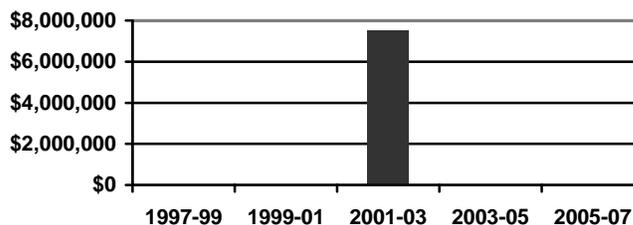
*Note: CTED reports that the appropriation and expenditure of loan fees collected from Section 108 loan issuances for administration of the Section 108 program are often different because of choices made by the agency about whether to use state or federal dollars at any given time. The program balances expenditures from several sources.

FTEs for the Program in 2005-07: 0.3

Fund Account(s):

- For the loan guarantees, see Fund Sources below
- 001 – General Fund – Private/Local for some administrative funding

Loan Funds Guaranteed



Fund Sources:

- HUD issues bonds to fund the loans, which it issues directly, so the funds do not pass through state accounts. The state's CDBG award is used as collateral to guarantee the loans. Those funds stay with HUD until expended.
- CTED reports that some funds for administrative costs come from appropriation of State General Fund dollars. Other administrative funding comes from several sources.

Recent Changes to Funding Pattern: None.

Frequency of the Grant/Loan Cycle: Business Finance Unit staff bring loan applications to the Rural Washington Loan Fund Committee after staff review and analysis. Meetings of this Committee are typically organized by staff on a demand basis. The Rural Washington Loan Fund statute provides for at least a quarterly approval process.

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 0

Total Amount Awarded in 2005: \$0

What Determines the Total Amount Available for Grants or Loans in a Given Time Period?

Federal: The federal limitation is that the amount of outstanding HUD Section 108 loan principal may not exceed five times the amount awarded annually to the state's CDBG Program (which CTED administers). Since the 2006 CDBG award to the state is \$15.5 million, the current federal limit on outstanding HUD Section 108 loans is \$77.5 million.

State: Because of the dependency of several state and local social and housing programs on the state CDBG Program, and because a HUD Section 108 loan default is guaranteed by the state's annual CDBG award, CTED reports that the state CDBG program has chosen a more conservative limit on outstanding HUD Section 108 loans of \$18 million.

Maximum Amount That Can Be Awarded to a Project:

- Minimum: \$700,000, per CTED policy;
- Maximum: \$7 million and no more than \$35,000 per job created/retained, per federal requirements.

Matching Requirements: There are no specific matching requirements, but the Division's programmatic evaluation does look at the amount of outside investment leveraged and also requires that borrowers pledge collateral equal to at least 125% of the loan amount.

Interest Rate Charged:

The federal bond issuance process results in interim (short-term) borrowing rates at 3-month LIBOR plus 20 basis points; for June 2006, that calculation results in an interest rate of 5.34%. LIBOR is the London Interbank Offered Rate, the interest rate offered for a specific group of London banks for U.S. dollar deposits of a stated maturity. These interim rates are adjustable.

Permanent financing rates are set and fixed based on similar length Treasury rates plus a small additional basis point spread and are typically "laddered up" (later payments at a higher rate than initial payments) over the life of the loan. For June 2006, that would result in a blended rate in the range of 5.5 to 5.6%.

Repayment Statistics:

One loan of the 6 HUD Section 108 loans issued in Washington has gone into default; this gives a default rate of 16.7%.

Of the \$16,445,000 ever lent in Washington through the HUD Section 108 program, \$1,590,000 has not been repaid; this gives a default rate of 9.7%.

The debtor company has not been released from its obligation, and CTED reports it is currently working on a public-private financing project that would increase that company's revenue and put them back on a payment schedule for the outstanding HUD Section 108 debt. If repayments of the old debt begin in early 2007 as anticipated, then the HUD Section 108 default rate will drop to 0%.

Eligible Applicants and Projects	Who Is Eligible To Apply? <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other <div style="border: 1px solid black; padding: 5px; margin-top: 10px;">Other types of entities above may be the ultimate recipient of loan funds.</div>	What Categories of Projects Are Eligible? <input type="checkbox"/> Community & Social Service Facilities <input checked="" type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input checked="" type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	Award Type: <input type="checkbox"/> Grants <input checked="" type="checkbox"/> Loans <div style="border: 1px solid black; padding: 5px; margin-top: 10px;">Other types of projects may be eligible – contact CTED staff for more details.</div>
	Eligible Projects: Activities eligible for HUD Section 108 financing include: CDBG-eligible economic development activities, acquisition of real property, rehabilitation of publicly-owned property, CDBG-eligible housing rehabilitation, construction/reconstruction of public facilities, and related relocation/clearance/site improvements.		
	Special Qualifications Regarding Who Can Apply: Applications must be from an eligible city, town, or county on behalf of businesses, non-profit organizations engaged in an economic development project, public development authorities, and municipalities that are funding an economic development project. Eligible applicants are cities and towns with less than 50,000 population or counties with less than 200,000 population that are “non-entitlement” jurisdictions, meaning that they do not receive CDBG funds from HUD directly.		
	Special Qualifications Regarding Project Eligibility: Economic development loans must either create or retain jobs and make the majority of those jobs available to qualified lower income candidates, or loans must be for the removal of slum and blight in areas that affect low- and moderate-income families. “Low- and moderate-income” is defined as 80% of county median income. For certain construction projects and equipment purchases, Davis-Bacon rules regarding the payment of federal prevailing wage rates and benefits apply. Shopping malls are not eligible.		
	Recent Changes in Eligible Applicants or Categories of Projects: Several municipalities (Anacortes, Longview, Mt. Vernon, and Wenatchee) have recently been designated “entitlement” areas, and economic development and business projects there are no longer eligible for HUD Section 108 guaranteed loans from the state.		

Application and Award Process	Timing and Steps in the Process:	
	<p>Note: This is the process used by the Business Finance Unit in CTED’s Economic Development Division. The Business Finance Unit initially works with the client. <i>The sponsoring local government is brought in later</i>, after most of the details of the loan concept have been developed.</p>	
Applications for HUD Section 108 loan guarantees are accepted on an ongoing basis.	The Business Finance Unit of the Economic Development Division has loan specialists who work with local banks, economic development councils, accountants and revolving loan funds to identify business retention, expansion, start-up or recruitment cases where a HUD Section 108 loan guarantee or another loan program may prove to be useful in facilitating the necessary financing. The loan specialists work with the client (the ultimate beneficiary of the loan) and other lenders to put together a financing concept that provides adequate security to the other participating lender(s) and an appropriate level of return on invested capital to the business owner(s). Once this concept is agreed upon by all parties, the loan specialist works with the business to develop a loan write-up or loan application.	

		<p>Loan applications are reviewed by the Unit’s underwriting staff to identify any financial flaws in the proposal, to make sure that the proposal meets program goals and requirements, and to determine any conditions that the staff might recommend in order to better ensure program compliance. In the case of HUD Section 108 loans, CTED’s CDBG staff also review the loan application. After this review process, the loan package is then taken to the Rural Washington Loan Fund (RWLF) Committee for review. Because the meetings of the RWLF Committee are typically organized by staff on a demand basis, there is no competitive ranking process for the loan packages. RWLF Committee members may add additional conditions on the loans or remove some staff-proposed recommendations. The Committee may also reject loan proposals.</p>
		<p>The city or county that receives the loan and then re-loans the funds is brought into the negotiating process at an appropriate point, typically after the loan concept is established. This varies by project. Public hearings on the part of the city or county are required to accept and make the loans at the local level under federal rules, and local rules also have an impact. The loan application process has to account for the timing of this local step.</p>
	<p>The HUD section 108 loan process can easily take six months or more from initial application to final HUD approval.</p>	<p>Once the RWLF Committee approves the loan, the conditions of the loan package are then written up and added to the application that is sent to HUD for review. HUD reviews the loan application at their regional offices and, once approved there, sends the application to their national offices for final review. Once HUD approval for the loan is gained, then final loan documents are drafted and signed, and the check for the loan is issued.</p>
	<p>What Drives the Timing of the Application and Award Process? Business Finance staff report that the timing of the business need and the speed with which applicants submit necessary documents have a significant impact on the timing of the application and award process. Other factors include the HUD requirement for 1-2 public hearings to be held prior to loan award, and the speed with which the local officials can become comfortable with the conduit-lending model required by HUD. Loan applications are taken to the RWLF Committee after staff review and analysis. Meetings of the RWLF Committee are typically organized by staff on a demand basis.</p> <p>The HUD review process in particular can slow the loan application process, adding months to the cycle.</p>	
	<p>Evaluation Criteria:</p>	
	<p>Business Finance staff note that this process is non-competitive. Projects must meet program goals and requirements.</p>	
	<p>Recent Changes to the Process or Evaluation Criteria: None.</p>	

<p>Program Goals, Objectives, and Performance Measures</p>	<p>Program Goals and Objectives:</p> <p>The Business Finance Unit manages 8-10 loan programs, including the HUD Section 108 Program, that are primarily intended for business and economic development financing. The primary objectives of these business-financing activities are:</p> <ul style="list-style-type: none"> • To increase the availability of loan resources for businesses so that they can create/retain jobs that support/increase the average household income and economic activity in the areas served; • To increase the quality and capacity of childcare facilities for working parents by providing financing for childcare facilities; <p style="text-align: right;">(continued on next page)</p>
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- To lend to businesses that increase the diversification of the economy in targeted and high unemployment areas of Washington state when the result will help improve the standard of living in those areas;
- To encourage and provide assistance to municipalities and private developers who are reclaiming and redeveloping brownfields for productive economic use; and
- To provide technical and lending support to targeted sectors/clusters efforts supported by CTED.

Performance Measures and Program Performance:

The Business Finance Unit uses four key performance measures:

- Number of jobs created or retained by financing projects (as projected during the loan application process and supported by reasonable financial projections). The 2006 calendar year goal is 450 jobs.
- The amount of total project investment, including loans, resulting from loan packaging and loans issued in the course of the year. The Unit total investment goal in the 2006 calendar year is \$28.5 million.
- The percentage of jobs created or retained that are above the average wage for the counties in which each project is funded (compiled on a project by project basis and then added together to create a portfolio average). The Unit goal for the 2006 calendar year is 51%.
- The amount of State taxes generated or retained by the financing projects assisted by the Unit (these are focused on State sales taxes from the project itself, the State's share of any property or real estate taxes generated or retained due to the financing project, and the State's share of Business & Occupation taxes generated or retained as a result of each financing project). The Unit goal in 2006 is to exceed the State's investment in the Unit (measured by General Fund-State monies in Unit operations) by 50% to 100%.

The CDBG annual plan carries within in it three other performance targets:

- The goal that there will be \$5 million in new HUD Section 108 loans issued during 2005;
- That 54% of the jobs created/retained with their loans be above the average county wage; and
- That the CDBG program will maintain or exceed an annual 1:1.85 leveraging ratio with funds or resources from other sources.

The economic development financing activities of the Business Finance Unit, for calendar year 2005, resulted in:

- 2,922 jobs created/retained (this was a phenomenal year with one huge project);
- \$530,117,913 in total project investment (again, one huge project);
- 48.4% of the jobs created/retained above county average wage;
- \$35,238,767 in State taxes generated/retained (same refrain, a huge project) which is approximately 50 times what the State invests in General Fund-State monies in the Unit's operations.

In terms of the CDBG goals:

- There were no HUD Section 108 loans issued in 2005;
- 14 of the 26 jobs (54%) created/retained by a CDBG related loan in calendar year 2005 were above the county average wage;
- With \$1,185,000 invested by non-CDBG sources in financing projects involving \$850,000 in CDBG lending, the ratio was 1:1.39, lower than the CDBG goal.

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that a key challenge that exists across all of the CDBG-related loan funds is the ever smaller geographic area within which these funds can be loaned. As more cities have decided to become entitlement areas, the eligible area for this set of loan funds has diminished. At the same time, these new entitlement cities are not receiving enough money from their CDBG entitlements to set up meaningful loan funds. Given the State's restrictions on the lending of credit, federal monies in programs like the Block Grant program are the only means the State has for providing gap or low-cost business loan assistance directly to State businesses that the State is trying to retain, attract or assist in their expansions.</p>
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Website	<p>For Additional Information:</p> <p>Information on this program is available on CTED's website in two places:</p> <p>Within the Local Government Division's website on CDBG programs http://www.cted.wa.gov/cdbg</p> <p>Within the Economic Development Division's website, from the main website at www.cted.wa.gov CTED Main > Divisions > Economic Development > Programs & Services > Business Assistance > Financial Assistance > HUD Section 108 Guaranteed Loans</p>
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Disaster Public Assistance Program

Administered By:
Washington Military Department
Emergency Management Division

General Information

Program Purpose: The purpose of the Disaster Public Assistance Program is to provide financial assistance through grants to local units of government, state agencies, certain private non-profit organizations, and Indian tribes to repair or replace disaster-damaged public facilities. Categories of eligible facilities are debris removal, emergency protective measures, roads and bridges, water control facilities, buildings and equipment, utilities, and parks, recreational and other.

Mission Statement: The mission of the Emergency Management Division is to minimize the impacts of emergencies and disasters on the people, property, environment, and the economy of Washington State.

Year Established: 1988

Legislative Intent: (Congressional) 42 USC 5121(b)

Enabling State Statutes:
Not applicable (federal law)
General state emergency mgt statutes Chapter 38.52 RCW

It is the intent of the Congress, by this Act, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which results from such disasters by

Administrative Rules:
Not applicable (federal law)

1. revising and broadening the scope of existing disaster relief programs . . . and
6. providing Federal assistance programs for both public and private losses sustained in disasters.

Is there a separate governing board? No.

Budget Information

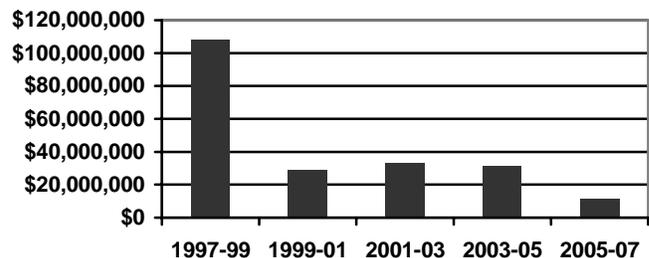
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	1,559,000	1,155,000	3,510,000	2,763,000	993,000
New Appropriation for Grants	108,100,000	28,824,000	33,215,000	31,090,000	10,960,000
Expenditure for Administration	1,558,944	1,154,414	3,500,535	2,762,937	(estimated) 993,000
Funds Awarded for Grants	108,034,411	28,823,777	33,214,609	31,089,943	(estimated) 10,960,000

FTEs for the Program in 2005-07:
1.0 permanent FTE; the number of project FTEs varies based upon workload (number of open disasters and open disaster grants to sub-recipients).

Fund Account(s):
05H – Disaster/Emergency Fund
309 – Nisqually Fund

Fund Sources: 75% of funds are federal dollars. The 25% non-federal match is typically split 50/50 between the state and local applicant. State dollars are appropriated by the Legislature.

Funds Awarded for Grants



Recent Changes to Funding Pattern: Funding is based upon the number of open disasters and the specific disaster damages remaining to be repaired. As disaster grants and the events are closed, funding needs are reduced.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Funding does not occur on a cycle basis or a calendar year. Frequency is based upon the indeterminate timing of disaster events.	
	Does the Legislature Approve Project Selection? No.	
	Number of Grants Awarded in 2005: 5	
	Total Amount Awarded in 2005: \$4,049,598	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? When a disaster occurs, any eligible applicant with damages may apply. The total funding amount is related to the total eligible damage. Eligible damage is reimbursed at 75% federal funds. The state share of the remaining 25% is determined by the Legislature. Budget projections are adjusted on a quarterly basis, with reporting to legislative and OFM staff. Funding and adjustments are made by the Legislature through budget provisos.	
	Maximum Amount That Can Be Awarded to a Project: None set.	
	Matching Requirements: 75% federal, 25% non-federal. The non-federal share is split as determined by the Legislature by disaster event.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input type="checkbox"/> Cities and Towns <input type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<div style="border: 1px solid black; padding: 5px; width: fit-content;"> Double-check with agency to determine if your facility is eligible. </div> <input type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Public facilities and infrastructure. The types of facilities are organized into seven categories: debris removal; emergency protective measures; roads and bridges; water control facilities; buildings and equipment; utilities; and parks, recreational and other. Emergency work is debris removal and emergency protective measures. Permanent work addresses damages to: water control facilities such as revetments, dikes, and dams; streets and bridges; buildings and equipment; public utilities such as water, sewer, storm drainage, and electrical; and parks and other unique structures such as fish hatcheries and fences.		
	Special Qualifications Regarding Who Can Apply: An eligible non-profit organization must provide an essential government-type service. In addition, the organization must have an effective ruling letter from the U.S. Internal Revenue Service granting tax exemption or certification from the State that the organization is a non-revenue producing, non-profit entity organized and doing business under state law.		
	Special Qualifications Regarding Project Eligibility: The project must be the legal responsibility of an eligible applicant and be located in a disaster-declared county. Damages must be caused by the declared disaster event; not fall under the jurisdiction of another federal agency; be in active use at the time of the declared event; and not be caused by the negligence of others.		
Recent Changes in Eligible Applicants or Categories of Projects: None.			

Application and Award Process	Timing and Steps in the Process:	
	Varies depending on disaster-specific circumstances	First, the state has to experience a major disaster. The Emergency Management Division collects preliminary damage assessment information through the county emergency management offices, which act as the point of coordination for eligible applicants in their county.
	Within 30 days from the end of the incident, unless a 30-day extension is requested and received from FEMA	The State requests a Joint Preliminary Damage Assessment with the Federal Emergency Management Agency (FEMA) to quickly review and verify that disaster damage exists and that the estimated costs are reasonable. If the state and counties meet the required per capita thresholds and/or can substantiate the severe impact the event has had on their communities, then a disaster declaration request is prepared. The decision to forward the request to the President rests with the Governor. The request must be submitted within 30 days from the end of the incident unless a 30-day time extension is requested and received from FEMA.
	Varies depending on disaster-specific circumstances	The President makes a decision about the disaster request. If the President does declare a disaster, eligible applicants have 30 days from the date of declaration to complete and submit a one-page request for assistance under the Disaster Public Assistance Program. Applicant briefings are held in the counties declared. The briefings enable applicants to complete the request form, turn it in, and receive initial information on the process and updates on the program.
	Varies depending on disaster-specific circumstances	After receipt of the request form, a team of federal and state representatives meet with each applicant to identify damages and prepare detailed damage assessments and cost estimates upon which the grant funding will be based. Technical assistance is provided to the applicants from the beginning through the closure of their disaster grants.
What Drives the Timing of the Application and Award Process? Timing of applications is driven by receiving a disaster declaration and submitting the request for disaster public assistance within 30 days of the declaration. Actual funding of projects depends on the responsiveness of applicants in identifying their damage sites, identifying actual costs incurred, projecting repair costs, and then the impact on the award process of federal environmental and historical regulations. Depending on location, facility, and repair, the federal environmental review process may take a few days or a few years.		
Evaluation Criteria:		
Funding eligibility is determined by FEMA based on their regulations, federal Office of Management and Budget circulars, executive orders, and federal environmental and historical regulations. These are not competitive grants. The projects are not ranked. Evaluation is limited to ensuring that the applicant, the facility, the damage, the proposed repair, and the costs are eligible.		
Recent Changes to the Process or Evaluation Criteria: None.		

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	Program goals are to maximize the amount of reimbursement that applicants are eligible for, work to see the projects are funded, work with the applicants to ensure that program and funding conditions are met, and then close their disaster grant as quickly as possible after all work has been completed.
	Performance Measures and Program Performance:
	The internal program performance measure is ensuring that documents with time frames for completion and/or review are processed within identified time periods. Examples are time extensions processed within seven working days, review of plans and specifications within 10 working days, and processing payment requests within seven working days. Actions are tracked on a spreadsheet with weekly reviews to ensure work is being completed on a timely basis.
	(continued on next page)

When documents are not completed within the specified time period, the Division notes that this can be for a variety of reasons, including the need to go back to the applicant for further information. The Division reports that because of this variable in determining why the performance measures were not reached, the Division does not specifically rate how it is performing against this measure.

Agency-Identified Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The agency notes an issue is the lack of a state disaster assistance fund to assist with repairs following disasters/events that do not meet the federal requirements for amount of damage.

Website

For Additional Information:

Website for the Military Department, Emergency Management Division
<http://emd.wa.gov/1-dir/divfacshs/43-pub-disast-assist-fs-06-ds.pdf>

Program Grants Awarded in 2005

- The Department of Community, Trade, and Economic Development received four grants for a total of \$1,867,014 associated with the Hurricane Katrina disaster declaration;
- A non-profit organization in King County received a grant of \$2,182,584 for the completion of repairs under the Nisqually Earthquake disaster declaration.

Washington Wildlife and Recreation Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information	Program Purpose: The Washington Wildlife and Recreation Program (WWRP) provides funding assistance for a broad range of park development, habitat conservation, farmland preservation, and outdoor recreation facility improvement.	
	Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.	
	Year Established: 1990	Legislative Intent: RCW 79A.15.005
	Enabling State Statutes: Chapter 79A.15 RCW	It is therefore the policy of the state to acquire as soon as possible the most significant lands for wildlife conservation and outdoor recreation purposes before they are converted to other uses, and to develop existing public recreational land and facilities to meet the needs of present and future generations.
	Administrative Rules: Chapter 286-13 WAC for IAC's general grant rules; 286-27 for the WWRP	
Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including the criteria used in determining how projects are ranked. The IAC manages the evaluation and rating of all grant applications, submits a ranked list of projects to the Governor and Legislature for funding consideration, and tracks projects through to completion.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Administration*	2,005,961	2,015,827	2,238,995	2,235,132	1,909,702 + 1,500,000**
	New Appropriation for Grants***	47,500,000	48,000,000	45,000,000	45,000,000	48,500,000
	Expenditure for Administration*	1,955,749	1,970,274	1,679,036	1,979,555	(estimated) 1,908,760 + portion of 1,500,000 above**
	Funds Awarded for Grants***	41,701,693	47,940,176	44,303,517	47,921,239	(estimated) 50,526,547
<p>*Note: Since its inception, the IAC's administration of its grant programs has been supported by a portion of the gas tax paid on marine fuel and funds provided by individual grant programs. The IAC does not track the amount of administrative funds used for each individual program; the amounts for administration shown above are estimates prorated on the amount of grants awarded.</p> <p>**Note: The appropriation and expenditure for administration for 2005-07 both include \$1.5 million that is dedicated solely to the administration of the WWRP. In 2005, the Legislature authorized the IAC to apply up to 3% of the funds appropriated for the WWRP for the administration of the program.</p> <p>***Note: The amounts shown as new appropriations for grants include only new funds appropriated for the program. The amounts shown as funds awarded include new funds and reappropriations.</p>						

Additional Program/Project Funding Information	<p>FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.</p>	<p>Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Period</th> <th>Funds Awarded (\$)</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>40,000,000</td> </tr> <tr> <td>1999-01</td> <td>48,000,000</td> </tr> <tr> <td>2001-03</td> <td>45,000,000</td> </tr> <tr> <td>2003-05</td> <td>48,000,000</td> </tr> <tr> <td>2005-07</td> <td>50,000,000</td> </tr> </tbody> </table>	Period	Funds Awarded (\$)	1997-99	40,000,000	1999-01	48,000,000	2001-03	45,000,000	2003-05	48,000,000	2005-07	50,000,000
	Period		Funds Awarded (\$)											
	1997-99		40,000,000											
1999-01	48,000,000													
2001-03	45,000,000													
2003-05	48,000,000													
2005-07	50,000,000													
<p>Fund Account(s): 070 – Outdoor Recreation Account 244 – Habitat Conservation Account 09G – Riparian Protection Account 09C – Farmland Preservation Account 267 – Recreation Resources Account 057 – State Building Construction Account</p>														
<p>Fund Sources: Fund sources include the sale of state bonds, gas tax on marine fuels, and other sources.</p>														
<p>Recent Changes to Funding Pattern: The Legislature added two new accounts within the WWRP in 2005 (Riparian Protection and Farmland Preservation). The same legislation revised the formula for allocating funds among existing accounts and authorized the IAC to apply a percentage of the WWRP appropriation towards administrative costs of the program. The legislation also added two new funding categories to the original accounts (State Lands Development and State Lands Renovation).</p>														

Additional Program/Project Funding Information	<p>Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).</p>	
	<p>Does the Legislature Approve Project Selection? Yes. The IAC submits a ranked list of projects to the Governor. The Governor reviews the list and forwards recommendations to the Legislature. Both the Governor and the Legislature may remove individual projects from the list but may not add projects or re-rank the list. The Legislature approves a list of projects to be funded (including alternates) and provides an appropriation for the overall program.</p>	
	<p>Number of Projects Selected in 2005: 77</p>	
	<p>Total Amount Awarded in 2005: \$50,526,547</p>	
	<p>What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.</p>	
	<p>Maximum Amount That Can Be Awarded to a Project: The IAC has established, by policy, the following maximum awards:</p> <ul style="list-style-type: none"> • Local parks category, acquisition projects: \$500,000; • Local parks category, development projects: \$300,000; • Local parks category, combination projects (acquisition and development/renovation): \$500,000, of which no more than \$300,000 may be for development costs; • State lands development and renovation: \$250,000; • State lands restoration and enhancement: \$500,000 per multi-site project and \$1 million per single-site project; • Riparian protection account: \$1 million; and • Farmland preservation: \$750,000. 	
	<p>Matching Requirements: A 50% match is required for local agencies, tribes, and salmon recovery lead entities.</p>	
	<p>Interest Rate Charged: Not applicable (grants only).</p>	<p>Repayment Statistics: Not applicable (grants only).</p>

Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input checked="" type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans

Eligible Projects:

Acquisition of Real Property Interest for:

- State and local parks;
- Pedestrian, equestrian, bicycle, or cross-country ski trails;
- Facilities that provide shoreline access for non-motorized activities such as boating, fishing, and beachcombing;
- Wildlife habitat;
- Rare geological features or features of natural, scientific, or educational value; and
- Farming.

Development and, in Some Instances, Renovation of:

- State and local parks;
- Pedestrian, equestrian, bicycle, or cross-country ski trails;
- Facilities that provide shoreline access for non-motorized recreational activities;
- Wildlife habitat;
- State-owned lands; and
- Outdoor recreation facilities owned by the Department of Natural Resources or the Department of Fish and Wildlife.

Combination

- Projects that combine acquisition and development activities listed above.

Mitigation Banking

- Projects that provide compensatory mitigation for adverse impacts to natural resources in advance of the impact.

Restoration

- Projects that involve restoration or enhancement of wildlife habitat, riparian corridors, or natural areas.

Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must have adopted comprehensive habitat or recreation plans, depending on the grant category. For the Mitigation Banking category, applicants must draw on an adopted watershed plan, salmon recovery plan, subbasin plan, or other appropriate plan. The IAC reports there currently is no planning requirement for Farmland Preservation projects, although the evaluation criteria reward projects that implement priorities in current plans.

For the Urban Wildlife Habitat category, applicants must be within the corporate limits of a city or town with a population of at least 5000, within five miles of such a city or town (or its adopted urban growth area boundary), or within five miles of an adopted Urban Growth Area.

Special Qualifications Regarding Project Eligibility:

The following are ineligible for WWRP funding per policy of the IAC:

- Animal species introduction or propagation, other than biological controls for invasive species;
- Concessionaire buildings;
- Costs not directly related to implementing the project such as overhead charges;
- Crop plantings;
- Environmental cleanup of illegal activities (i.e. removal of derelict vessels, trash (dumping), meth labs, etc.);
- Fish or wildlife production facilities such as fish hatcheries;
- Indoor facilities such as community centers, environmental learning centers, gymnasiums, swimming and therapy pools, and covered ice-skating rinks;
- Offices, shops, residences, meeting and storage rooms, except as described under “buildings” in the state parks – local parks section;
- Properties acquired via a condemnation action of any kind;
- Specific properties identified as mitigation as part of a Habitat Conservation Plan approved by the federal government for incidental take of endangered or threatened species or other projects identified for habitat mitigation purposes; and
- Routine operation and maintenance costs.

The Farmland category has these additional ineligible project types:

- Acquisition of rights for less than 25 years;
- Land already owned by a government agency (limited exceptions);
- Transfer of development rights;
- Farms producing cultivated marine or freshwater aquatic products;
- Consumable supplies such as fuel, fertilizers, pesticides, and herbicides (limited exceptions);
- Elements that cannot be defined as fixtures or capital items;
- Purchase of maintenance equipment, tools, or supplies;
- Restoration work done before a project agreement is signed; and
- Utility payments such as monthly water or electric bills.

Recent Changes in Eligible Applicants or Categories of Projects: As mentioned earlier, in 2005 the Legislature created two new accounts and two new project categories, added one new type of project, expanded two existing categories, and also expanded eligibility criteria:

- Farmland Preservation (new account);
- Riparian Protection (new account);
- State Lands Development and Renovation (new category);
- State Lands Restoration and Enhancement (new category);
- Mitigation Banking (new project type);
- Trails and Water Access categories expanded to include renovation; and
- Salmon lead entities added as eligible applicants.

Application and Award Process	Timing and Steps in the Process:	
	Spring of even-numbered years	The IAC sends notice to interested parties of grants being available.
	Spring	IAC staff conduct seven application workshops throughout the state covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and through discussion with and site visits by the agency's grant managers and advisory committees. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
	April/May	Applicants submit their applications to the IAC.
	June – August	Select teams of governmental representatives, citizens, and other specialists evaluate project proposals in a competitive process, using criteria approved by the IAC. The process includes technical review by staff, and the applicants make presentations about their project proposals before various review teams.
	September – November	The IAC approves a ranked project list and submits it to the Governor.
	January of odd-numbered years	The Governor submits a list to the Legislature for consideration.
	Legislative session in odd-numbered years	The Legislature receives the list from the Governor and may remove individual projects, but may not add or reorder them. The Legislature approves a list and appropriates funds.
	Spring of odd-numbered years	The IAC awards grants for the WWRP in the Spring. The IAC funds projects as far down the list as possible, based on the amount of the appropriation.
		IAC staff hold a workshop for successful applicants.
What Drives the Timing of the Application and Award Process? The process results in the development of the prioritized project list in time for Capital Budget proposal development.		
Evaluation Criteria:		
Key evaluation criteria include: need; scope; project significance; design; site suitability; project support; cost-efficiency; priorities associated with various plans including a growth management plan or strategic plan; diversity of recreation uses; nearness to population; trail and community linkages; water access; views and scenic values; wildlife habitat connectivity; benefit to the public; viability; likelihood of conversion; ecological and biological characteristics; species and communities with special status; long-term manageability; and agricultural, community, and environmental values. Note: Not all criteria are used for every category.		
Recent Changes to the Process or Evaluation Criteria: Statutory changes eliminated the need for an annual grant round, expanded the criteria for some existing program categories, and added criteria associated with the new grant categories.		

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.
	Performance Measures and Program Performance:
	In 2001, the Legislature directed the IAC to “develop appropriate outcome-focused performance measures to be used both for management and performance assessment” of the grant program provided through the Habitat Conservation Account. The IAC reports it is currently developing performance measures for the WWRP as part of the GMAP initiative.

Agency-Identified
Challenges\Issues

Program Challenges or Issues Identified by the Agency:

The agency notes that the length of the grant process is challenging for some applicants, especially those in small, rural communities. Because the Legislature reviews and approves the lists, the time to complete a grant cycle can be nearly two years long. The agency notes this is difficult for small communities with fewer resources to follow the process for that length of time. Small communities may begin collecting donations for matching funds but lose their source of volunteer contributions by the time the cycle is completed.

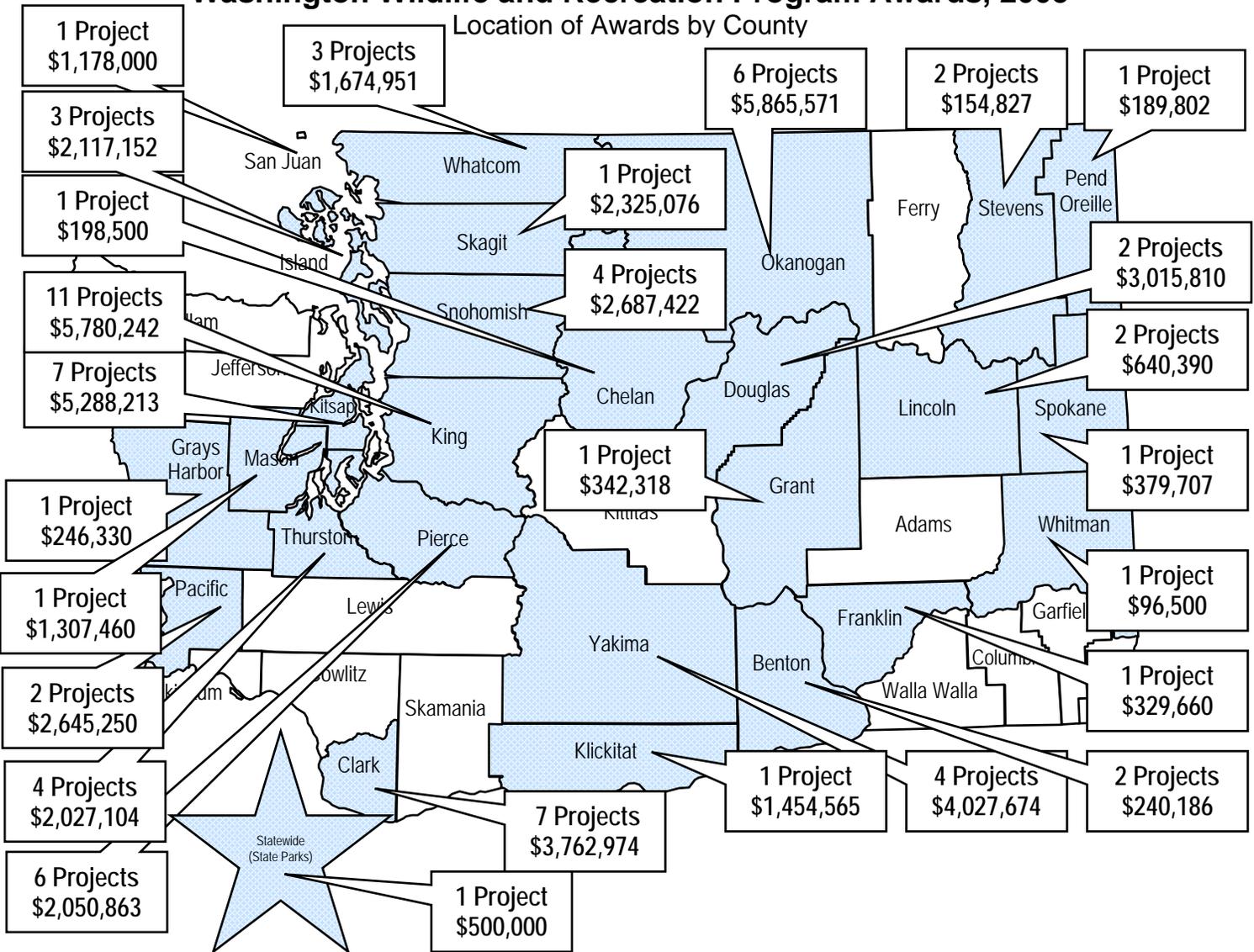
Website

For Additional Information:

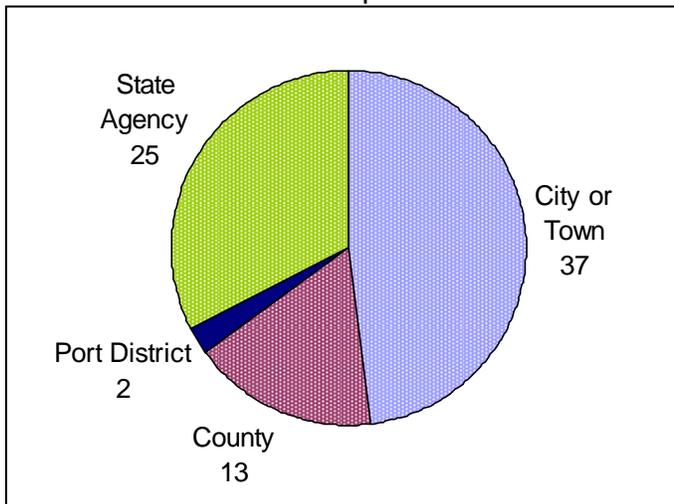
On the website for the Interagency Committee for Outdoor Recreation
<http://www.iac.wa.gov/iac/grants/wwrp.htm>

Washington Wildlife and Recreation Program Awards, 2005

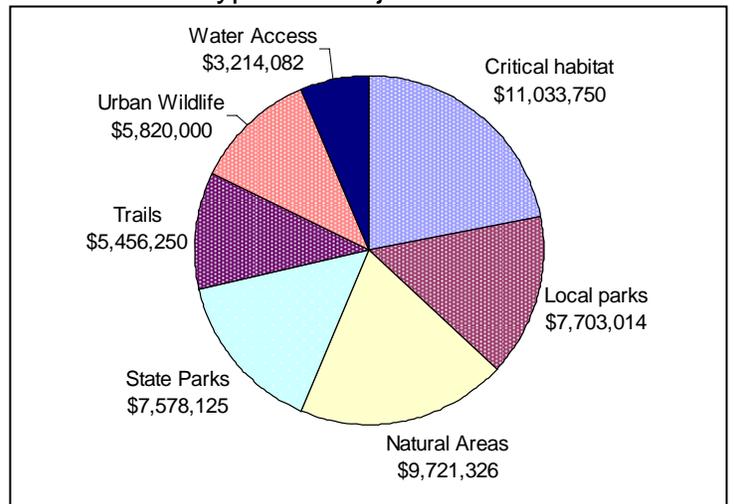
Location of Awards by County



Grant Recipients



Types of Projects Funded



Aquatic Lands Enhancement Account Grant Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information	Program Purpose: The Aquatic Lands Enhancement Account (ALEA) Grant Program provides grants for the purchase, improvement, and protection of aquatic lands for public purposes, and for providing and improving access to such lands. Prior to 2003, this grant program was administered by the Department of Natural Resources.	
	Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.	
	Year Established: 1984	Legislative Intent: RCW 79.105.010
	Enabling State Statutes: RCW 79.105.150	The Legislature finds that state-owned aquatic lands are a finite natural resource of great value and an irreplaceable public heritage. The Legislature recognizes that the state owns these aquatic lands in fee and has delegated to the Department (of Natural Resources) the responsibility to manage these lands for the benefit of the public. . . . The Legislature finds that revenues derived from leases of state-owned aquatic lands should be used to enhance opportunities for public recreation, shoreline access, environmental protection, and other public benefits associated with the aquatic lands of the state.
	Administrative Rules: Chapter 286-13 WAC for IAC's general grant rules; 286-42 for ALEA	
Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including the criteria used in determining how projects are ranked. The IAC manages the evaluation and rating of all grant applications, awards funding, and tracks projects through to completion. The IAC is assisted by an ALEA Advisory Committee. The role of the Advisory Committee is to recommend policies and procedures to the IAC, and to evaluate and score ALEA grant applications.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07												
	New Appropriation for Administration	Not provided	260,100	Not provided	254,000	254,000												
	New Appropriation for Grants*	6,000,000	4,753,000	5,565,000	5,356,400	5,024,500												
	Expenditure for Administration	174,200	172,267	193,700	125,404	(estimated) 254,000												
	Funds Awarded for Grants*	5,880,086	5,518,046	5,518,000	4,999,531	(estimated) 5,390,705												
	*Note: The amounts shown as new appropriations for grants include only new funds appropriated for the program. The amounts shown as funds awarded include new funds and reappropriations.																	
	FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.	<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Year</th> <th>Funds Awarded</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>5,880,086</td> </tr> <tr> <td>1999-01</td> <td>5,518,046</td> </tr> <tr> <td>2001-03</td> <td>5,518,000</td> </tr> <tr> <td>2003-05</td> <td>4,999,531</td> </tr> <tr> <td>2005-07</td> <td>5,390,705 (estimated)</td> </tr> </tbody> </table>					Year	Funds Awarded	1997-99	5,880,086	1999-01	5,518,046	2001-03	5,518,000	2003-05	4,999,531	2005-07	5,390,705 (estimated)
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2003-05	4,999,531																	
2005-07	5,390,705 (estimated)																	
	Fund Account(s): 02R – Aquatic Lands Enhancement Account																	
	Fund Sources: Revenues from the sale or lease of state-owned aquatic lands and the sale of valuable materials such as geoducks.																	
Recent Changes to Funding Pattern: None.																		

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? Yes.	
	Number of Projects Selected in 2005: 13	
	Total Amount Awarded in 2005: \$5,390,705	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget, based on projections of revenues from the state-owned aquatic lands.	
	Maximum Amount That Can Be Awarded to a Project: The IAC has established, by policy, the following maximum awards: <ul style="list-style-type: none"> • Acquisition: \$1 million • Restoration and development: \$500,000 • Combination projects (acquisition and development or restoration): \$1 million, of which not more than \$500,000 may be for development costs. 	
	Matching Requirements: Per the Capital Budget funding proviso, applicants must provide a minimum 50% match for each project.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input checked="" type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Acquisition, restoration, or development of aquatic lands for public purposes and for providing and improving public access to aquatic lands and associated waters. Project examples include purchasing land to provide access to a river; restoring active flood plains; restoring public docks; developing interpretive trails; restoring shorelines; restoring waterfront areas to their ecological function; and providing public access to waterfronts with docks or trails.		
	Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands.		
	Special Qualifications Regarding Project Eligibility: Funds must be used solely for aquatic lands enhancement projects. Grantees sign agreements with the IAC that have a number of restrictions regarding use and disposal of facilities and land. All projects must be located on lands adjoining a water body that meets the definition of "navigable." Projects intended primarily to protect or restore salmonid habitat also must be consistent with the appropriate lead entity strategy or regional salmon recovery plan.		
Recent Changes in Eligible Applicants or Categories of Projects: None.			

Application and Award Process	Timing and Steps in the Process:	
	Spring of even-numbered years	The IAC sends notice to interested parties that grants are available.
	Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and through discussion with and site visits by the agency's grant managers and advisory committee. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
	May 1	Applications are due to the IAC.
	August – September	The ALEA Advisory Committee conducts technical reviews and, with IAC staff, evaluates applications in a competitive process that includes applicant presentations to the Advisory Committee. Using criteria approved by the IAC, the Advisory Committee develops a ranked list of projects for submittal to the IAC.
	By September 15	The IAC approves a list of projects and submits the list to the Governor.
	October – December	The Governor considers the recommended list and submits a list to the Legislature for consideration as part of the proposed Capital Budget.
	Legislative session of odd-numbered years	The Legislature approves a project list as part of its Capital Budget. For ALEA projects, there are not the same statutory constraints about projects and their ranking as there are with the Washington Wildlife and Recreation Program.
	May – July	The IAC awards the ALEA grants.
		IAC staff hold a workshop for successful applicants.
What Drives the Timing of the Application and Award Process? The process results in the development of the prioritized project list in time for Capital Budget proposal development.		
Evaluation Criteria:		
Key evaluation criteria are: need for the project; suitability of the site; extent to which the project will help the lands function as a natural ecosystem in a way that is sustainable; design; opportunity for improved public access; local community support; and nearness to population centers.		
Recent Changes to the Process or Evaluation Criteria: None.		

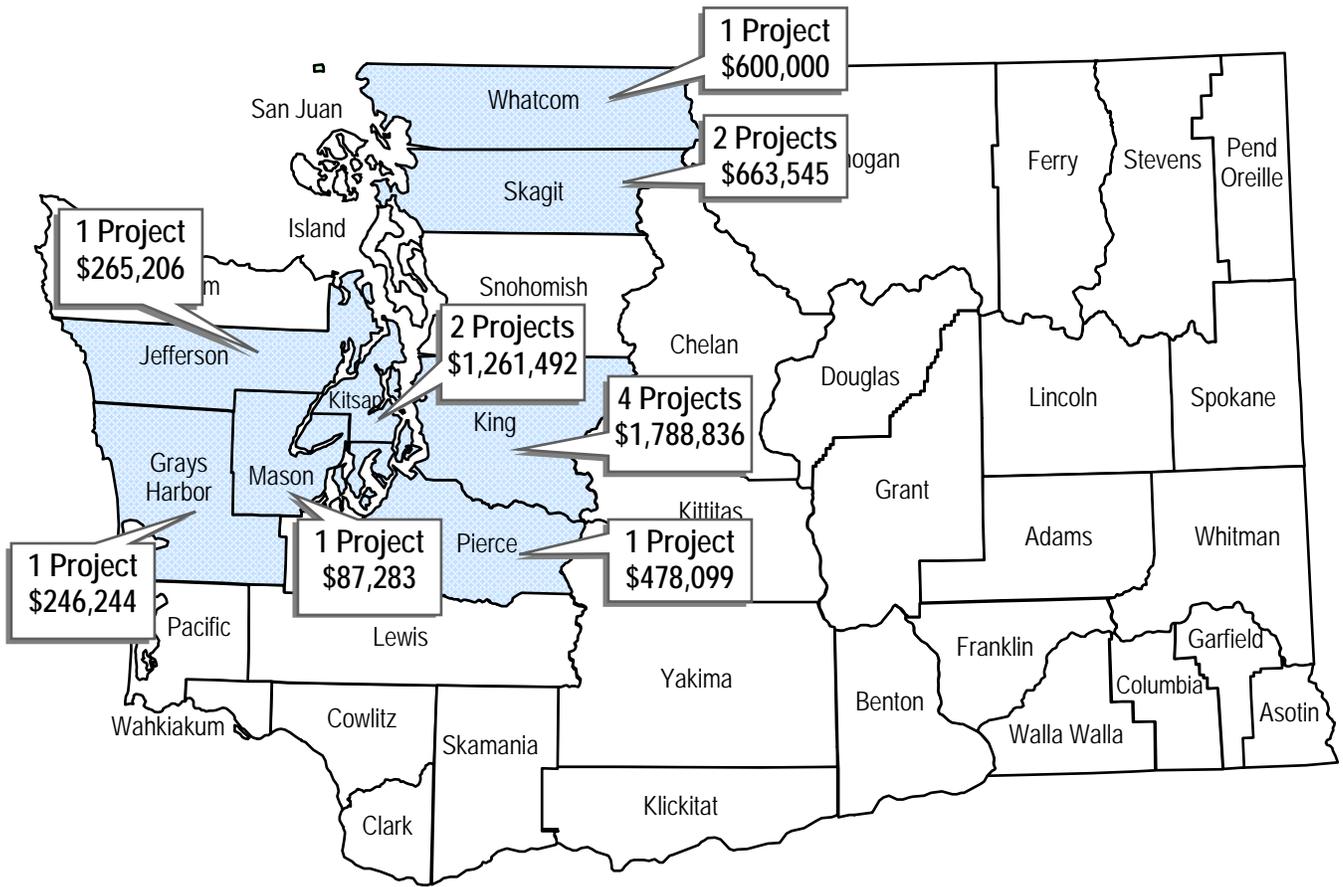
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	This grant program is focused on enhancement of public aquatic lands. This is done through the purchase of aquatic lands for inclusion in the public land estate; the improvement or protection of public aquatic lands; and the provision of public access to such lands.
	Performance Measures and Program Performance:
	In 2001, the Legislature directed the Department of Natural Resources to “develop appropriate outcome-focused performance measures to be used both for management and performance assessment” of the ALEA grants. In 2003, responsibility for administering this program transferred to the IAC. The IAC reports it is currently developing performance measures as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>None reported.</p>
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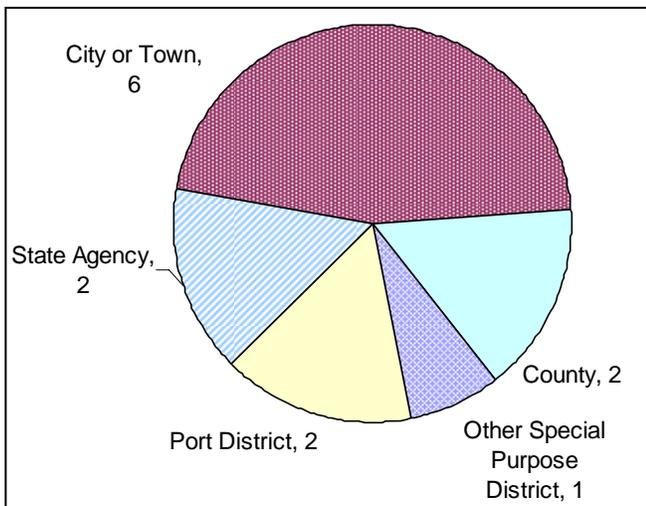
Website	<p>For Additional Information:</p> <p>On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/alea.htm</p>
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Aquatic Lands Enhancement Account Grant Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Projects connected to a range of different aquatic lands including downtown waterfronts, beaches, creeks, bays, estuaries, and floodplains.

Firearms and Archery Range Recreation Grant Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information

Program Purpose: The Firearms and Archery Range Recreation Grant Program provides grant funding to assist with acquisition, development, and renovation of firearm and archery range facilities to provide increased general public access to and safety of ranges.

Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.

Year Established: 1990

Legislative Intent: ESSB 6726 (1990), Section 1

Enabling State Statutes:
RCW 79A.25.210 - 230

Firearms are collected, used for hunting, recreational shooting, and self-defense, and firearm owners as well as bow users need safe, accessible areas in which to shoot their equipment. Approved shooting ranges provide that opportunity, while at the same time, promote public safety. Interest in all shooting sports has increased while safe locations to shoot have been lost to the pressures of urban growth.

Administrative Rules:
Chapter 286-13 WAC for IAC's general grant rules; 286-30 for this program

Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including the criteria used in determining how projects are ranked. The IAC manages the evaluation and rating of all grant applications, awards funding, and tracks projects through to completion. The IAC is assisted with this program by a statutorily-created Firearms Range Advisory Committee. The Advisory Committee provides advice to the IAC on program policy and procedures, and ranks grant requests.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	46,000	34,000	13,000	22,000	24,000
New Appropriation for Grants*	388,800	354,400	400,000	250,000	222,300
Expenditure for Administration	46,000	34,000	13,000	21,455	(estimated) 24,000
Funds Awarded for Grants*	275,434	224,706	421,234	276,667	(estimated) 200,000

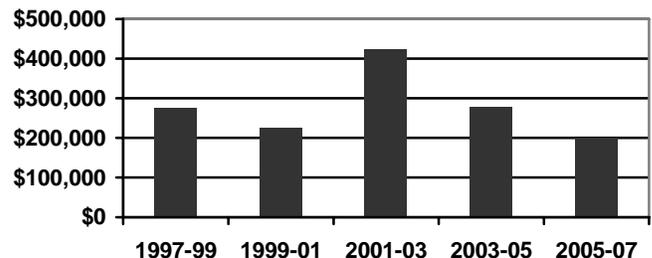
*Note: The amounts shown as new appropriations for grants include only new funds appropriated for the program. The amounts shown as funds awarded include new funds and reappropriations.

FTEs for the Program in 2005-07:
20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.

Fund Account(s):
146 – Firearms Range Account

- Fund Sources:**
- \$3 from each concealed pistol license fee;
 - Statute provides the IAC administrative expenses will not exceed 10% of the yearly income for the range account.

Funds Awarded for Grants



Recent Changes to Funding Pattern: None.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Biennial (state fiscal biennium).	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 4	
	Total Amount Awarded in 2005: \$200,000	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget, based on projected receipts from the sale of concealed pistol licenses.	
	Maximum Amount That Can Be Awarded to a Project: Per IAC policy, \$50,000.	
	Matching Requirements: Per statute, applicants must provide a 33% match for noise abatement or safety improvement projects. For all other projects, statute calls for a 50% match.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects:		
	<ul style="list-style-type: none"> • Land acquisition for firearm and archery ranges, including buffers for safety; and • Development, including renovating indoor shooting ranges, picnic shelters, restrooms, or adding safety elements such as fencing, signs, or work for noise abatement. 		
Special Qualifications Regarding Who Can Apply: Nonprofit shooting organizations are included in the list of eligible applicants for this program. Per statute, the facilities of all entities receiving grant funds must be open on a regular basis and usable by law enforcement personnel or the general public who possess Washington concealed pistol licenses or Washington hunting licenses or who are enrolled in a firearm safety class. Entities must also make the facilities available for hunter safety education classes and firearm safety classes on a regular basis for no fee.			
Per usual IAC policy, applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Grant recipients must exercise operational and management practices that allow for the inclusion of all segments of the population.			

Special Qualifications Regarding Project Eligibility: Statute directs the IAC to give priority to projects for noise abatement or safety improvement.

Per IAC policy, the following are ineligible for funding from this program:

- Projects involving only planning, design, operation, or maintenance of range facilities;
- Projects on property bought under a conditional sales contract, unless the project sponsor has title to the property;
- Projects with deed provisions that have a significant negative impact on public recreational use of the property;
- Projects that unfairly discriminate among users;
- Projects with areas or facilities that have exclusive lease privileges; and
- Projects involving liability insurance only.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Application and Award Process

Timing and Steps in the Process:

Spring of odd-numbered years	The IAC sends notice to interested parties that grants are available.
Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussion with and site visits by the agency's grant managers. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
Legislative session	IAC learns the amount appropriated and available for program grants with the passage of the Capital Budget.
May 1	Applications are due to the IAC.
August	The Firearms Range Advisory Committee, in advance of project evaluations, provides opinions on both the strengths and weaknesses of applications.
October	The Firearms Range Advisory Committee evaluates project proposals using criteria established by the IAC. The evaluation process includes applicant presentations to the Advisory Committee. The Advisory Committee creates a ranked list of projects for consideration by the IAC.
November – December	The IAC awards grants for projects.
	IAC staff hold a workshop for successful applicants.

What Drives the Timing of the Application and Award Process? IAC policies and the legislative budget process.

Evaluation Criteria:

Key evaluation criteria include: immediacy of threat that land may be developed for another use; project design; impact on surrounding property; ease of expansion; health and safety; budget development; mandated uses; public access; and need. Statute directs IAC to give priority to projects for noise abatement or safety improvement.

Recent Changes to the Process or Evaluation Criteria: None.

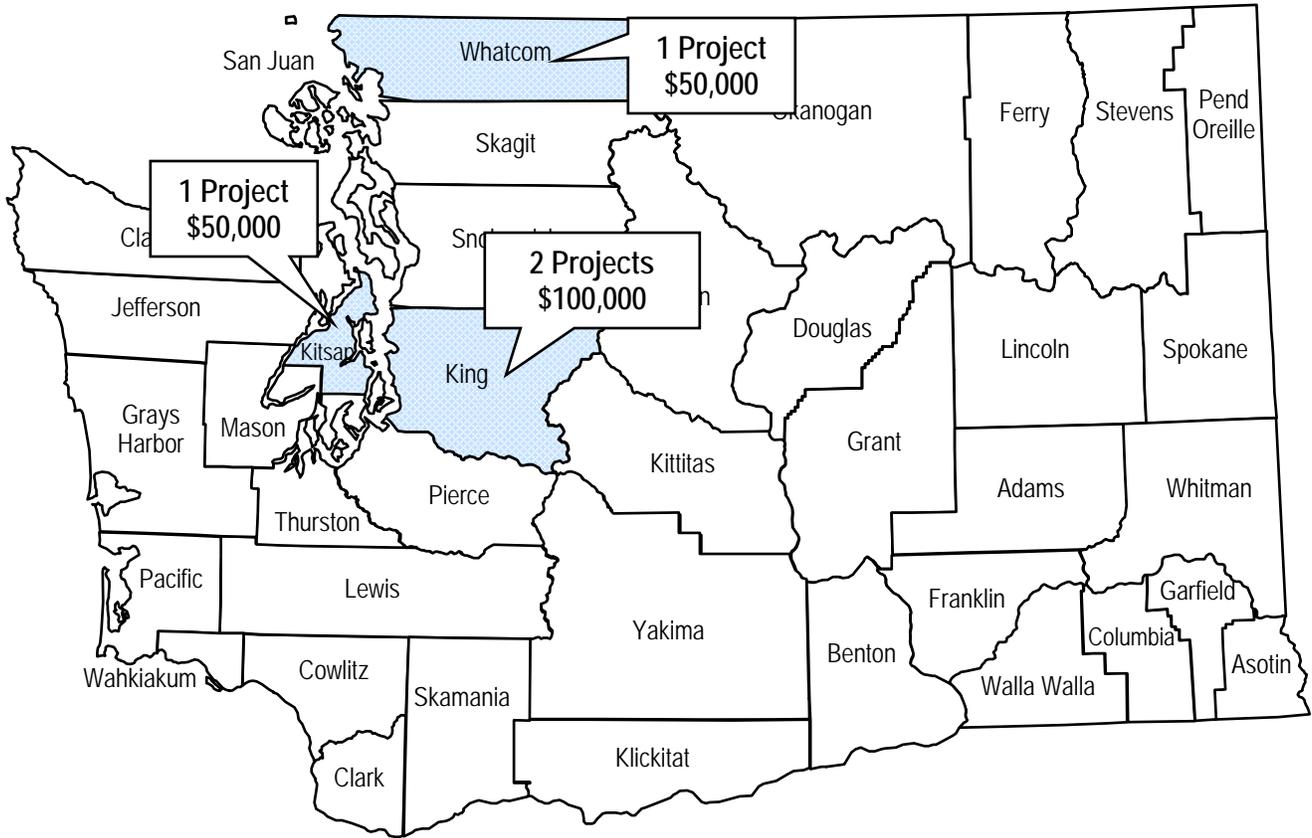
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.
	Performance Measures and Program Performance:
	The IAC reports that it is currently developing performance measures as part of the GMAP initiative.

Agency-Identified Challenges\Issues	Program Challenges or Issues Identified by the Agency:
	<p>The agency notes that:</p> <ul style="list-style-type: none"> • This grant program is one small source of assistance for ranges that are dealing with the much larger problem of trying to site ranges in safe places. As development increases, ranges are finding it increasingly difficult to find locations far enough away from residences to not pose safety problems but close enough to populations to be successful. The agency assists with keeping funded ranges open by helping address safety issues, but funds are very limited. • A technical change would improve the recruitment and retention of Advisory Committee members. Currently the statute requires specific Advisory Committee membership, and some disciplines are difficult to fill, such as representation from the military and some shooting disciplines. Also, the statute requires appointments every two years. Because grants are offered once a biennium, it is cumbersome to recruit Advisory Committee members each grant round.

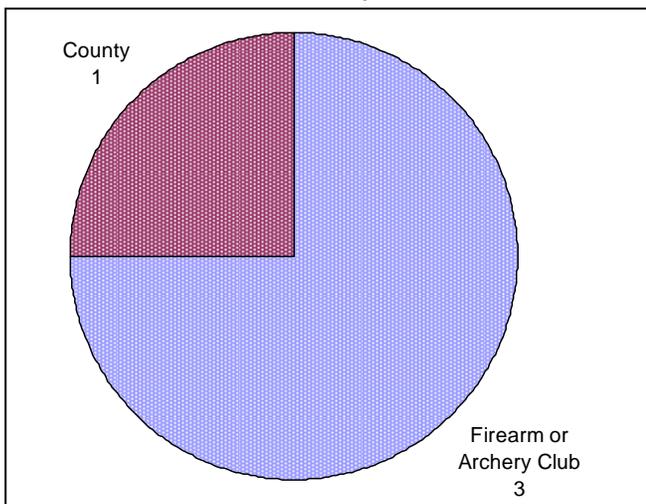
Website	For Additional Information:
	The website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/farr.htm

Firearms and Archery Range Recreation Grant Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Projects include development of a new building and facilities enhancements such as safety fences.

Nonhighway and Off-Road Vehicles Activities Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information	Program Purpose: The Nonhighway and Off-Road Vehicles Activities (NOVA) Program provides grants to develop and manage recreational opportunities for bicyclists, equestrians, hikers, off-road vehicle riders, and other users of backcountry trails and non-highway roads (roads not supported by state gas taxes).	
	Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.	
	Year Established: 1972	Legislative Intent: (not specified in statute)
	Enabling State Statutes: RCW 46.09.165 – 170 and RCW 46.09.240 - 280	
	Administrative Rules: Chapter 286-13 WAC for IAC's general grant rules; 286-26 for NOVA	
Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including the criteria used in determining how projects are ranked for funding. The IAC manages the evaluation and rating of all grant applications, approves the final grant awards, and tracks the projects through to completion. The IAC is assisted with this program by a statutorily-mandated NOVA Advisory Committee. The Advisory Committee assists the IAC by providing recommendations regarding the technical merits of proposals, policies, and procedures, and ranks grant requests.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07												
	New Appropriation for Administration*	590,000	604,000	611,000	691,000	809,000												
	New Appropriation for Grants**	5,306,848	5,434,090	5,527,551	6,926,310	7,579,000												
	Expenditure for Administration*	590,000	604,000	611,000	691,000	(estimated) 809,000												
	Funds Awarded for Grants**	4,930,125	5,093,895	5,871,561	8,172,504	(estimated) 7,554,337												
	<p>*Note: If the administrative funds associated with this specific program are inadequate and the IAC needs additional administrative funding, it would turn to its more general source, which is derived from a portion of the state gas tax paid on marine fuel.</p> <p>**Note: The amounts shown as new appropriations for grants include only new funds appropriated to the program. The amounts shown as funds awarded include new funds and reappropriations.</p>																	
<p>FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.</p> <p>Fund Account(s): 268 – Nonhighway and Off-Road Vehicle Activities Account 108 – Motor Vehicle Account</p>		<p style="text-align: center;">Funds Awarded for Grants</p> <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Biennial Period</th> <th>Funds Awarded</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>4,930,125</td> </tr> <tr> <td>1999-01</td> <td>5,093,895</td> </tr> <tr> <td>2001-03</td> <td>5,871,561</td> </tr> <tr> <td>2003-05</td> <td>8,172,504</td> </tr> <tr> <td>2005-07</td> <td>7,554,337</td> </tr> </tbody> </table>					Biennial Period	Funds Awarded	1997-99	4,930,125	1999-01	5,093,895	2001-03	5,871,561	2003-05	8,172,504	2005-07	7,554,337
Biennial Period	Funds Awarded																	
1997-99	4,930,125																	
1999-01	5,093,895																	
2001-03	5,871,561																	
2003-05	8,172,504																	
2005-07	7,554,337																	

Additional Program/Project Funding Information	Fund Sources: <ul style="list-style-type: none"> • A percentage of state fuel tax revenues; • Off-road vehicle registration fees, which are deposited by the Department of Licensing directly into the 268 – NOVA account; <p>Statute provides that the IAC may expend no more than 10% of the funds it receives from these sources for administration of this program.</p>
	Recent Changes to Funding Pattern: Fees for Off-Road Vehicle (ORV) permits increased from \$5.00 in 2003-05 to \$18.00 in 2005-07, which has increased the revenue in the ORV sub-category.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual (state fiscal year).	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 52	
	Total Amount Awarded in 2005: \$4,454,337	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital and Operating Budgets, based on projected revenues from ORV permit fees and the gas tax.	
	Maximum Amount That Can Be Awarded to a Project: The IAC has established, by policy, the following maximum awards: <u>For Maintenance and Operation:</u> <ul style="list-style-type: none"> • Nonhighway Road: \$50,000 per year per project (limited to \$100,000 and 2 years); • Nonmotorized: \$50,000 per year per project (limited to \$100,000 and 2 years); and • Off-Road Vehicle: \$100,000 per year per project (limited to \$200,000 and 2 years). <u>For Land Acquisition/Development/Planning</u> <ul style="list-style-type: none"> • Nonhighway Road: \$100,000 per project; • Nonmotorized: \$100,000 per project; and • Off-Road Vehicle: no limit. 	
	Matching Requirements: None.	
	Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns	<input type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input checked="" type="checkbox"/> Counties	<input type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input checked="" type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input checked="" type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input checked="" type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools	
	<input checked="" type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities	
	<input checked="" type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities	
	<input checked="" type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing	
	<input type="checkbox"/> Private Businesses	<input checked="" type="checkbox"/> Outdoor Recreation	
<input type="checkbox"/> Other	<input type="checkbox"/> Habitat Protection		
	<input type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		

Eligible Projects: Planning, capital improvements, maintenance and operation, land acquisitions, and ORV education and enforcement.

Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must meet planning requirements if they are seeking funding for planning, land acquisition, and development projects.

Special Qualifications Regarding Project Eligibility: Per statute, activities supported by the NOVA Program must be accessed via a “nonhighway road.” These are roads that are open to the public but not constructed using gas tax revenues. Statute also prescribes distribution of certain percentages of the available funds for certain categories of projects, though the IAC has some flexibility to waive the minimum percentages if there are insufficient or low-scoring requests.

The program guidelines also include a lengthy list of ineligible planning projects, ineligible acquisition and development projects, ineligible maintenance projects, and ineligible nonhighway vehicles.

Recent Changes in Eligible Applicants or Categories of Projects:

In 2004, the Legislature amended the statutes to:

- Revise the definitions;
- Create new fund distribution formulas;
- Change the environmental review language;
- Update the role and composition of the Advisory Committee;
- Create a new funding category (Nonhighway Road); and
- Broaden the education/enforcement category to include nonhighway roads and nonmotorized activities.

Timing and Steps in the Process:

Spring	The IAC sends notice to interested parties of grants being available.
Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussion with and site visits by the agency’s grant managers. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
Legislative session	IAC learns the amount appropriated and available for program grants with the passage of the Capital and Operating Budgets.
May 1	Applications are due to the IAC.
June – October	The NOVA Advisory Committee evaluates and advises on the ranking of proposed projects in a competitive process, using criteria adopted by the IAC. This includes the applicants making presentations about their project proposals to the Advisory Committee.
November	The IAC awards grants.
	IAC staff hold a workshop for successful applicants.

What Drives the Timing of the Application and Award Process? IAC policies and the legislative budget process.

Evaluation Criteria:

Key evaluation criteria include: need for the project; benefits of the project; technical merits of the project; and the degree to which the project meets the policies in the current statewide Nonhighway and Off-Road Vehicle Activities Plan.

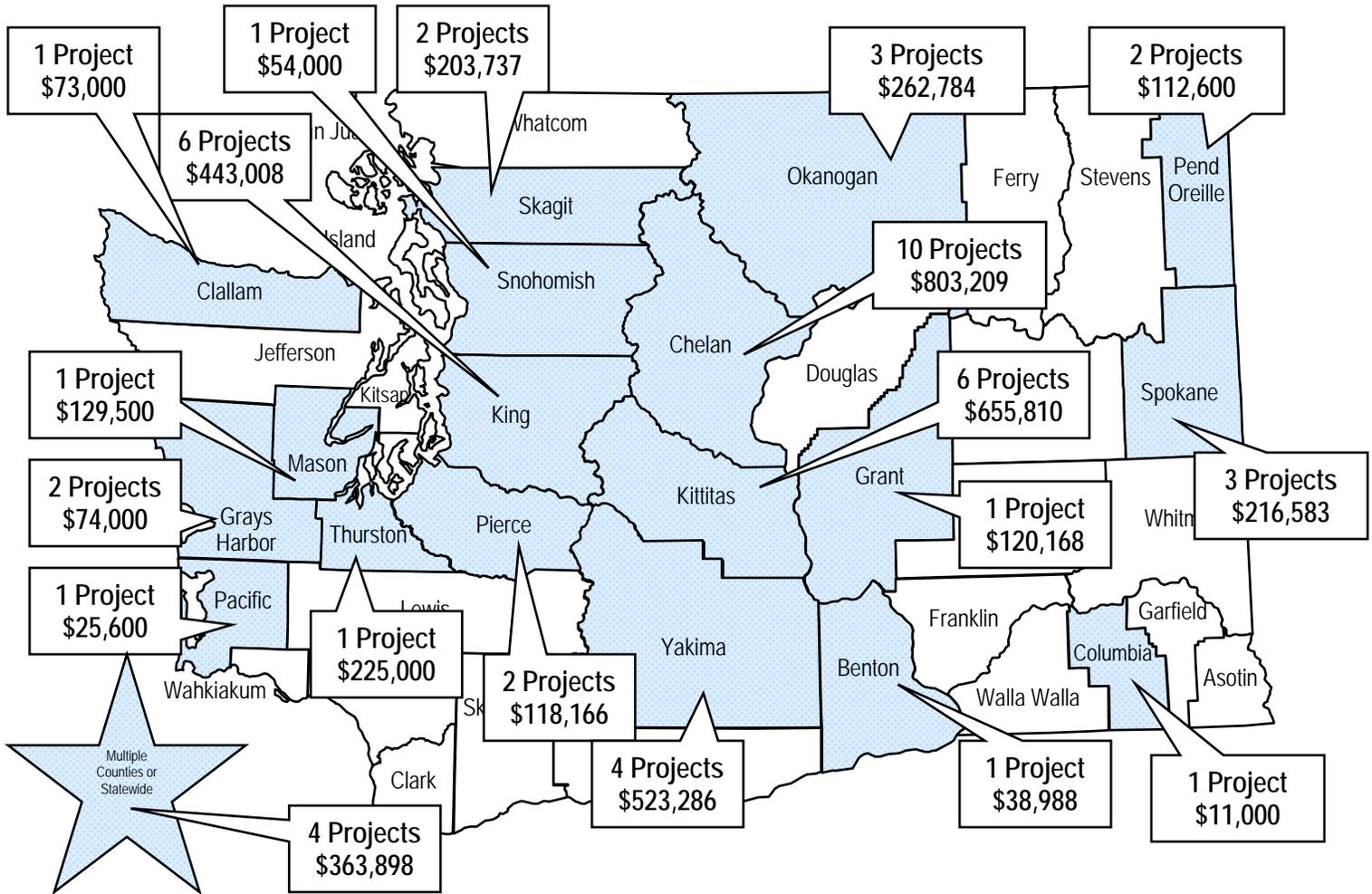
Recent Changes to the Process or Evaluation Criteria: In 2004, the Legislature changed definitions and environmental review language. In addition, the legislation updated the membership and role of the Advisory Committee, created a new category for funding, and changed the formula for the distribution of funds.

Application and Award Process

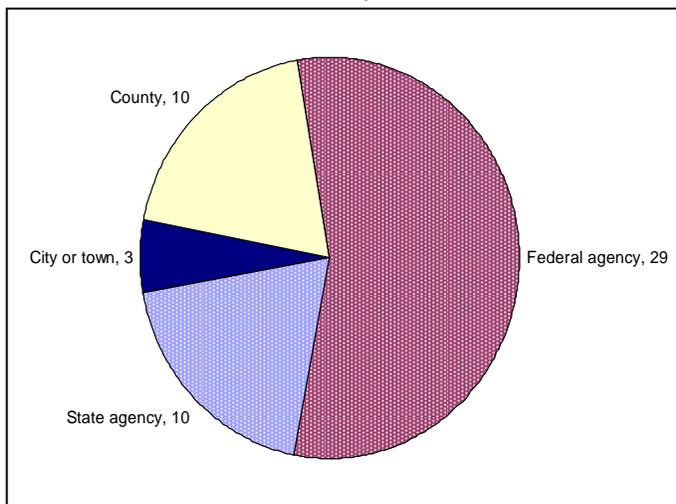
Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.</p>
	<p>Performance Measures and Program Performance:</p> <p>The IAC reports that it is currently developing performance measures as part of the GMAP initiative.</p>
Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that a growing number of users and use conflicts on a diminished land base result in ORV recreation continuing to be a controversial issue. There is a large non-motorized population that would like to avoid motorized vehicles.</p>
Website	<p>For Additional Information:</p> <p>On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/nova.htm</p>

Nonhighway and Off-Road Vehicles Activities Program Awards, 2005

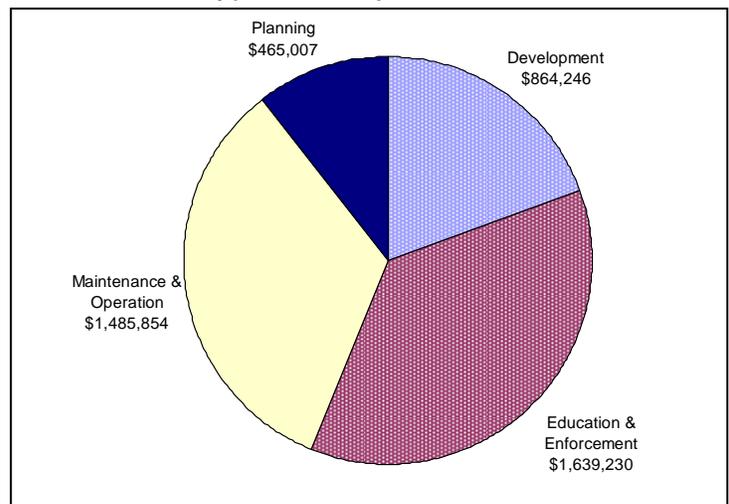
Location of Awards by County



Grant Recipients



Types of Projects Funded



Youth Athletic Facilities Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information

Program Purpose: The Youth Athletic Facilities Program provides funding to build, improve, and maintain outdoor athletic facilities serving youth and communities. Examples of such facilities are baseball and soccer fields. Note that the focus of this program is on *outdoor* facilities.

The Youth Athletic Facilities Program should not be confused with the similarly-named Youth Recreational Facilities Program administered by the Department of Community, Trade and Economic Development. The Youth Recreational Facilities Program helps defray capital costs for *indoor*-based youth facilities such as clubhouses for Boys and Girls Clubs.

Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington’s natural and recreational resources for current and future generations.

Year Established: 1998

Enabling State Statutes:
RCW 43.99N.060

Administrative Rules:
Chapter 286-13 for IAC general grant rules

Legislative Intent: From Referendum 48 (1997), Section 210
(2) Bonds shall not be issued under this section unless the Public Stadium Authority has certified to the Director of Financial Management that: . . .
(b)(iii) The team affiliate shall deposit at least ten million dollars into the Youth Athletic Facility Grant Account created in Section 214 of this act.

Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including the criteria used in determining how projects are ranked. The IAC manages the evaluation and rating of all grant applications, awards funding, and tracks projects through to completion. A Youth Athletic Facilities Advisory Committee assists the IAC with this program. The Advisory Committee helps develop program policies and project selection criteria, and it makes recommendations to the IAC on the awarding of funds.

Budget Information

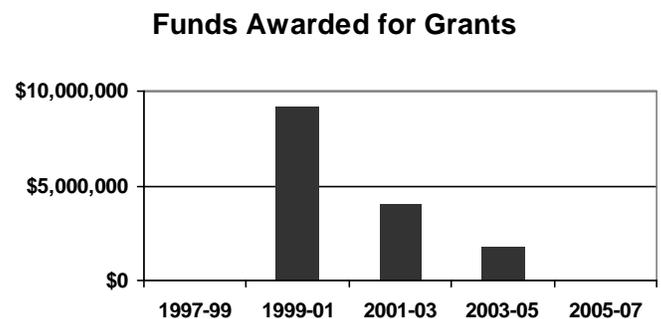
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					
New Appropriation for Grants					
Expenditure for Administration		51,162	69,000	34,451	0
Funds Awarded for Grants		9,186,972	4,057,327	1,728,915	0

Note: This fund is non-appropriated, so there are no entries for biennial appropriations. The IAC explains that, as part of the Seahawks Stadium agreement, Paul Allen agreed to donate \$10 million, which created this program. Another lump sum donation is not expected until 2026. When enough interest income accumulates in the account, the IAC activates a new grant cycle.

FTEs for the Program in 2005-07:
20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.

Fund Account(s):
818 – Youth Athletic Facility Account

- Fund Sources:**
- Donation from Paul Allen/interest income
 - The statute allows the IAC to expend up to 1.5% of the monies deposited in the account for administration.



Recent Changes to Funding Pattern: With the distribution of account funds as grants, there has been a decrease in funds available after the initial \$10 million deposit.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: The IAC activates a funding cycle when enough interest income has accumulated in the account.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 0	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The balance in the account.	
	Maximum Amount That Can Be Awarded to a Project: The IAC has established, by policy, the following maximum awards: <ul style="list-style-type: none"> • New facilities: \$150,000 • Improving existing facilities: \$75,000 • Maintaining existing facilities: \$25,000 	
	Matching Requirements: Per IAC policy, a 50% match is required.	
	Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Port Districts <input type="checkbox"/> Other Special Purpose Districts <input type="checkbox"/> Tribes <input type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: <ul style="list-style-type: none"> • Constructing new youth athletic facilities such as soccer and baseball fields; • Improving or renovating existing facilities; • Maintaining existing facilities; and • Acquiring interest in real property. <p>The statute states that funds will be divided equally between the development of new facilities, the improvement of existing facilities, and the maintenance of existing facilities.</p>		
	Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Per statute, the amount of the grant is to be in proportion to the population of the city or county where the facility is located.		

Special Qualifications Regarding Project Eligibility:

Per IAC policy, the following are not eligible for funding under this program:

- Indoor facilities;
- Any facility intended exclusively or primarily for professional or “semi-pro” sports use;
- Caretaker residences, staff housing, or offices;
- Indirect costs;
- Elements that cannot be defined as fixtures or capital items, such as uniforms, bats, balls, and coolers;
- Signs or displays promoting tobacco products or alcoholic beverages;
- Any work done on a facility not eligible for a Youth Athletic Facilities grant;
- Consumable supplies such as spare light bulbs, toilet paper, fertilizer, chalk, and fuel;
- Organization operating expenses or overhead including staff salaries;
- Purchase of maintenance equipment, tools, or supplies;
- Routine maintenance such as lawn mowing; and
- Utility payments such as monthly water or electric bills.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Application and Award Process**Timing and Steps in the Process:**

Varies	When sufficient funds are available, the IAC establishes a schedule for the grant cycle. IAC staff conduct workshops for interested applicants. Applicants may receive additional information and assistance in the same manner as described for other IAC grant programs.
	The Youth Athletic Facilities Advisory Committee advises the IAC on the ranking of project proposals using criteria established by the IAC.
	The IAC awards grants according to the grant schedule.

What Drives the Timing of the Application and Award Process? Available funding in the account and policies of the IAC.

Evaluation Criteria:

Key evaluation criteria include: need; community priority for the project; how available the facility will be when finished; long-term facility management plan; readiness to proceed; partnerships; multi-generational use; matching shares; preference for outdoor fields; and proximity to population centers.

Recent Changes to the Process or Evaluation Criteria: None.

Program Goals, Objectives, and Performance Measures**Program Goals and Objectives:**

The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.

Performance Measures and Program Performance:

The IAC reports that it is currently developing performance measures as part of the GMAP initiative.

Agency-Identified Challenges\Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that current law requires the division of funding equally between new facilities, renovation of existing facilities, and maintenance and operation projects. Current law also requires that funding be distributed according to population size. These requirements have created a funding system that is too complex and inflexible. If funding restrictions were relaxed or abolished, this greater flexibility would allow the program to better address changing levels of demand across funding categories.</p>
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Website	<p>For Additional Information:</p> <p>On the website of the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/yaf.htm</p>
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Boating Facilities Program

Administered By:

Interagency Committee for Outdoor Recreation

General Information

Program Purpose: The Boating Facilities Program provides grants for projects that acquire, develop, and renovate boating facilities, especially those for motorized boats. Such facilities include launching ramps, transient moorage, and support facilities on both fresh water and saltwater. This is a state-funded program, with the funds derived from a portion of the gas tax paid by boaters and not refunded as allowed by state law.

The Interagency Committee for Outdoor Recreation (IAC) also administers the similarly-named Boating Infrastructure Grant Program. The Boating Infrastructure Grant Program is a federally-funded program for facilities targeting recreational boats 26 feet and longer.

Mission Statement: The Interagency Committee for Outdoor Recreation provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.

Year Established:
1965 by Initiative 215

Legislative Intent: RCW 79A.25.005(2)

Enabling State Statutes:
RCW 79A.25.005 – 190

Administrative Rules:
Chapter 286-13 WAC for IAC's general grant rules; 286-35 for boating facilities

Washington is uniquely endowed with fresh and salt waters rich in scenic and recreational value. This outdoor heritage enriches the lives of citizens, attracts new residents and businesses to the state, and is a major support of its expanding tourist industry. Rising population, increased income and leisure time, and the rapid growth of boating and other water sports have greatly increased the demand for water related recreation, while waterfront land is rapidly rising in value and disappearing from public use. There is consequently an urgent need for the acquisition or improvement of waterfront land on fresh and salt water suitable for marine recreation use by Washington residents and visitors. To meet this need, it is necessary and proper that the portion of motor vehicle fuel taxes paid by boat owners and operators on fuel consumed in their watercraft and not reclaimed as presently provided by law should be expended for the acquisition or improvement of marine recreation land on the Pacific Ocean, Puget Sound, bays, lakes, rivers, reservoirs and other fresh and salt waters of the state.

Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation sets policy direction for the program, including criteria used in determining how projects are ranked. The IAC manages the evaluation and rating of all grant applications, awards funding, and tracks projects through to completion. A Boating Facilities Advisory Committee provides advice and technical assistance to the IAC director, staff, and applicants for this program, and helps evaluate grant applications.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration*	346,039	354,173	345,005	372,868	286,298
New Appropriation for Grants**	8,194,004	8,433,414	6,934,013	7,506,959	7,271,000
Expenditure for Administration*	395,251	318,434	362,120	327,345	(estimated) 287,240
Funds Awarded for Grants**	8,427,779	7,748,051	9,554,993	7,924,399	(estimated) 7,603,480

*Note: Since its inception, the IAC's administration of its grant programs has been supported by a portion of the gas tax paid on marine fuel and funds provided by individual grant programs. The IAC does not track the amount of administrative funds used for each individual program; the amounts for administration shown above are estimates prorated on the amount of grants awarded.

**Note: The amounts shown as new appropriations for grants include only new funds appropriated for the program. The amounts shown as funds awarded include new funds and reappropriations.

Additional Program/Project Funding Information	<p>FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes the staff who manage individual projects as well as agency management and administrative support.</p>	<p>Funds Awarded for Grants</p> <table border="1" style="display: none;"> <caption>Funds Awarded for Grants Data</caption> <thead> <tr> <th>Biennium</th> <th>Funds Awarded (\$)</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>8,500,000</td> </tr> <tr> <td>1999-01</td> <td>7,500,000</td> </tr> <tr> <td>2001-03</td> <td>9,500,000</td> </tr> <tr> <td>2003-05</td> <td>8,000,000</td> </tr> <tr> <td>2005-07</td> <td>7,500,000</td> </tr> </tbody> </table>	Biennium	Funds Awarded (\$)	1997-99	8,500,000	1999-01	7,500,000	2001-03	9,500,000	2003-05	8,000,000	2005-07	7,500,000
	Biennium		Funds Awarded (\$)											
	1997-99		8,500,000											
1999-01	7,500,000													
2001-03	9,500,000													
2003-05	8,000,000													
2005-07	7,500,000													
<p>Fund Account(s): 267 – Recreation Resources Account 108 – Motor Vehicle Account</p>														
<p>Fund Sources: A portion of motor vehicle fuel (gas) taxes paid on fuel consumed in watercraft.</p>														
<p>Recent Changes to Funding Pattern: The IAC reports that it received 0.97% of the gas tax collected in the 2003-05 Biennium and is receiving 0.90% in the 2005-07 Biennium. This slight decrease in the transfer rate is based on a Department of Licensing study of gasoline use by recreational boaters.</p>														

Additional Program/Project Funding Information	<p>Frequency of the Grant/Loan Cycle: Annual for local agencies and tribes; biennial for state agencies (state fiscal year and biennium).</p>	
	<p>Does the Legislature Approve Project Selection? No.</p>	
	<p>Number of Projects Selected in 2005: 9</p>	
	<p>Total Amount Awarded in 2005: \$2,993,213</p>	
	<p>What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget, based on marine fuel tax revenue projections.</p>	
	<p>Maximum Amount That Can Be Awarded to a Project: The IAC has established, by policy, the following maximum awards:</p> <ul style="list-style-type: none"> • \$1 million for development and acquisition projects, and projects that combine acquisition, development, and/or planning; and • \$200,000 for a planning project (amount will be the lesser of \$200,000 or 20% of the estimated construction cost for a development or combined acquisition/development project). 	
	<p>Matching Requirements: Local agencies and tribes must provide a 25% match. There is no match requirement for state agencies.</p>	
	<p>Interest Rate Charged: Not applicable (grants only).</p>	<p>Repayment Statistics: Not applicable (grants only).</p>

Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans

Eligible Projects:

In a mix of statute and policy, the IAC has identified the following as eligible activities or projects:

Eligible activities:

- Purchase land for facilities that support motorized watercraft recreation;
- Develop new facilities that support motorized watercraft recreation, including development of boat launch ramps and docks as well as support facilities such as parking, picnic facilities, and restrooms;
- Renovate existing facilities that support motorized watercraft recreation;
- Design facilities (pay architect and engineer fees);
- Obtain permits;

Eligible projects:

- Acquisition of interest in real property;
- Planning, to pay for design and obtain permits;
- Development and renovation of:
 - Moorage floats, fixed docks, and buoys for recreational boaters;
 - Parking and staging areas;
 - Ramps and fixed hoists for launching, loading floats;
 - Sewage pump-out stations, “porta-potty” dump stations; and
 - Upland support facilities such as restrooms, showers, and picnic facilities used primarily by guest recreational boaters;
- Certain dredging. There is specific statutory direction about dredging. “Periodic dredging” that is eligible is limited to dredging of materials that have been deposited in a channel due to unforeseen events. This dredging should extend the expected usefulness of the facility for at least five years. Maintenance dredging is ineligible.

Special Qualifications Regarding Who Can Apply: Applicants must have a comprehensive outdoor recreation plan and be legally authorized to acquire and develop public open space, habitat, or recreation lands.

Special Qualifications Regarding Project Eligibility:

The following are ineligible for Boating Facilities Program funding per policies of the IAC:

- Any facility for leased, exclusive use, or long-term moorage;
- Any facility primarily for commercial use or commercial vessels;
- Maintenance dredging (in statute);
- Concession buildings or space;
- Facilities for fuel sales;
- Transporters;
- Facilities for non-gasoline powered watercraft such as canoes, kayaks, or diesel-powered craft;
- Master plans or feasibility studies; and
- Routine, non-capital operation and maintenance.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

Spring	The IAC sends notice to interested parties that grants are available.
Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussion with and site visits by the agency's grant managers. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
Legislative session	IAC learns the amount appropriated and available for program grants with the passage of the state Capital Budget.
May 1	Applications are due to the IAC.
June – July	The Boating Facilities Advisory Committee conducts a technical review of proposed projects.
August – September	Applicants must submit final, adopted outdoor recreation plans.
September – October	Applicants make presentations to the Boating Facilities Advisory Committee. The Advisory Committee evaluates the applications and develops a recommended ranking using criteria previously established by the IAC.
November	The IAC awards grants.
	IAC staff hold a workshop for successful applicants.

State agency projects follow the same timeline except applications are accepted in even-numbered years only. At the November meeting, the IAC approves the projects, but funding is not available until July of odd-numbered years, following legislative approval of the Capital Budget.

What Drives the Timing of the Application and Award Process? Policies of the IAC and legislative funding.

Evaluation Criteria:

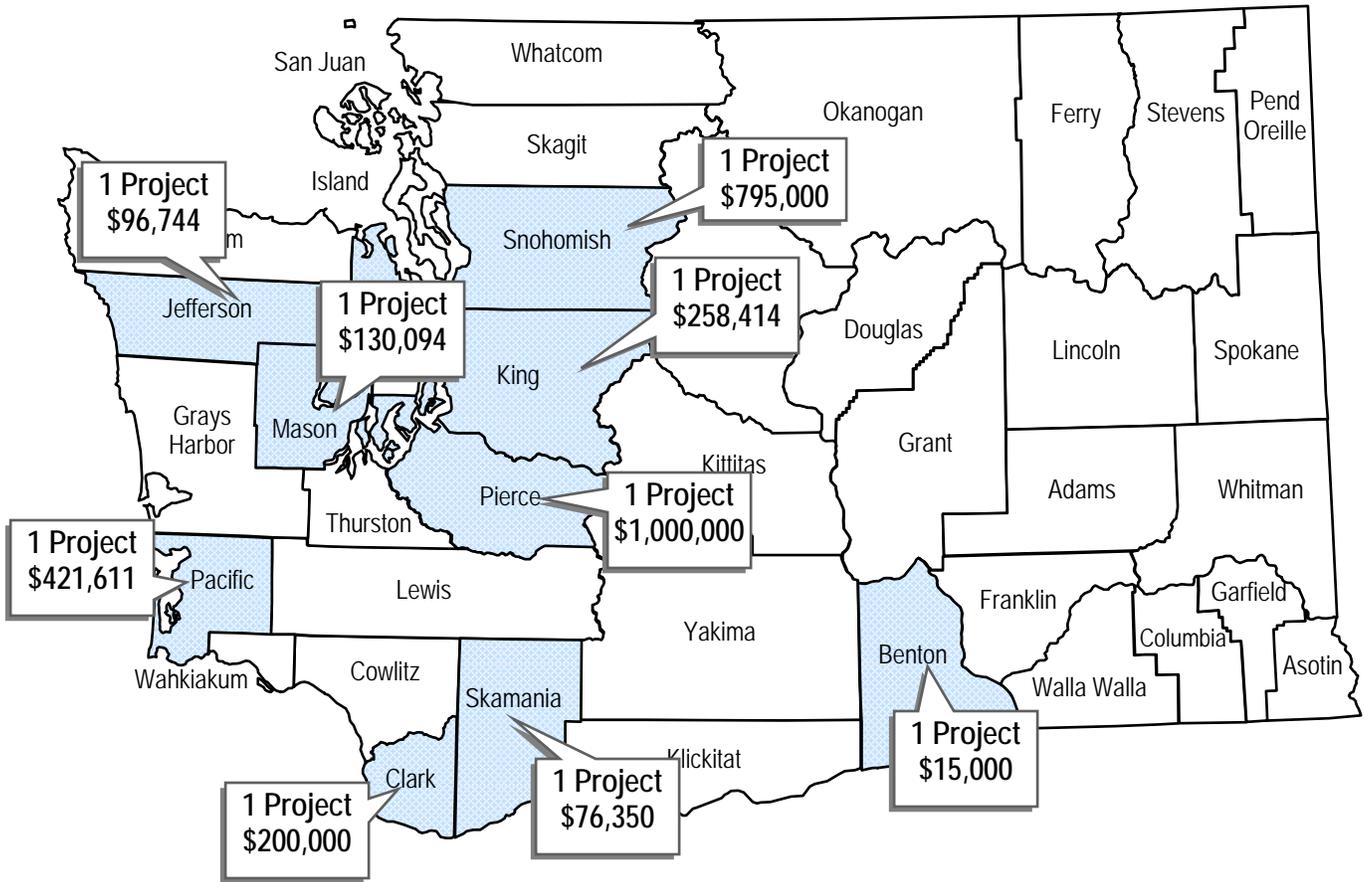
Key evaluation criteria include: need for the project; site suitability; design; planning process; cost-benefit; how the project will affect the boating experience; if the project will help launch boats on trailers; readiness to proceed; and nearness to population centers.

Recent Changes to the Process or Evaluation Criteria: None.

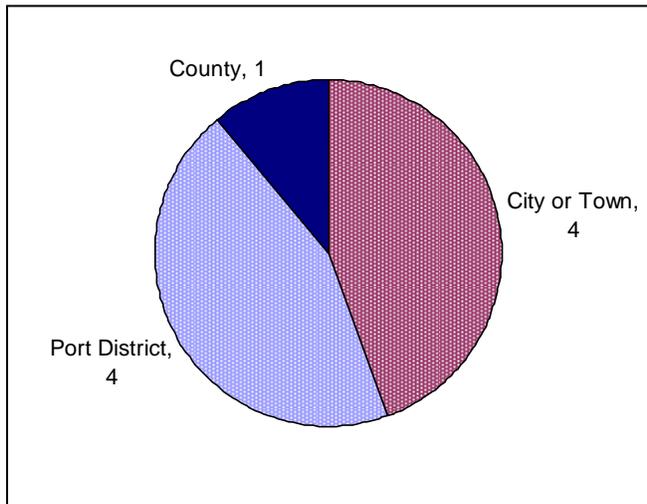
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives: The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.
	Performance Measures and Program Performance: The IAC reports that it is currently developing performance measures as part of the GMAP initiative.
Agency-Identified Challenges\Issues	Program Challenges or Issues Identified by the Agency: None reported.
Website	For Additional Information: On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/bfp.htm

Boating Facilities Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Projects include boat launches, boat ramps, improved access, public floats, and transient moorage.

Boating Infrastructure Grant Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information

Program Purpose: The Boating Infrastructure Grant Program provides federal funding to develop and renovate boating facilities targeting recreational boats 26 feet and larger. Funds may also be used to provide information and boater education.

There are two funding categories for this program, labeled Tier 1 and Tier 2. Tier 1 projects are those where applicants are requesting between \$5,000 and \$95,000 for the project. The Interagency Committee for Outdoor Recreation (IAC) conducts an evaluation of the Tier 1 project applications before forwarding them to the U.S. Fish and Wildlife Service for funding consideration. Tier 2 projects are those where the applicant is requesting at least \$100,001 for the project. The IAC staff screen these projects for eligibility; otherwise there is no state-level evaluation before the Tier 2 applications are forwarded to the federal agency for funding consideration.

In addition to this federally-funded Boating Infrastructure Grant Program, the IAC also administers a state-funded program called the Boating Facilities Program. The latter also provides funds for projects for boating facilities, especially those for motorized boats; the state program is funded by a portion of the state gas tax paid by boaters.

Mission Statement: The Interagency Committee for Outdoor Recreation provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.

Year Established: 1998

Enabling State Statutes: RCW 79A.25.130 generally, for federal programs

Administrative Rules: Chapter 286-13 WAC for IAC's general grant rules; no specific state rules for this program

Legislative Intent: (Congressional) PL 105-178, Section 7404(d)

(1) Matching Grants – The Secretary of the Interior shall obligate amounts . . . to make grants to any State to pay not more than 75% of the cost to a State of constructing, renovating, or maintaining facilities for transient nontrailerable recreational vessels.

(2) Priorities – In awarding grants under paragraph (1), the Secretary shall give priority to projects that –

(A) consist of the construction, renovation, or maintenance of facilities for transient nontrailerable recreational vessels in accordance with a plan submitted by a State;

(B) provide for public/private partnership efforts to develop, maintain, and operate facilities (for these vessels); and

(C) propose innovative ways to increase the availability of facilities for transient nontrailerable recreational vessels.

Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation administers this program consistent with the federal law and rules. The IAC manages the evaluation of Tier 1 project proposals, forwards recommendations to the U.S. Fish and Wildlife Service, and tracks funded projects through to completion. The IAC is assisted in this task by the Boating Facilities Advisory Committee, the same advisory committee that assists with the state-funded Boating Facilities Program project evaluations. The IAC also forwards a list of the more expensive Tier 2 applications to the federal agency. If those Tier 2 projects are funded, the IAC administers those awards, tracks the projects through to completion, and issues final documents to the U.S. Fish and Wildlife Service.

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Grants and Program Administration*,**	0	0	2,000,000	2,000,000	200,000
	Expenditure for Administration*	0	0	0	4,319	(estimated) 10,000
	Funds Awarded for Grants**	0	0	449,915	1,120,000	(estimated) 1,377,712

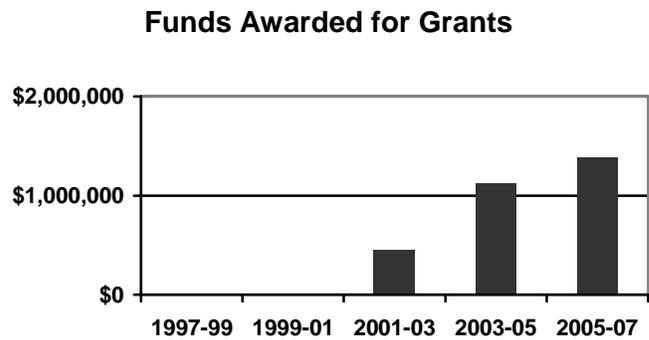
*Note: The funds received from the federal government include an amount that the IAC is authorized to use for administration. The IAC did not break out that amount in its reporting. The IAC reports that it charges the administrative fee up to the maximum amount allowed by the federal granting authority. If the IAC needs additional administrative funding, it would turn to its more general source, which is derived from a portion of the state gas tax paid on marine fuel.

**Note: The amounts shown as new appropriations include only new funds appropriated for the program. The lower amount reported for 2005-07 is correct; the IAC reports that there was an assumption that no large projects would receive funding. The amounts shown as funds awarded include new funds and reappropriations.

FTEs for the Program in 2005-07:
20 FTEs administer all of the IAC grant programs. This includes staff who manage individual projects as well as agency management and administrative support.

Fund Account(s):
General Fund - Federal

Fund Sources:
Federal grant from the U.S. Department of the Interior (U.S. Fish and Wildlife Service)



Recent Changes to Funding Pattern: None.

Additional Program/Project Funding Information

Frequency of the Grant/Loan Cycle: Annual (federal fiscal year).

Does the Legislature Approve Project Selection? No.

Number of Projects Selected in 2005: 3

Total Amount Awarded in 2005: \$1,282,712

What Determines the Total Amount Available for Grants or Loans in a Given Time Period?
The federal appropriation.

Maximum Amount That Can Be Awarded to a Project:
For Tier 1 projects, the maximum is \$95,000. There is no maximum for Tier 2 projects.

Matching Requirements: Per the federal statute, at least a 25% match is required.

Interest Rate Charged:
Not applicable (grants only).

Repayment Statistics:
Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply? <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input checked="" type="checkbox"/> Private Businesses <input type="checkbox"/> Other	What Categories of Projects Are Eligible? <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	Award Type: <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
	Eligible Projects: Eligible development or renovation projects include fixed docks, piers, buoys, floats, breakwaters, dinghy docks, navigational aids, and upland support facilities such as restrooms and showers. Eligible education and information projects include charts, guides, and brochures.		
	Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. This is a program to which nonprofit organizations and private operators may apply if they meet certain qualifications specified in the federal regulations and IAC policy guidelines.		
	Special Qualifications Regarding Project Eligibility: <ul style="list-style-type: none"> • Land acquisition is not eligible for funding from this program; • Facilities must be for boats 26 feet or longer, which addresses the federal statutory provisions about “nontrailerable” vessels; and • Facilities must be for recreational use. 		
	Recent Changes in Eligible Applicants or Categories of Projects: None.		

Application and Award Process	Timing and Steps in the Process:	
	The authority to spend the federal funds for this program comes to the IAC via the state Capital Budget; contact the IAC for detail on receipt/timing of the federal funds.	
	Spring	The IAC sends notice to interested parties that grants are available.
	Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussions with and site visits by the agency’s grant managers and advisory committee. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
	May 1	Applications are due to the IAC.
Summer	The Boating Facilities Advisory Committee evaluates and ranks Tier 1 project proposals using criteria established by the U.S. Fish and Wildlife Service. The Advisory Committee creates a ranked list of projects for consideration by the IAC. For the larger Tier 2 applications, IAC staff review the applications for eligibility, but there is no state-level evaluation of the Tier 2 applications.	

	September	The IAC approves a ranked list of Tier 1 projects to be forwarded to the U.S. Fish and Wildlife Service for funding consideration. The IAC also forwards a list of Tier 2 applications without state evaluation for the federal agency's funding consideration. The IAC submits its lists to the Fish and Wildlife Service by September 30, so that the federal agency considers funding for the projects in the federal fiscal year beginning October 1.
		The U.S. Fish and Wildlife Service ranks proposals from the states and makes the determinations about the awarding of grant funds.
	The following Spring	IAC staff hold a workshop for successful applicants.
	What Drives the Timing of the Application and Award Process? The process allows the forwarding of the Tier 1 and Tier 2 lists for the schedule developed by the Fish and Wildlife Service.	
	Evaluation Criteria:	
Key evaluation criteria for Tier 1 projects include: state plan priorities; partnerships; innovative techniques; match; cost efficiencies; links to prominent way points; access to significant opportunities, and economic impacts.		
Recent Changes to the Process or Evaluation Criteria: None.		

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The IAC reports that it is currently developing program goals and objectives as part of the Governor-initiated Government Management Accountability and Performance (GMAP) initiative.
	Performance Measures and Program Performance:
	The IAC reports that it is currently developing performance measures as part of the GMAP initiative. The agency also reports that there are no federal performance measures.

Agency-Identified Challenges\Issues	Program Challenges or Issues Identified by the Agency:
	None reported.

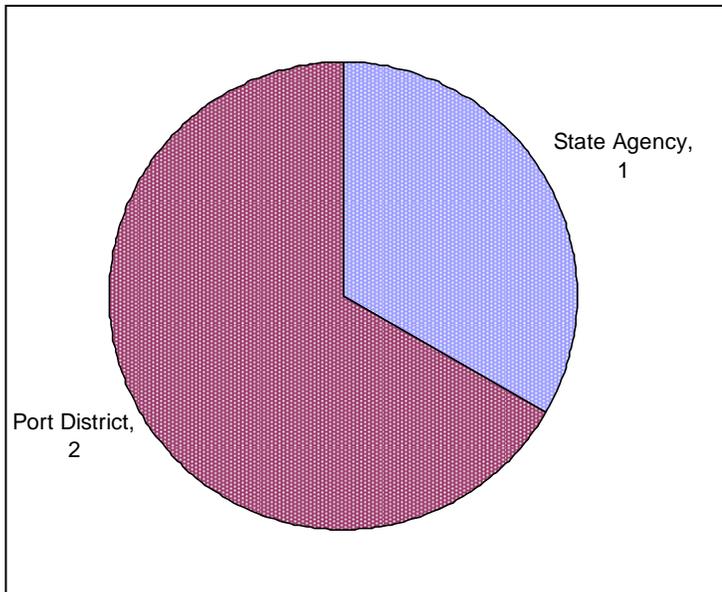
Website	For Additional Information:
	On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/big.htm

Boating Infrastructure Grant Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Projects include development of a new guest moorage dock and an increase in transient moorage slips plus additional water and power hook-ups.

Statewide Boat Pump-Out Program

Administered By:
Washington State Parks & Recreation Commission

General Information

Program Purpose: In 1992, Congress passed the federal Clean Vessel Act. This measure seeks to decrease the amount of sewage discharged into the water by recreational boaters, in part by providing funds to states to pay for the installation of boat pump-outs and for boater education. The Statewide Boat Pump-Out Program is Washington's implementation of the federal Clean Vessel Act.

This program is included with the collection of programs that fund Basic Infrastructure because the program addresses wastewater. JLARC is also cross-listing this program near other boating-related programs in the Other Infrastructure collection of programs for program visibility.

Mission Statement: The mission of the program is to provide boat pump-out equipment to boater destination sites to collect boater-generated waste and to provide information to boaters on environmental issues.

Year Established: 1994

Legislative Intent: (Congressional) From the Clean Vessel Act, PL 102-587, Title V, Subtitle F, Section 5602

Enabling State Statutes:
(See rules below)

Administrative Rules:
Chapter 352-76 WAC

The Congress finds the following: . . . There is currently an inadequate number of pumpout stations for type III marine sanitation devices where recreational vessels normally operate. Sewage discharged by recreational vessels because of an inadequate number of pumpout stations is a substantial contributor to localized degradation of water quality in the United States. The purpose of this subtitle is to provide funds to States for the construction, renovation, operation, and maintenance of pumpout stations and waste reception facilities.

Is there a separate governing board? Yes, this program is under the jurisdiction of the Washington State Parks and Recreation Commission. Additionally, projects are reviewed by the Boating Environmental Committee of the State Parks Boating Safety Council.

Budget Information

Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration	Not provided	Not provided	156,069	166,480	247,658
New Appropriation for Grants	850,000	900,000	1,000,000	1,000,000	1,000,000
Expenditure for Administration	Not provided	Not provided	156,069	166,480	(estimated) 247,658
Funds Awarded for Grants	454,968	295,234	645,542	546,918	(estimated) 600,000

FTEs for the Program in 2005-07: 1.6

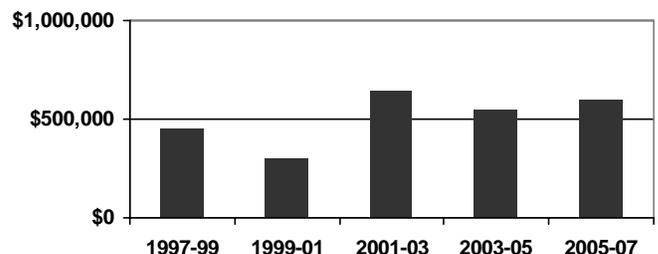
Fund Account(s):

001-2 – General Fund – Federal
02R – Aquatic Lands Enhancement Account

Fund Sources:

- Federal grant from the U.S. Fish & Wildlife Service
- ALEA funds come from the sale or lease of state-owned aquatic lands or materials from those lands.

Funds Awarded for Grants



Recent Changes to Funding Pattern: State Parks staff report that re-appropriation of award funds has been increasing. Award recipients are taking longer than expected to submit receipts for their project expenditures. Some of the projects are taking many years to complete.

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: State Parks itself applies for the federal grant annually and accepts applications throughout the year.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 7	
	Total Amount Awarded in 2005: \$118,171	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget and amount of the federal grant. The total amount available is the result of a four-step process: <ul style="list-style-type: none"> • State Capital Budget appropriation sets the spending authority based on agency request; • Federal program announces how much the state is eligible to receive; • State Parks makes its request to the federal program; • Federal program awards funds to Washington. 	
	Maximum Amount That Can Be Awarded to a Project: None.	
	Matching Requirements: The federal Clean Vessel Act stipulates that federal funds may not provide more than 75% of approved project costs. Applicants must pay at least 25% of approved project costs. Other federal funds may not be used toward the match.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input checked="" type="checkbox"/> Private Businesses <input checked="" type="checkbox"/> Other	<input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input checked="" type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	<input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
<p>Eligible Projects: Examples of eligible projects include:</p> <ul style="list-style-type: none"> • Equipment purchase such as sewage pump-outs, forward lift stations, piping, electrical materials, and other items that may be needed; • Facilities or activities necessary to hold and transport sewage to sewage treatment plants, such as holding tanks, piping, and haulage costs; • Facilities or activities necessary to get sewage treatment plants to accept sewage, such as installing bleeding facilities; • Educate/inform boaters about pollution problems; to inform them of the location of pump-out and dump stations; and to encourage environmentally responsible behavior; • Purchase of a pump-out skiff to use in a marina; and • Sewage disposal, and operation and maintenance of equipment. 			

Related to

Special Qualifications Regarding Who Can Apply:

For facilities projects, the major special qualification is that applicants must own or manage a marina, boat launch, or boater destination that is open to the public. There may be more types of applicants than those checked above that are applicable because they meet this latter requirement.

Applicants for educational projects can be the above groups as well as schools, public or private non-profits, and boating organizations.

Special Qualifications Regarding Project Eligibility: Projects must comply with environmental permitting regulations which include the Shoreline Management Act, the State Environmental Policy Act, and Army Corps of Engineers requirements. In addition, projects must comply with Department of Natural Resources rules regarding pile driving and dredging.

Per rule, certain activities are not eligible: activities that do not provide public benefits; enforcement activities; construction or renovation of upland restroom facilities; and construction, renovation, operation, or maintenance of on-site sewage treatment plants (unless approved by the U.S. Fish and Wildlife Service).

Recent Changes in Eligible Applicants or Categories of Projects: None. State Parks staff note that there has been a shift in emphasis in projects from providing *some* pump-out capacity to instead meeting peak demand. More equipment is portable so that it can be warehoused during periods of low demand, thereby increasing its lifespan.

Timing and Steps in the Process:

Annually	State Parks goes through the process to apply for the federal funding and conducts outreach to potential applicants.
Any time of year	Applicants may submit an application to State Parks.
Within 1 to 2 months	The State Parks Grant Coordinator reviews the application for eligibility. If funds are not adequate to meet demand, there are criteria in rule to evaluate and rank projects.
Within 1 to 2 months	The Boating Environmental Committee of the State Parks Boating Safety Council reviews the application.
Within 2 weeks	The Director of State Parks considers the recommendations of staff and the Committee and makes a decision about whether to award funds for the project.

What Drives the Timing of the Application and Award Process? The timing on the submission of the application is at the discretion of the applicant.

Evaluation Criteria:

Per rule, the following criteria are used to evaluate and rank applications if the funds available are not adequate to meet demand:

For Boat Sewage Disposal Facility Applications

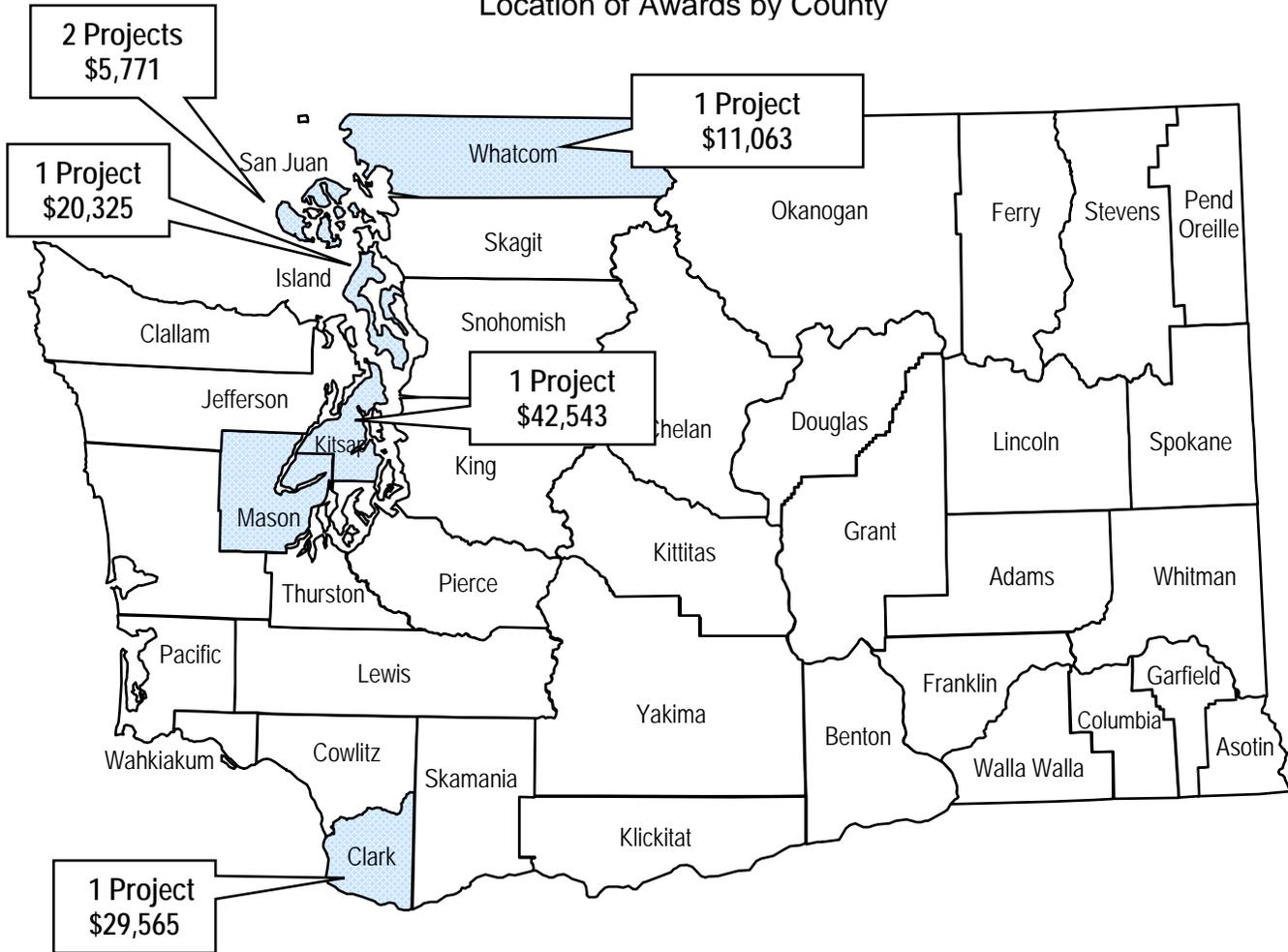
- Proposals that provide for public/private partnerships;
- Proposals that provide for innovative ways to increase the availability and use of boat sewage pump-out facilities;
- Proposals that benefit the waters most likely to be affected by the discharge of sewage from vessels;
- Proposals in areas with a high vessel/boat sewage pump-out facility ratio;
- Proposals which show consideration for the economics of installation or implementation to provide greatest cost benefit ratio, e.g., where private parties put in more than the minimum amount;
- Proposals which contribute to the statewide network of facilities or programs in terms of proximity to existing facilities and geographic balance; and
- Proposals which demonstrate their compatibility with the state’s plan for boat sewage disposal.

Application and Award Process

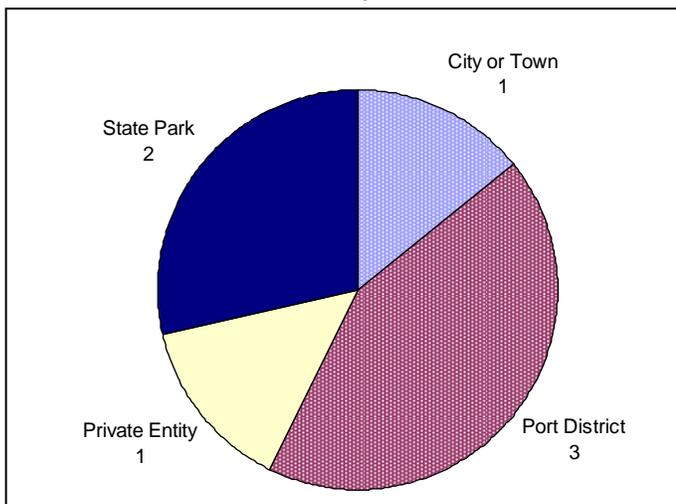
	<p><u>For Education and Information Applications</u></p> <ul style="list-style-type: none"> • Proposals which encourage sound environmental practices through changing boater behavior; • Proposals which target sensitive areas as defined in the state's plan for boat sewage disposal; • Proposals which encourage community involvement; • Proposals targeted to areas of high boater use; • Proposals which demonstrate innovative approaches to education or information; and • Proposals which provide for public/private partnerships. <p>Recent Changes to the Process or Evaluation Criteria: None.</p>
Program Goals, Objectives, and Performance Measures	<p>Program Goals and Objectives:</p> <p>The program's goal is to expand the network of publicly-accessible boat pump-out and dump station facilities throughout the state, and to strengthen the partnership of boaters, boating facility operators and owners, and Washington State Parks to work together for cleaner waters in Washington.</p> <p>Performance Measures and Program Performance:</p> <ul style="list-style-type: none"> • The program collects data on the amount of sewage pumped annually. State Parks reports that the amount collected has been increasing annually. • The use of pump-out facilities by boaters contributes to the protection of water quality. State Parks reports that it does not independently monitor water quality but does collaborate with other agencies that do in order to track water quality outcomes.
Agency-Identified Challenges/Issues	<p>Program Challenges or Issues Identified by the Agency:</p> <p>The agency notes that:</p> <ul style="list-style-type: none"> • Current funding does not allow placement of facilities on land; • Some marinas cannot afford the 25% matching funds required by the grant conditions; • Some marina operators fear the long-term operation and maintenance costs of a pump-out; • A portion of potential applicants are reluctant to apply because of the paperwork and time involved (and many lose their application or contract and are difficult to contact because turn-over in management at marinas is very common); • The program would like to coordinate with the Interagency Committee for Outdoor Recreation to require that a boat pump-out facility is included in all of the IAC's boater access projects; • Most pump-out equipment has a lifespan of 5 – 10 years. The program is receiving applications for assistance with replacing equipment that was installed with program assistance in the program's early years. From 2004-2006, 28 pump-out grants were awarded for equipment replacement and only three were for new facilities or equipment. • There are still locations that have not installed any equipment, having decided not to for the reasons listed above or for reasons of their own.
Website	<p>For Additional Information:</p> <p>Washington State Parks website http://www.parks.wa.gov/moorage/pumpout (Note: This is information about pump-outs and their location rather than the grant program.)</p>

Statewide Boat Pump-Out Program Grant Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

The majority of funds are for boat pump-out equipment renovation or replacement.

National Recreational Trails Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information	Program Purpose: The National Recreational Trails Program (N RTP) is Washington’s implementation of the federal Recreational Trails Program. The program provides federal funding to build and maintain trails and facilities that provide a backcountry experience for hikers, equestrians, mountain bicyclists, off-road vehicle riders, snowmobilers, cross-country skiers, snowshoers, and others. Operation of trail safety and environmental education programs are also eligible projects. This program is reauthorized through the major six-year Federal Transportation Acts.	
	Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington’s natural and recreational resources for current and future generations.	
	Year Established: 1991	Legislative Intent: (Congressional) 23 USC 206
	Enabling State Statutes: RCW 79A.25.130 generally, for federal programs	(b) Program – In accordance with this section, the Secretary (of Transportation), in consultation with the Secretary of the Interior and the Secretary of Agriculture, shall carry out a program to provide and maintain recreational trails.
	Administrative Rules: Chapter 286-13 WAC for IAC’s general grant rules; no rules specific to this program	(c) State Responsibilities – (1) the Governor of the State shall designate the State agency or agencies that will be responsible for administering apportionments made to the State under this section; and (2) the State shall establish a State recreational trail advisory committee that represents both motorized and nonmotorized recreational trail users, which shall meet not less often than once per fiscal year.
Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation administers this program consistent with the federal law and guidelines. The IAC manages the evaluation and rating of all grant applications, awards funding, and tracks projects through to completion. As per the federal statute, the IAC is assisted by an N RTP Advisory Committee. The Advisory Committee provides advice regarding program policies and procedures, and also ranks grant requests for consideration by the IAC.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Grants and Program Administration*, **	583,000	1,478,350	2,332,936	2,260,000	2,800,000
	Expenditure for Administration	0	38,866	72,158	71,333	(estimated) 74,465
	Funds Awarded for Grants**	367,822	2,034,287	1,973,216	2,448,747	(estimated) 2,623,372
<p>*Note: The funds received from the federal government include an amount that the IAC is authorized to use for administration. The IAC did not break out that amount in its reporting. The IAC reports that it charges the administrative fee up to the maximum amount allowed by the federal granting authority. If the IAC needs additional administrative funding, it would turn to its more general source, which is derived from a portion of the state gas tax paid on marine fuel.</p> <p>**Note: The amounts shown as new appropriations include only new funds appropriated for the program. The amounts shown as funds awarded include new funds and reappropriations.</p>						

Additional Program/Project Funding Information	FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes staff who manage the individual projects as well as agency management and administrative support.	Funds Awarded for Grants <table border="1"> <caption>Funds Awarded for Grants</caption> <thead> <tr> <th>Year</th> <th>Funds Awarded</th> </tr> </thead> <tbody> <tr> <td>1997-99</td> <td>\$400,000</td> </tr> <tr> <td>1999-01</td> <td>\$2,000,000</td> </tr> <tr> <td>2001-03</td> <td>\$2,000,000</td> </tr> <tr> <td>2003-05</td> <td>\$2,500,000</td> </tr> <tr> <td>2005-07</td> <td>\$2,800,000</td> </tr> </tbody> </table>	Year	Funds Awarded	1997-99	\$400,000	1999-01	\$2,000,000	2001-03	\$2,000,000	2003-05	\$2,500,000	2005-07	\$2,800,000
	Year		Funds Awarded											
	1997-99		\$400,000											
1999-01	\$2,000,000													
2001-03	\$2,000,000													
2003-05	\$2,500,000													
2005-07	\$2,800,000													
Fund Account(s): General Fund - Federal														
Fund Sources: Funds provided by the U.S. Department of Transportation (Recreational Trails Program). Federal law states that the administering state agency may use funds not to exceed 7% of the state apportionment for administering the program.														
Recent Changes to Funding Pattern: None.														

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual (federal fiscal year).	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 36	
	Total Amount Awarded in 2005: \$1,183,372	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The federal appropriation.	
	Maximum Amount That Can Be Awarded to a Project: Per IAC policy, the maximum is \$75,000 for general projects; \$10,000 for education projects.	
	Matching Requirements: Program funds may not exceed 80% of a project's total cost, so project sponsors must fund at least 20%. For project sponsors that are not federal or state agencies or tribes, at least 10% of the total project must be in the form of a non-state, non-federal match.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply? <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input checked="" type="checkbox"/> Federal Agencies <input checked="" type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	What Categories of Projects Are Eligible? <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	Award Type: <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
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Eligible Projects: Maintenance of recreational trails, development of trail-side and trail-head facilities, construction of new trails, and operation of environmental education and trail safety education programs. Water trails are also eligible for funding.

Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands.

Special Qualifications Regarding Project Eligibility: The federal legislation requires that not less than 40% of the program's funds be used for diverse recreational trail use; 30% for motorized recreation; and 30% for nonmotorized recreation. Per IAC policy, the agency gives funding preference to projects that further specific goals of the *Washington State Trails Plan*, the *Nonhighway and Off-Road Vehicles Activities Program Plan*, and the IAC's *Assessment and Policy Plan*.

The IAC identifies the following as ineligible for funding under this program, per either IAC policy or federal requirements:

- New trail development not directly related to an existing trail;
- Land acquisition or condemnation of any kind;
- Projects facilitating motorized use on U.S. Forest Service or Bureau of Land Management land unless the land is not designated wilderness and construction is consistent with the management direction in agency plans;
- Projects facilitating motorized use on or access to recreational trails on which, as of May 1, 1991, motorized use was prohibited or had not occurred;
- Planning projects;
- Roads and bridges unless specifically designated for recreational trail use and not accessible to or maintained for cars *or* closely associated with maintenance and/or rehabilitation of a campground or trailhead project;
- Sidewalks and other paths that provide an urban trail experience;
- Law enforcement;
- Projects on property bought under a conditional sales contract, unless the project sponsor has title to the property; and
- Projects which severely restrict public use.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

The authority to spend the federal funds for this program comes to the IAC via the state Capital Budget; contact the IAC for detail on the receipt/timing of the federal funds.

Spring	The IAC sends notice to interested parties that grants are available.
Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussions with and site-visits by the agency's grant managers. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
May 1	Applications are due to the IAC.
July – August	The National Recreational Trails Program Advisory Committee reviews the project applications and, with IAC staff, evaluates the project proposals using criteria approved by the IAC. The Advisory Committee creates a ranked list of projects for consideration by the IAC.
September	The IAC approves a project list and forwards the list to the Federal Highway Administration.
	IAC staff hold a workshop for successful applicants.

What Drives the Timing of the Application and Award Process? Federal funding, IAC policies, and the legislative budget process.

Application and Award Process

	Evaluation Criteria:
	<p>The IAC evaluates proposals for education projects separately from other NRTP general projects. Key evaluation criteria for education project proposals include: need; applicant's ability to accomplish the project; cost-benefit; and project support.</p> <p>Key evaluation criteria for the development and maintenance categories include: need; project design; maintenance; readiness to proceed; cost-benefit; non-government contribution; project support; and matching shares.</p>
	Recent Changes to the Process or Evaluation Criteria: The IAC reports that eight of ten evaluation questions were updated in 2006, providing more detailed scoring directions. The IAC did not specify whether those updates were the result of IAC decisions or changes to the federal law or regulations.

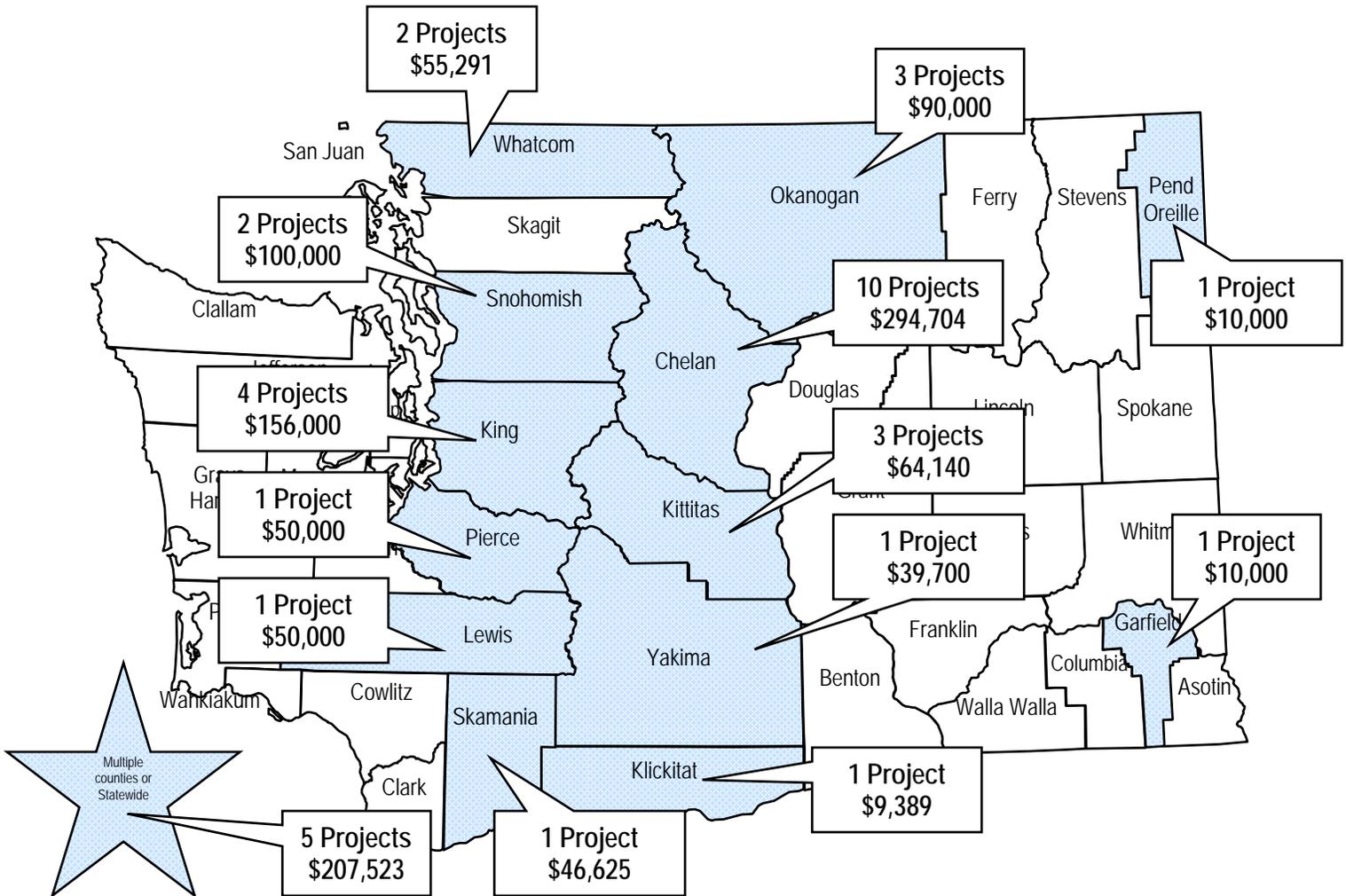
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	<p>The National Recreational Trails Program's goal is to provide funds to rehabilitate and maintain recreational trails and facilities that provide or support a backcountry experience. The program's goals include assisting trail-related facilities for both nonmotorized and motorized uses.</p>
	Performance Measures and Program Performance:
	The IAC reports that program performance measures are under development.

Agency-Identified Challenges/Issues	Program Challenges or Issues Identified by the Agency:
	<p>None reported.</p>

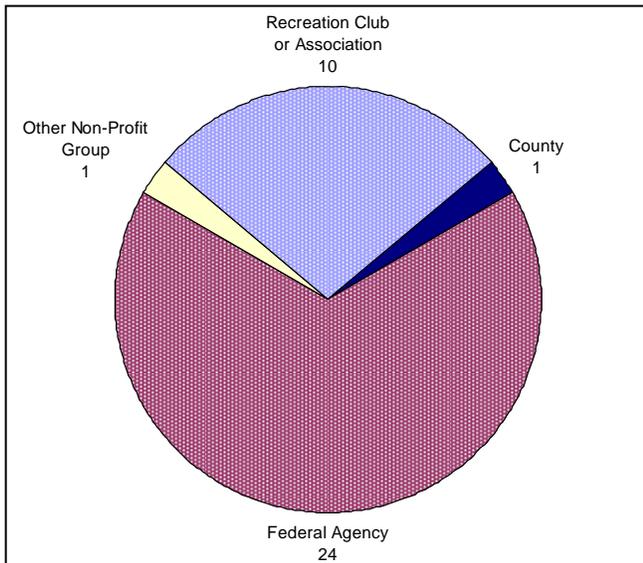
Website	For Additional Information:
	<p>On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/nrtp.htm</p>

National Recreational Trails Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

All projects are for trails and related facilities, either development or maintenance.

Land and Water Conservation Fund Program

Administered By:
Interagency Committee for Outdoor Recreation

General Information	Program Purpose: The Land and Water Conservation Fund Program provides federal funding to assist in preserving and developing public outdoor recreation lands and facilities for the benefit of all citizens.	
	Mission Statement: The Interagency Committee for Outdoor Recreation (IAC) provides leadership and funding to help its partners protect and enhance Washington's natural and recreational resources for current and future generations.	
	Year Established: 1965	Legislative Intent: (Congressional) 16 USC 4601-4
	Enabling State Statutes: RCW 79A.25.130 generally, for federal programs	The purposes of this part are to assist in preserving, developing, and assuring accessibility to all citizens of the United States of America of present and future generations and visitors who are lawfully present within the boundaries of the United States of America such quality and quantity of outdoor recreation resources as may be available and are necessary and desirable for individual active participation in such recreation and to strengthen the health and vitality of the citizens of the U.S. by (1) providing funds for and authorizing Federal assistance to the States in planning, acquisition, and development of needed land and water areas and facilities, and (2) providing funds for the Federal acquisition and development of certain lands and other areas.
	Administrative Rules: Chapter 286-13 WAC for IAC's general grant rules; 286-40 for the Land and Water Conservation Fund.	
Is there a separate governing board? Yes. The Interagency Committee for Outdoor Recreation administers this program consistent with the federal law and guidelines. The IAC manages evaluation and rating of all grant applications, approves a list of projects to forward to the National Park Service for funding consideration, and tracks funded projects through to completion. The IAC is assisted by a Land and Water Conservation Advisory Committee. The role of the Advisory Committee includes the review and evaluation of project proposals and development of a ranked list of projects for consideration by the IAC.		

Budget Information	Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
	New Appropriation for Grants and Program Administration*	0	7,730,000	7,500,000	5,735,000	4,500,000
	Expenditure for Administration	0	0	26,899	17,593	(estimated) 47,576
	Funds Awarded for Grants	0	752,187	3,957,456	1,739,224	(estimated) 2,601,728
*Note: The funds received from the federal government include an amount that the IAC is authorized to use for administration. The IAC did not break out that amount in its reporting. The IAC reports that it charges the administrative fee up to the maximum amount allowed by the federal granting authority. If the IAC needs additional administrative funding, it would turn to its more general source, which is derived from a portion of the state gas tax paid on marine fuel.						

Additional Program/Project Funding Information	FTEs for the Program in 2005-07: 20 FTEs administer all of the IAC grant programs. This includes staff who manage individual projects as well as agency management and administrative support.	Funds Awarded for Grants
	Fund Account(s): General Fund - Federal	
	Fund Sources: Federal grant from the U.S. Department of the Interior (National Park Service)	
Recent Changes to Funding Pattern: The IAC reports that recently there has been a decrease in the available funds approved by Congress. There is no funding for 2007, and the program may or may not be funded in the future.		

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: Annual (federal fiscal year).	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 9	
	Total Amount Awarded in 2005: \$2,601,728	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? The federal appropriation.	
	Maximum Amount That Can Be Awarded to a Project: Per IAC policy, \$500,000.	
	Matching Requirements: Per IAC or federal policy, a 50% match is required.	
Interest Rate Charged: Not applicable (grants only).	Repayment Statistics: Not applicable (grants only).	

Eligible Applicants and Projects	Who Is Eligible To Apply? <input checked="" type="checkbox"/> Cities and Towns <input checked="" type="checkbox"/> Counties <input checked="" type="checkbox"/> Port Districts <input checked="" type="checkbox"/> Other Special Purpose Districts <input checked="" type="checkbox"/> Tribes <input checked="" type="checkbox"/> State Agencies <input type="checkbox"/> Federal Agencies <input type="checkbox"/> Non-Profit Organizations <input type="checkbox"/> Private Businesses <input type="checkbox"/> Other	What Categories of Projects Are Eligible? <input type="checkbox"/> Community & Social Service Facilities <input type="checkbox"/> Low-Income Housing <input type="checkbox"/> Art Facilities <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Public K-12 Schools <input type="checkbox"/> Industrial Buildings & Port Facilities <input type="checkbox"/> Biofuel Facilities <input type="checkbox"/> 3rd Party Financing <input checked="" type="checkbox"/> Outdoor Recreation <input checked="" type="checkbox"/> Habitat Protection <input type="checkbox"/> Avoid Military Base Closures <input type="checkbox"/> Basic Infrastructure <input type="checkbox"/> Transportation Infrastructure	Award Type: <input checked="" type="checkbox"/> Grants <input type="checkbox"/> Loans
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Eligible Projects: Both the acquisition of real property and the development or renovation of public outdoor recreation facilities are eligible for program funds. Examples of public facilities that are eligible for funding from this program include athletic fields, playgrounds, skate parks, marine boating and water access facilities, campgrounds, picnic shelters, golf courses, natural areas, shooting and archery ranges, ski areas, swim beaches and pools, trails, view points, and wildlife management areas for fishing and hunting.

Special Qualifications Regarding Who Can Apply: Applicants must be legally authorized to acquire and develop public open space, habitat, or recreation lands. Applicants must submit a plan that includes several elements, including goals and objectives; inventory, demand, and need analysis; and a public involvement process.

Special Qualifications Regarding Project Eligibility: Project proposals must be consistent with the Statewide Comprehensive Outdoor Recreation Plan and the recreation elements of local comprehensive plans. The IAC identifies the following as ineligible for funding under this program, per either IAC policy or federal requirements:

- Acquisition of historic sites and structures;
- Acquisition of museums and sites to be used for museums or primarily for archaeological excavations;
- Acquisition of land to help meet a public school's minimum site size requirement;
- Acquisition of areas and facilities designed to be used primarily for semi-professional and professional arts and athletics;
- Acquisition of areas and facilities to be used solely for game refuges or fish production purposes;
- Acquisition of areas to be used mainly for the construction of indoor facilities except for covered swimming pools and ice rinks;
- Acquisition of railroad "hardware" such as trestles, stations, yards, etc.;
- Acquisition of sites containing luxury lodges, motels, cabins, and similar elaborate facilities that are to be operated by the applicant or a concessionaire to serve visitors with food and sleeping quarters;
- Acquisition of agricultural land primarily for preservation of agricultural purposes;
- Acquisition of federal surplus property unless legislatively authorized in a specific situation;
- Acquisition of scholastic and intercollegiate facilities;
- Properties acquired that are not immediately dedicated for public use. Applicants may request approval of interim, non-public use for up to three years;
- Development of employee facilities, including residences, appliances, office equipment, or furniture;
- Operation and maintenance costs of recreational areas and facilities; and
- Development of support facilities that exclusively serve ineligible facilities.

Recent Changes in Eligible Applicants or Categories of Projects: None.

Timing and Steps in the Process:

The authority to spend the federal funds for this program comes to the IAC via the state Capital Budget; contact the IAC for detail on the receipt/timing of the federal funds.

Spring	The IAC sends notice to interested parties that grants are available.
Spring	IAC staff conduct seven application workshops throughout the state, covering all of the IAC-administered grant programs. In addition to the workshops, potential applicants can receive assistance through publications, on-line training manuals, the agency website, and discussions with and site-visits by the agency's grant managers. The IAC also provides a consultant to help applicants ensure their projects are accessible to people of all abilities.
May 1	Applications are due to the IAC.

Application and Award Process

	June – July	The Land and Water Conservation Fund Advisory Committee conducts a technical review of projects and, with IAC staff, evaluates project proposals, using criteria approved by the IAC. The evaluation process includes applicant presentations to the Advisory Committee. The Advisory Committee creates a ranked list of projects for consideration by the IAC.
	September	The IAC approves a ranked list of projects to be forwarded to the National Park Service. The National Park Service reviews the project proposals, approves projects, and awards funds.
		IAC staff hold a workshop for successful applicants.
	What Drives the Timing of the Application and Award Process? The timing of the process allows for the IAC's establishment of the prioritized project list for consideration under the schedule developed by the National Park Service.	
Evaluation Criteria:		
Key evaluation criteria include: need; consistency with the state's outdoor recreation plan; how well the project provides opportunities for individual active participation; why the purchase of particular property at this time; the plan for renovation to return the property to its original use; development quality; and benefit.		
Recent Changes to the Process or Evaluation Criteria: None.		

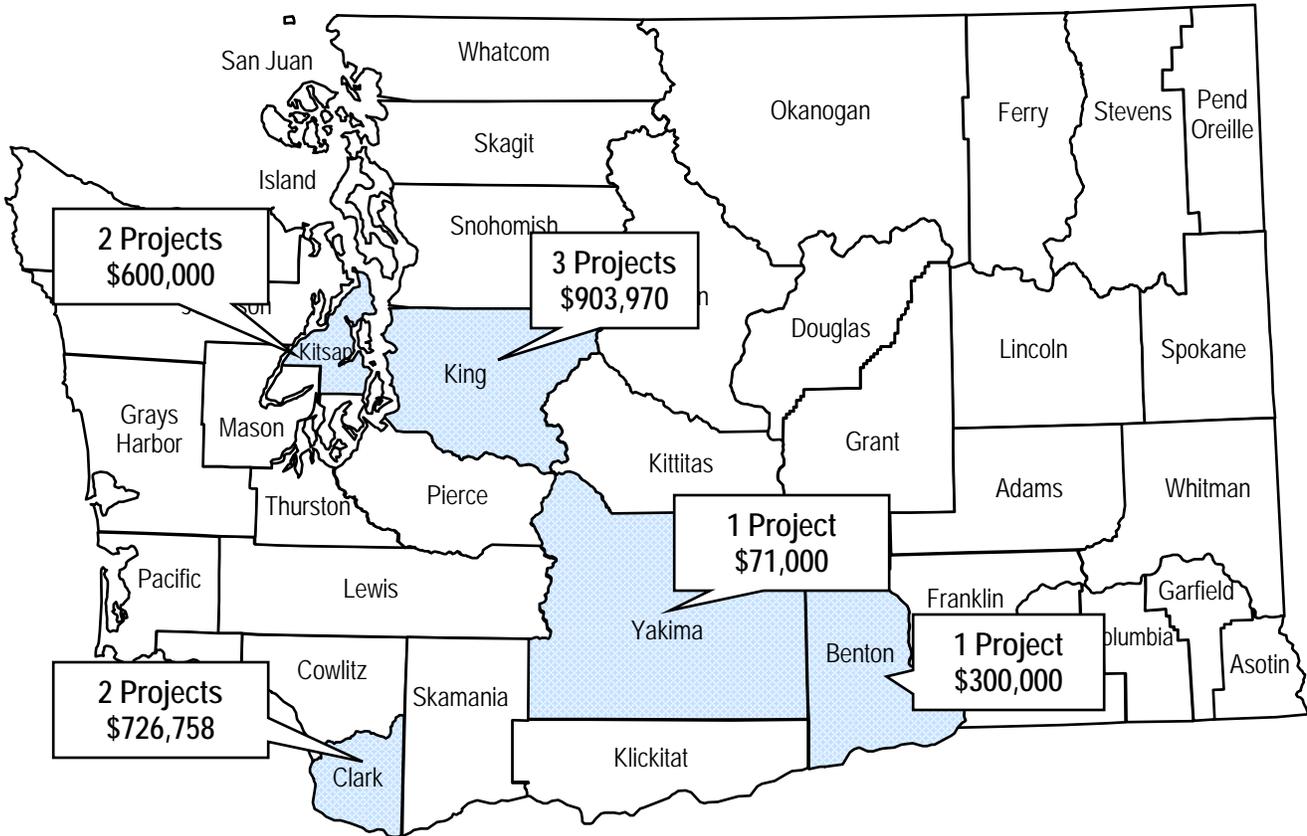
Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The IAC reports these are under development by the U.S. Department of Interior.
	Performance Measures and Program Performance:
	Currently the IAC reports the following measures to the National Park Service. Each measure is calculated by a direct count based on grants awarded. <ul style="list-style-type: none"> • Number of new parks to be created for public outdoor recreation use and enjoyment → 0 for Fiscal Year 2006; • Number of parks to be enhanced through new development or rehabilitation of outdoor recreation and support facilities; → 4 for Fiscal Year 2006; and • Number of new acres to be protected → 1,224 acres for Fiscal Year 2006

Agency-Identified Challenges/Issues	Program Challenges or Issues Identified by the Agency:
	The agency notes that Congress has cut funding for this program, but administrative requirements for previously-awarded projects have not changed, creating an unfunded mandate. This work ends up being absorbed by other program budgets.

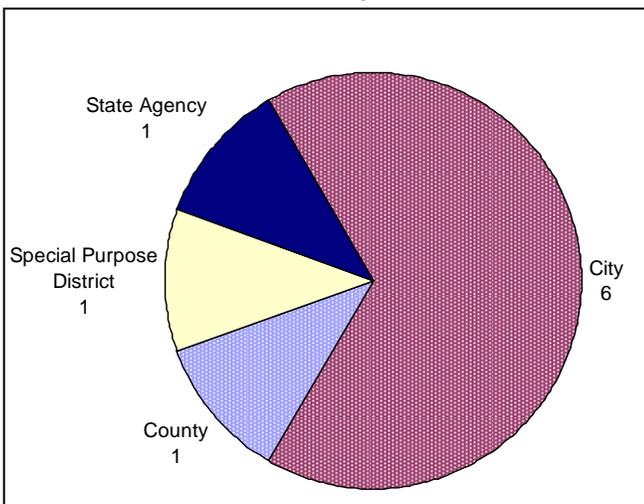
Website	For Additional Information:
	On the website for the Interagency Committee for Outdoor Recreation http://www.iac.wa.gov/iac/grants/lwcf.htm

Land and Water Conservation Fund Program Awards, 2005

Location of Awards by County



Grant Recipients



Types of Projects Funded

Funded projects include trail improvements, greenspace, boardwalk replacement, park expansion, and tennis court renovation.

Purchase of Development Easements Around Military Facilities

Administered By:

The Office of Financial Management, with assistance from the Department of Community, Trade and Economic Development

General Information

Program Purpose: The goal of this program is to help communities with military airfields to help those bases compete in future rounds of the Defense Base Closure and Realignment Commission by ensuring that the bases' airspace is not encroached upon by development. Originally a proviso in the 2005-07 Capital Budget titled "Military Communities Infrastructure Projects," the language was amended in the 2006 Supplemental Capital Budget to refocus the appropriation to the purchase by cities and counties near military air facilities of development easements and development rights in military airport accident zones and clear zones.

Mission Statement: None.

Year Established: 2006

Legislative Intent: From ESSB 6384 (2006), Section 107

Enabling State Statutes: ESSB 6384, Section 107 (2006 Supp Capital Budget)

The appropriation is provided solely for military communities infrastructure projects. Military communities infrastructure projects shall include grants to counties and cities for the purchase of development easements to restrict the use of accident potential zones and clear zones. The Office of Financial Management shall establish a competitive process for selecting projects to receive the grants. Final allocation of these grants shall be at the discretion and with the approval of the director of the Office of Financial Management.

Administrative Rules: None.

Is there a separate governing board? No.

Budget Information

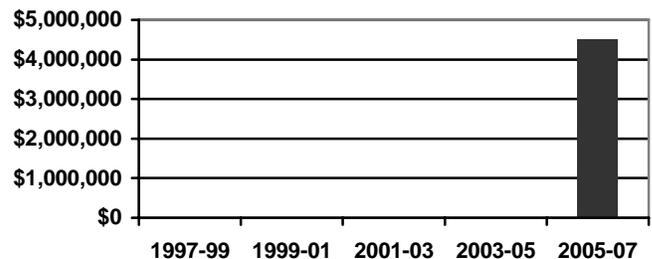
Recent Biennial Budgets	1997-99	1999-01	2001-03	2003-05	2005-07
New Appropriation for Administration					0
New Appropriation for Grants					4,519,000
Expenditure for Administration					(estimated) 10,000
Funds Awarded for Grants					(estimated) 4,519,000

FTEs for the Program in 2005-07:
0.1 FTE planned at CTED for program administration. OFM has not separately calculated the program development and award work.

Fund Account(s):
058 – Public Works Assistance Account

Fund Sources:
See the Public Works Trust Fund profiles for the Public Works Assistance Account fund sources.

Funds Awarded for Grants



Recent Changes to Funding Pattern: None (new appropriation in 2006).

Additional Program/Project Funding Information	Frequency of the Grant/Loan Cycle: A single round is funded for 2006-07. It will be up to the Legislature to determine if there are future funding cycles.	
	Does the Legislature Approve Project Selection? No.	
	Number of Projects Selected in 2005: 0 (program new in 2006).	
	Total Amount Awarded in 2005: \$0	
	What Determines the Total Amount Available for Grants or Loans in a Given Time Period? Legislative appropriation in the state Capital Budget.	
	Maximum Amount That Can Be Awarded to a Project: None established.	
	Matching Requirements: Per the budget proviso, the grant provided by the state may not exceed 1/3 of the project cost, with funds from local and federal sources providing the balance.	
Interest Rate Charged: Not applicable (grants only).		Repayment Statistics: Not applicable (grants only).

Eligible Applicants and Projects	Who Is Eligible To Apply?	What Categories of Projects Are Eligible?	Award Type:
	<input checked="" type="checkbox"/> Cities and Towns	<input type="checkbox"/> Community & Social Service Facilities	<input checked="" type="checkbox"/> Grants
	<input checked="" type="checkbox"/> Counties	<input type="checkbox"/> Low-Income Housing	<input type="checkbox"/> Loans
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Art Facilities	
	<input type="checkbox"/> Other Special Purpose Districts	<input type="checkbox"/> Historic Preservation	
	<input type="checkbox"/> Tribes	<input type="checkbox"/> Public K-12 Schools	
<input type="checkbox"/> State Agencies	<input type="checkbox"/> Industrial Buildings & Port Facilities		
<input type="checkbox"/> Federal Agencies	<input type="checkbox"/> Biofuel Facilities		
<input type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> 3rd Party Financing		
<input type="checkbox"/> Private Businesses	<input type="checkbox"/> Outdoor Recreation		
<input type="checkbox"/> Other	<input type="checkbox"/> Habitat Protection		
	<input checked="" type="checkbox"/> Avoid Military Base Closures		
	<input type="checkbox"/> Basic Infrastructure		
	<input type="checkbox"/> Transportation Infrastructure		
Eligible Projects: Acquisition of development easements/development rights.			
Special Qualifications Regarding Who Can Apply: The presumption is that these are cities or counties in the vicinity of military bases. Applicants must be in compliance with a specific provision of the state Growth Management Act; this provision states that comprehensive plans and development regulations should not allow development in the vicinity of a military installation that is incompatible with the installation's ability to carry out its mission requirements. Applicants must also have an encroachment prevention plan preventing future encroachment into these zones.			
Special Qualifications Regarding Project Eligibility: The development easement/development rights acquired must be for property that has been designated a clear zone or accident potential zone for a Department of Defense air facility. The grants may not be used to remove encroachments into these zones allowed by county or city zoning or permitting actions.			
Recent Changes in Eligible Applicants or Categories of Projects: None (new in 2006).			

Application and Award Process	Timing and Steps in the Process:
	OFM indicates that applications are accepted on a rolling basis. The first group of applications were due on September 1, 2006. OFM reports that it will be making initial awards in September 2006.
	What Drives the Timing of the Application and Award Process? Funds became available March 31, 2006, and may be available until the end of the current biennium (June 30, 2007).
	Evaluation Criteria: OFM reports that, aside from the statutory requirements, criteria have not yet been established. Per the budget proviso, final allocation of these grants is at the discretion of the director of OFM.
	Recent Changes to the Process or Evaluation Criteria: None (new in 2006).

Program Goals, Objectives, and Performance Measures	Program Goals and Objectives:
	The program goal is to ensure that no major military air facility is closed due to encroachment of its airspace. OFM notes that the airfields provide economic activity and jobs, and the State's economy would be hurt by any such closure.
	Performance Measures and Program Performance:
	The performance measure of the program is that McChord Air Force Base, Fairchild Air Force Base, and Naval Air Station Whidbey Island are not closed in the next Defense Base Closure and Realignment Commission round due to the encroachment of their air space. The measure will be calculated based on the closure announcements with the next round. At this point, there is no set time for the next round to occur.

Agency-Identified Challenges/Issues	Program Challenges or Issues Identified by the Agency:
	The agency reports that the program is underfunded for addressing the clear zone/accident potential zone issues at McChord and Fairchild Air Force Bases and Naval Air Station Whidbey Island. The estimated cost to address clear zone issues at McChord alone is \$28 million, with an inflator of 8% to 12% annually. This would indicate a State contribution of over \$9 million for McChord alone (maintaining the program's maximum State contribution of one-third of total costs).

Website	For Additional Information:
	(No program-specific website)

