

APPENDIX A: BIBLIOGRAPHY

1. *Meeting the Growth Management Challenge in Growing Communities, the Washington State Growth Management Act Effectiveness Report*, CTED Growth Management Services, December 2008.
2. Bame, Lori, Legislative Evaluation and Accountability Program, Washington State and Local Finance Data.
3. *Community Development Block Grants and Capital Projects – infrastructure funding*.
http://www.cted.wa.gov/portal/alias_cted/lang_en/tabID_314/DesktopDefault.aspx
4. *County Financial Health and Governance Alternatives*, Department of Community, Trade, and Economic Development, 2007.
<http://www.cted.wa.gov/site/1044/default.aspx>
5. *Clean Watersheds Needs Survey*, U.S. Environmental Protection Agency, 2004.
<http://www.epa.gov/cwns/>
6. *Data* – refer to Methodology section of the report for data source references.
7. *Department of Ecology – water quality/ sanitary sewer programs website*.
<http://www.ecy.wa.gov/programs/wq/funding/indexfunding.html>
8. *Department of Transportation – construction cost index*.
<http://www.wsdot.wa.gov/biz/Construction/constructioncosts.cfm>
9. *Ferry County Management and Organization Review*, Department of Community, Trade and Economic Development, 2005.
10. *Government Performance Project – Grading the States 2005 – Infrastructure*, Pew Research Center.
http://www.pewcenteronthestates.org/states_card.aspx?abr=WA
11. *Interim report to the Washington State Legislature – Washington Stormwater Management Study*, Stormwater Policy Advisory Committee, January 2001.
12. *Inventory and Evaluation of the State’s public infrastructure programs and funds*, Berk and Associates for the Office of Financial Management, 2005.
<http://www.leg.wa.gov/documents/joint/PIPFS/infrastructurereport.pdf>
13. *Inventory of State Infrastructure Programs*, Joint Legislative Audit and Review Committee, 2006.
 - a. Volume 1, Basic Infrastructure
<http://www.leg.wa.gov/reports/06-11a.pdf>
 - b. Volume 2, Transportation Infrastructure Projects
<http://www.leg.wa.gov/reports/06-11b.pdf>
 - c. Volume 3, Other Infrastructure
<http://www.leg.wa.gov/reports/06-11c.pdf>
14. *Legislative Oversight Committee Final Report, Transportation Infrastructure Financing Alternatives*, State of Washington, January 2004.
15. *Legislative Study Committee on Public Infrastructure Programs and Funding Structures*, 2008.
http://www.leg.wa.gov/documents/joint/PIPFS/Final_Recommendations_Report.pdf

16. *Local Government Financial Reporting System, State Auditor's Office*
<http://www.sao.wa.gov/applications/lgfrs/>
17. *Office of Financial Management, Washington State Input – Output Model,*
<http://www.ofm.wa.gov/economy/io/default.asp>
18. *Report to the Governor, Water System Capacity,* Department of Health, Division of Environmental Health, Office of Drinking Water, No. 331-330, 2005.
http://www.doh.wa.gov/ehp/dw/Publications/331-330_water_system_capacity_report_10-10-05.pdf
19. *Section 305 Infrastructure Financing Sources (305 Report),* The Public Works Board, January 2003.
20. *Shaping Growth: Using Capital Facilities to Implement Comprehensive Plans,* Pat Dugan, MRSC, April 2008.
<http://www.mrsc.org/focus/pladvisor/pla0408.aspx>
21. *State of the Cities: Assessing the Health of Washington's Cities and Towns,* Association of Washington Cities, 2005.
<http://www.awcnet.org/stateofthecities/soc05/index2005.htm>
22. *State of Washington Local Government Infrastructure Study,* Public Works Board, Department of Community, Trade and Economic Development, June 1999.
23. *Stormwater Management Implementation Grant Program Fiscal Year 2008: Final Offer and Applicant List,* Department of Ecology, January 2008, Publication 08-10-018
<http://www.ecy.wa.gov/biblio/0810018.html>
24. *Taxes, Regulations and Infrastructure, 2004 Final Report part 5,* Washington Competitiveness Council.
25. *The Third Promise of the Growth Management Act,* Pat Dugan, MRSC, 2007.
<http://www.mrsc.org/focus/pladvisor/pla0407.aspx>
26. *Washington's Invisible Backbone: Infrastructure Systems in Washington's Cities and Towns,* Association of Washington Cities, 2008.
<http://www.awcnet.org/stateofthecities/soc08/index2008.htm>
27. Washington State Public Works Board, Public Works Trust Fund – roadway and water/sewer funding.
http://www.pwb.wa.gov/App_county_count.asp?zindex=12
28. *Washington REALTORS Local Government Infrastructure Study,* Bill Freund and Michael Luis, January 2006.
29. *Report on the Relative Benefits of the Direct Loan and Leveraged Loan Approaches for Structuring State Revolving Loan Funds,* Environmental Financial Advisory Board, August 2006.
30. *State Credit Enhancement Programs,* from the series Ratings Direct, Standard & Poor's, October 17, 2006.
www.standardandpoors.com/ratingsdirect
31. *Bond Banks Around the World,* from the series Global Credit Research, special comment, Moody's Investor Service, May 2001.
http://www.developmentfunds.org/pubs/Moodys_Bond_Banks_Around_the_World.pdf
32. *The Bond Users Clearinghouse,* Washington Department of Community Trade and Economic Development Website.
<http://www.cted.wa.gov/site/312/default.aspx>

33. *Pennsylvania Infrastructure Investment Authority Website, State of Pennsylvania*
<http://www.pennvest.state.pa.us/pennvest/site/default.asp>
34. *Minnesota Public Facilities Authority, Department of Employment and Economic Development Website*
<http://www.deed.state.mn.us/Community/assistance/pfa.htm>
35. *An Analysis of State Bond Banks*, World Bank – Government Finance Group, 1997.
http://www.worldbank.org/html/fpd/urban/mun_fin/toolkit/state_bond_banks.html
36. *The Asian Bond Bank: A Good Idea to Explore for Credit Enhancements*, S. Ghon Rhee and Gregory R. Stone, University of Hawaii, June 2003.
http://www2.hawaii.edu/~fima/Working_Papers/2003_papers/WP03-03.pdf
37. *Municipal Finance Authority of British Columbia, Community Bond Program website.*
<http://www.mfa.bc.ca/bonds.htm>
38. *Alaska Municipal Bond Bank Authority, website*
<http://www.revenue.state.ak.us/treasury/programs/programs/index.aspx?60000>
39. Washington Research Council:
 - a. March 14, 2006 Policy Brief – *Infrastructure in Washington: Connecting to Growth.*
 - b. March 21, 2006 Policy Brief – *Infrastructure in Washington: Letting Growth Pay for Growth.*
40. *Washington State Public Works Board, 2008 Legislative Report, Financing Washington’s Future*, November 1, 2008.

APPENDIX B: PROGRAM DESCRIPTIONS OF 29 STATE BASIC INFRASTRUCTURE PROGRAMS

Introduction

The material presented in this appendix summarizes and documents the information collected from 29 basic infrastructure programs administered by the Washington state departments of Community, Trade and Economic Development (CTED), Ecology (DOE), and Health (DOH) that are the focus of this legislative study. The information gathered from each program was structured to address the topics listed in Section 1022 of the 2008 Capital Budget (HB 2765).

This appendix includes:

- A narrative describing the data collection method;
- A series of summary tables addressing topics specifically referenced in the proviso; and
- Individual program descriptions for each of the 29 programs.

The proviso identified specific information to be collected about each program. The table below summarizes the information requested.

Summary of Information Gathered About Each Basic Infrastructure Program

Proviso Reference	Data Description	Analysis Requirement	Timeframe
2(b)	<ul style="list-style-type: none"> ▪ State policy goals (laws, administrative rules or program policies) which are primary considerations in determining awards ▪ Actual funding decisions ▪ Ranking criteria ▪ Performance measures used to monitor the success of the program 	Compare goals with funding decisions, ranking criteria and performance measures	Not specified
2(c)	<ul style="list-style-type: none"> ▪ Total amount of assistance received by jurisdictions 	Compile	Five biennia or ten years
2(e)	<ul style="list-style-type: none"> ▪ Funds leveraged with state aid 	Identify	Not specified
3(a)	<ul style="list-style-type: none"> ▪ Types of infrastructure that need investment including those not currently authorized by statute ▪ Amount of investment for each type ▪ Estimates of state aid for existing programs ▪ Recommended allocation of aid to each type of infrastructure need 	Identify	Next three biennia (six years)

Methodology

Each of the 29 state programs evaluated in this report submitted a data template which appears in full in this appendix. In addition, each program provided a list of five years of loan, grant or other types of state assistance by project along with specific information about each project; and, a ten-year summary of state assistance by recipient type. The detailed project data is summarized by program in a map and pie charts presented with each program and aggregated in summary tables.

The basic infrastructure legislative study proviso specifically required that information from prior studies be used as a base for this legislative study. Two studies conducted after 2004 formed the base for the material presented in this appendix.

- *Inventory and Evaluation of the State's Public Infrastructure Programs and Funds*, Berk and Associates for the Office of Financial Management, 2005.
<http://www.leg.wa.gov/documents/joint/PIPFS/infrastructurereport.pdf>
- *Inventory of State Infrastructure Programs*, Joint Legislative Audit and Review Committee (JLARC), 2006.
 - *Volume 1, Basic Infrastructure*
http://www.leg.wa.gov/documents/joint/PIPFS/volume_1_basic_infrastructure.pdf
 - *Volume 2, Transportation Infrastructure Projects*
http://www.leg.wa.gov/documents/joint/PIPFS/volume_2_transportation_infrastructure.pdf
 - *Volume 3, Other Infrastructure*
http://www.leg.wa.gov/documents/joint/PIPFS/volume_3_other_infrastructure.pdf

In order to minimize the amount of repetitive data collection, the data template developed by JLARC for their 2006 study, together with the JLARC study content, were used and modified to meet the data collection requirements of HB 2765. Unlike the JLARC study, this study relied on unaudited, self-reported information from the three departments and program staff. Due to time constraints, auditing of the information was not a part of the study scope. However, an effort was made to clarify apparent inconsistencies in reported data.

Ten years of grant and loan award information was gathered using the 2005 Berk Report as a base. Programs were asked to correct any errors in the earlier years' data and update the data summary for the years 2004 and forward. Again, due to time limitations, auditing of the information was not a part of the study scope. The Berk report data had several limitations, which included aggregating grant and loan numbers in a way that did not allow for separate reporting and the presentation of a mix of offered, committed and dispersed funding across programs. As a result, this study includes some of those limitations.

Depending on the program, statistical information may be based on a "funding year" that began in January, July or October. In addition, there were four programs whose funding was reported in their ten-year summary on a biennial rather than annual basis. These variations were accepted as givens for this report and no attempt was made to adjust the statistical reporting to fit a standard time

frame. “Annual” results therefore all represent (unless noted) 12 months of program activity, however the beginning and end of the 12-month periods do not match across programs.

Detailed information about the characteristics of grants, loans or other types of state assistance was gathered for five rather than ten years. Easily accessible automated information was available for many CTED programs for five but not ten years. Since CTED programs represented 22 of the 29 programs, a decision was made to limit the collection of detailed information to five years across all programs.

Finally, it should be noted that definitions of common terms varied, sometimes significantly, across programs. In some cases, these differences affected the validity of the data collected and reported. Where validity is an issue, it is noted, and in some cases the data summary has been modified, if possible, to account for some of the variation. For example, a common definition of “total project cost” is not shared across programs and data collected on total project cost, when collected, varied significantly. An applicant for state assistance may report “total project cost” as including just the cost of the project element that is being partially funded through state assistance, such as project design or construction, but not the full of cost of all elements or phases of the project. Some elements or phases of a project may not be known or may change as the scoping, design, property acquisition, bidding, and construction phases proceed, affecting what is reported as “total project cost.” In addition, many jurisdictions received grants or loans from more than one program or in more than one year for the same or different parts of a project. “Total project cost” may have been reported a number of times, in different ways over time for the same project which received several forms of state assistance.

Data Summaries

This section of the appendix presents summaries of the data collected from 29 state assistance programs administered by the departments of Community, Trade and Economic Development (CTED), Ecology (DOE), and Health (DOH) that are the focus of this legislative study. Out of a total of 84 basic infrastructure state assistance programs, the 29 programs that are the focus of this study generally provide basic infrastructure assistance in the areas of water, sewer, storm water, solid waste and selected types of buildings or facilities. Programs provided site specific assistance, as well as assistance that provided improvements to public systems serving entire communities.

Data summaries are arranged by proviso section and include:

- Section 2(b). Compare policy goals with funding decisions, ranking criteria and performance measures.
 - Introduction: Programs Included, by 10-Year Funding Total
 - Table 1: Self-Reported Accountability Program Elements
 - Table 2: Relationship Between Award Criteria and Statewide Policy Considerations
 - Table 3: Relationship Between Statewide Policies and State Infrastructure Programs
 - Table 4: State Assistance Application Point Rating Systems
 - Table 5: Relationship Between Performance Measures and Statewide Policies
 - Table 6: Summary of Five-Year Grants and Loans by Purpose
 - Table 7: Summary of Five-Year Grants by Purpose
 - Table 8: Summary of Five-Year Loans by Purpose
- Section 2(c). Total amount of assistance received by jurisdictions.
 - Table 9: 10-Year Grants and Loans by Infrastructure Type and Jurisdiction
 - Table 10: Five-Year Grants and Loans by Infrastructure Type
 - Table 11: Five-Year Grants and Loans by Jurisdiction
 - Table 12: Five-Year Grants and Loans by Project Type
- Section 2(e). Funds leveraged with state aid.
 - Table 13: Five-Year Grants as a Percentage of Total Project Cost
- Section 3(a) Estimates of state aid needs for next three biennia.
 - Table 14: Projections of Future Appropriations
 - Table 15: Projected Appropriations for Existing Grant and Loan Programs
 - Table 16: Projected Funding Needs Beyond Existing Programs by Infrastructure Type
 - Table 17: Unfunded Need of Qualified Applicants

Programs Included, by 10-Year Funding Total

	Program	Department	Primary Type of Assistance (Grants, Loans, or Other*)	10-Year Funding Total	
Grants	1	Capital and Operating Budget Special Projects	CTED	Grant	\$333,297,199
	2	Centennial Clean Water Fund	Ecology	Grant	\$161,420,857
	3	Coordinated Prevention Grant	Ecology	Grant	\$92,599,406
	4	CDBG - General Purpose	CTED	Grant	\$82,394,775
	5	CERB - Job Development	CTED	Grant	\$49,501,000
	6	CDBG - Community Investment	CTED	Grant	\$42,305,412
	7	Community Service Facilities	CTED	Grant	\$30,376,341
	8	Building For the Arts	CTED	Grant	\$30,088,000
	9	Watershed Plan Implementation	Ecology	Grant	\$24,660,000
	10	Clean Water Act, Section 319	Ecology	Grant	\$20,815,096
	11	Youth Recreational Facilities	CTED	Grant	\$12,170,877
	12	Water System Acquisition and Rehabilitation	Health	Grant	\$8,795,426
	13	CDBG - Housing Enhancement	CTED	Grant	\$5,932,659
	14	Safe Drinking Water Action Grants	Ecology	Grant	\$4,456,034
	15	CDBG - Imminent Threat	CTED	Grant	\$2,431,318
	16	Building Communities Fund	CTED	Grant	2
Loans	17	PWAA Construction	CTED	Loan	\$1,518,604,721
	18	Water Pollution Control Revolving Fund	Ecology	Loan	\$661,602,398
	19	Drinking Water State Revolving Fund	Health	Loan	\$257,619,602
	20	PWAA Pre-construction	CTED	Loan	\$122,935,572
	21	CERB - Traditional	CTED	Loan	\$61,535,534
	22	CERB - Rural	CTED	Loan	3
	23	Energy Freedom	CTED	Loan	\$20,500,150
	24	PWAA Emergency	CTED	Loan	\$13,848,526
	25	CDBG - Interim Construction Financing	CTED	Loan	\$10,099,050
	26	Rural Washington Loan Fund	CTED	Loan	\$9,382,120
27	PWAA Planning	CTED	Loan	\$5,577,654	
Other	28	Bond Cap Allocation	CTED	Other	\$809,230,616
	29	Local Infrastructure Financing Tool****	CTED	Other	\$11,000,000
Total:					\$4,403,180,347

¹ Includes the face value of loans. Loans must be repaid, most with interest. "Other" includes taxing and tax exempt bond cap authority.

² CERB reported combined 10-year totals for Rural and Traditional.

³ Building Communities Fund is a new program and will begin funding in 2009.

⁴ Taxing authority granted for 25 years. \$11,000,000 represents taxing authority during the 10-year study period ending in 2008.

Table 1 - Self-Reported Accountability Program Elements

Proviso Section 2(b)

Program		Program Elements				
		Policies that are primary considerations determining awards	Evaluation criteria	Performance measures	Method for assessing progress toward policy goals	Method of assessing infrastructure needs
Totals	Programs that have elements	29	28	28	22	5
	Programs that partially have elements					13
	Programs that don't have elements		1	1	7	11
Programs	Bond Cap Allocation	•	•	•		
	Building Communities Fund	•	•	•	•	
	Building for the Arts	•	•	•		Partial
	Capital and Operating Budget	•				
	Centennial Clean Water Fund	•	•	•	•	Full
	Clean Water Act, Section 319	•	•	•	•	Full
	CDBG Community Investment	•	•	•	•	Partial
	CDBG General Purpose	•	•	•	•	Partial
	CDBG Housing Enhancement	•	•	•	•	Partial
	CDBG Imminent Threat	•	•	•	•	
	CDBG Interim Construction Financing	•	•	•	•	Partial
	CERB Job Development	•	•	•	•	
	CERB Rural	•	•	•	•	Partial
	CERB Traditional	•	•	•	•	Partial
	Community Services Facilities	•	•	•		Partial
	Coordinated Prevention Grant	•	•	•	•	Partial
	Drinking Water State Revolving Fund Program	•	•	•	•	Full
	Energy Freedom	•	•	•		
	PWAA Construction	•	•	•	•	
	PWAA Emergency Loan	•	•	•	•	
	PWAA Planning	•	•	•	•	
	PWAA Pre-construction	•	•	•	•	
	Rural Washington Loan Fund	•	•	•	•	Partial
	Safe Drinking Water Action Grant	•	•	•	•	Partial
	Local Infrastructure Financing Tool	•	•	•		
	Water System Acquisition and Rehabilitation	•	•	•	•	Full
Water Pollution Control Revolving Fund	•	•	•	•	Full	
Watershed Plan Implementation	•	•	•	•	Partial	
Youth Recreation Facilities	•	•	•		Partial	

Table 2 - Relationship Between Award Criteria and Statewide Policy Considerations¹

Provision Section 2(b)

Program	Over-arching State Policies				Statutory Program Policy Goals						
	Growth Management Act	State Economic Development Plan	Puget Sound Partnership	Climate Change Initiatives	Public Health	Clean Water ²	Job Creation	Benefits to Low and Moderate Income Households	Fiscal Capacity or Need of applicant	Other Multiple	Other Individual
Bond Cap Allocation	●	●			●		●	●		●	
Building Communities Fund				●				●	●	●	
Building for the Arts				●						●	
Capital and Operating Budget				●							
Centennial Clean Water Fund ³			●		●	●			●	●	
Clean Water Act, Section 319			●		●	●					
CDBG Community Investment		●					●	●	●	●	
CDBG General Purpose	●	●						●	●	●	
CDBG Housing Enhancement								●	●	●	
CDBG Imminent Threat					●			●			●
CDBG Interim Financing								●	●	●	
CERB Job Development							●		●	●	
CERB Rural											
CERB Traditional		●					●		●	●	
Community Services Facilities				●					●	●	
Coordinated Prevention Grant	●		●	●	●					●	
Drinking Water State Revolving Fund					●			●			●
Energy Freedom		●		●	●	●	●			●	
PWAA Construction	●	●	●		●		●		●	●	
PWAA Emergency Loan	●				●				●	●	
PWAA Planning	●								●	●	
PWAA Pre-construction	●				●				●	●	
Rural Washington Loan Fund		●					●	●		●	
Safe Drinking Water Action Grant			●		●	●				●	
Local Infrastructure Financing Tool	●	●					●		●	●	
Water System Acquisition and Rehabilitation					●			●		●	
Water Pollution Control Revolving Fund			●		●	●					
Watershed Plan Implementation	●	●	●	●		●				●	
Youth Recreation Facilities									●	●	
Totals:	9	9	7	7	13	7	8	10	15	23	2

¹ Policies are reflected in eligibility or rating criteria for awards.

² Clean water includes drinking water, wastewater, and non-point source projects.

³ Legislative proviso projects (11 out of 31) are not subject to award criteria.

Table 3 - Relationship Between Statewide Policies and State Infrastructure Programs
KEY

Helps Implement ●
 Potentially Conflicts ○
 Both ●
 Neither -

Program		Growth Management Act	Puget Sound Partnership	Climate Change	Economic Development Plan
Totals	Helps Implement	11	12	13	12
	Potentially Conflicts	4	6	4	4
	Both	8	5	5	8
	Neither	6	6	7	5
Programs	Bond Cap Allocation	●	●	●	●
	Building Communities Fund	●	○	●	●
	Building for the Arts	-	-	-	-
	Capital and Operating Budget	●	○	●	●
	Centennial Clean Water Fund	●	●	●	●
	Clean Water Act, Section 319	-	●	●	●
	CDBG Community Investment	●	●	●	●
	CDBG General Purpose	●	●	●	●
	CDBG Housing Enhancement	●	●	●	●
	CDBG Imminent Threat	-	-	-	-
	CDBG Interim Financing	●	●	●	●
	CERB Job Development	●	●	●	○
	CERB Rural	●	●	●	●
	CERB Traditional	●	●	●	●
	Community Services Facilities	-	●	●	●
	Coordinated Prevention Grant	●	●	●	●
	Drinking Water State Revolving Fund	●	-	-	-
	Energy Freedom	-	-	●	●
	PWAA Construction	○	○	○	○
	PWAA Emergency Loan	○	○	○	○
	PWAA Planning	○	○	○	○
	PWAA Pre-construction	○	○	○	○
	Rural Washington Loan Fund	-	-	-	●
	Safe Drinking Water Action Grant	●	●	-	●
	Local Infrastructure Financing Tool	●	●	●	○
	Water System Acquisition and Rehabilitation	●	-	-	-
	Water Pollution Control Revolving Fund	●	●	●	●
Watershed Plan Implementation	●	●	●	●	
Youth Recreation Facilities	-	-	-	-	

Table 4 - State Assistance Application Point Rating Systems

Proviso Section 2(b)

Program	No point rating system	No awards yet for 2008	Awards						
			Total number	>90% (of possible points)	75%-89% (of possible points)	50%-74% (of possible points)	<50% (of possible points)	Not ranked ¹	
Totals									
Totals	11	4	332	132	101	76	7	16	
Percent	38%	14%	-	40%	30%	23%	2%	5%	
Bond Cap Allocation	•								
Building Communities Fund		•							
Building for the Arts			23	0	10	11	2	0	
Capital and Operating Budget	•								
Centennial Clean Water Fund			31	0	3	15	0	13	
Clean Water Act, Section 319			8	1	7	0	0	0	
CDBG Community Investment			8	0	5	3	0	0	
CDBG General Purpose			18	0	2	16	0	0	
CDBG Housing Enhancement			4	0	4	0	0	0	
CDBG Imminent Threat	•								
CDBG Interim Financing			2	0	1	1	0	0	
CERB Job Development			12	0	1	11	0	0	
CERB Rural	•								
CERB Traditional	•								
Community Services Facilities		•							
Coordinated Prevention Grant			111	111	0	0	0	0	
Drinking Water State Revolving Fund		•							
Energy Freedom	•								
PWAA Construction			52	13	39	0	0	0	
PWAA Emergency Loan	•								
PWAA Planning	•								
PWAA Pre-construction			24	6	18	0	0	0	
Rural Washington Loan Fund	•								
Safe Drinking Water Action Grant	•								
Local Infrastructure Financing Tool			5	0	0	4	1	0	
Water System Acquisition and Rehabilitation		•							
Water Pollution Control Revolving Fund			17	0	3	11	0	3	
Watershed Plan Implementation	•								
Youth Recreation Facilities			17	1	8	4	4	0	

¹ Carried forward from previous years or resulting from specific legislative provisos.

Table 5 - Relationship Between Performance Measures and Statewide Policies

Proviso Section 2(b)

Program	Number of Performance Measures Reported	Number of Performance Measures that Align with:		Percent of Performance Measures that Align with:	
		Eligibility and Evaluation Criteria	Statutory Policy	Eligibility and Evaluation Criteria	Statutory Policy
Bond Cap Allocation	2	2	1	100%	50%
Building Communities Fund	4	2	1	50%	25%
Building for the Arts	5	3	1	60%	20%
Capital and Operating Budget	4	0	0	0%	0%
CDBG Community Investment	4	2	2	50%	50%
CDBG General Purpose	4	2	2	50%	50%
CDBG Housing Enhancement	4	3	1	75%	25%
CDBG Imminent Threat	3	2	1	67%	33%
CDBG Interim Construction Financing	4	3	2	75%	50%
Centennial Clean Water Fund	15	11	10	73%	67%
CERB Job Development	5	3	4	60%	80%
CERB Rural	5	4	4	80%	80%
CERB Traditional	5	4	4	80%	80%
Clean Water Act, Section 319	15	15	11	100%	73%
Community Services Facilities	1	1	1	100%	100%
Coordinated Prevention Grant	16	npd ¹	11	*	69%
Drinking Water State Revolving Fund	4	4	3	100%	75%
Energy Freedom ²					
PWAA Construction	3	1	1	33%	33%
PWAA Emergency Loan	5	1	1	20%	20%
PWAA Planning	5	1	1	20%	20%
PWAA Pre-construction	5	1	0	20%	0%
Rural Washington Loan Fund	5	2	2	40%	40%
Safe Drinking Water Action Grant	5	3	4	60%	80%
Local Infrastructure Financing Tool	7	4	4	57%	57%
Water System Acquisition and Rehabilitation	4	4	4	100%	100%
Water Pollution Control Revolving Fund	15	10	13	67%	87%
Watershed Plan Implementation	4	4	4	100%	100%
Youth Recreation Facilities	5	3	1	60%	20%

¹ npd = "Not possible to determine."

Eligibility and evaluation criteria are very broad and difficult to connect with detailed performance measures.

² None reported.

Table 6 - Summary of 5-Year Grants and Loans¹ by Purpose

Proviso Section 2(b)

Totals		Increases capacity	Replacement	Projects that reduce the need for, or size of, future infrastructure projects	Compliance with permit requirements and/or environmental standards	Other ²
Number						
Grants	229	67	465	208	669	
Loans	131	51	15	660	50	
Other ³	6	0	0	0	24	
All:	366	118	480	868	743	
Percent of Total Number:⁴	15%	5%	20%	36%	30%	
Amount						
Grants	\$184,081,957	\$44,349,494	\$66,196,808	\$92,927,364	\$358,372,245	
Loans	\$464,431,457	\$95,117,899	\$53,168,260	\$1,017,137,499	\$53,648,894	
Other ³	\$11,000,000	\$0	\$0	\$0	\$385,091,189	
All Awards:	\$659,513,414	\$139,467,393	\$119,365,068	\$1,110,064,863	\$797,112,327	
Percent of Total Amount:⁴	24%	5%	4%	41%	29%	

¹ Includes grants and the face values of loans. Loans must be repaid, most with interest.

² In cases where programs reported that they did not collect data or categorize their projects as defined by this table, the projects were defined as "other."

³ Taxing and tax exempt bond cap authority.

⁴ Some projects had more than one purpose and were counted once for each purpose.

Table 7 - Summary of 5-Year Grants by Purpose

Proviso Section 2(b)

Infrastructure Type	Increases capacity	Replacement	Projects that reduce the need for, or size of, future infrastructure projects	Compliance with permit requirements and/or environmental standards	Other ¹
Number of Grants					
Wastewater	27	16	2	27	5
Drinking Water	42	27	1	73	5
Transportation Infrastructure	5	9	0	0	6
Buildings and Facilities	1	0	0	0	285
Solid/Hazardous Waste	0	0	462	0	1
Community/Social Service Facilities	21	7	0	0	231
Stormwater	4	1	0	4	4
Irrigation/Agriculture	51	0	0	53	11
Biofuels	0	0	0	0	2
Other Categories ²	61	4	0	50	119
Multiple	17	3	0	1	0
Total	229	67	465	208	669
Percent³	14%	4%	28%	13%	41%
Amount of Grants					
Wastewater	\$55,076,125	\$11,297,006	\$5,000,000	\$28,976,350	\$4,246,050
Drinking Water	\$25,231,176	\$21,623,495	\$722,250	\$35,835,976	\$2,078,612
Transportation Infrastructure	\$12,543,090	\$3,572,742	\$0	\$0	\$4,800,000
Buildings and Facilities	\$500,000	\$0	\$0	\$0	\$153,373,469
Solid/Hazardous Waste	\$0	\$0	\$60,474,558	\$0	\$350,000
Community and Social Service Facilities	\$13,726,377	\$3,765,525	\$0	\$0	\$139,630,145
Stormwater	\$1,292,200	\$717,300	\$0	\$1,292,200	\$1,338,000
Irrigation/Agriculture	\$16,855,824	\$0	\$0	\$17,139,956	\$3,555,682
Biofuels	\$0	\$0	\$0	\$0	\$6,497,000
Other Categories ²	\$52,480,090	\$1,932,427	\$0	\$9,182,882	\$42,503,287
Multiple	\$6,377,076	\$1,441,000	\$0	\$500,000	\$0
Total	\$184,081,957	\$44,349,494	\$66,196,808	\$92,927,364	\$358,372,245
Percent³	25%	6%	9%	12%	48%

¹ In cases where programs reported that they did not collect data or categorize their projects as defined by this table, the projects were defined as "other."

² Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.

³ Some projects had more than one purpose and were counted once for each purpose.

Table 8 - 5-Year Loans¹ by Purpose

Proviso Section 2(b)

Infrastructure Type	Increases capacity	Replacement	Projects that reduce the need for, or size of, future infrastructure projects	Compliance with permit requirements and/or environmental standards	Other ²
Number of Loans					
Wastewater	74	24	15	246	15
Drinking Water	10	25	0	334	0
Transportation Infrastructure	3	2	0	54	0
Buildings and Facilities	13	0	0	2	0
Solid/Hazardous Waste	1	0	0	3	0
Stormwater	1	0	0	19	0
Irrigation/Agriculture	0	0	0	0	3
Biofuel	0	0	0	0	4
Other Categories ³	19	0	0	2	33
Multiple	10	0	0	0	0
Totals	131	51	15	660	55
Percent⁴	14%	6%	2%	73%	6%
Amount of Loans					
Wastewater	\$420,866,182	\$65,778,736	\$53,168,260	\$459,701,951	\$19,811,118
Drinking Water	\$5,739,304	\$28,202,663	\$0	\$381,116,994	\$0
Transportation Infrastructure	\$2,063,000	\$1,136,500	\$0	\$153,808,311	\$0
Buildings and Facilities	\$11,169,250	\$0	\$0	\$150,000	\$0
Solid/Hazardous Waste	\$2,600,000	\$0	\$0	\$2,703,550	\$0
Stormwater	\$1,547,000	\$0	\$0	\$19,549,535	\$0
Irrigation/Agriculture	\$0	\$0	\$0	\$0	\$7,485,914
Biofuel	\$0	\$0	\$0	\$0	\$11,030,150
Other Categories ³	\$11,925,280	\$0	\$0	\$107,158	\$15,321,712
Multiple	\$8,521,442	\$0	\$0	\$0	\$0
Totals	\$464,431,457	\$95,117,899	\$53,168,260	\$1,017,137,499	\$53,648,894
Percent⁴	28%	6%	3%	61%	3%

¹ Loans must be repaid, most with interest.

² In cases where programs reported that they did not collect data or categorize their projects as defined by this table, the projects were defined as "other."

³ Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.

⁴ Some projects had more than one purpose and were counted once for each purpose.

Table 9 - 10-Year Grants and Loans¹ by Infrastructure Type and Jurisdiction
 Proviso Section 2(c)

Infrastructure Type	Table A: Number of Grants and Loans										Totals	
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008		
Wastewater	73	64	86	67	77	88	81	82	64	85	767	19.4%
Drinking Water	60	79	88	92	91	97	88	74	81	27	777	19.7%
Buildings and Facilities	23.5	21.5	26	31	29	31	76.5	76.5	80	85	482	12.2%
Transportation Infrastructure	6	17	15	14	13	24	8	8	1	117	3.0%	
Solid/Hazardous Waste	13	110	34	111	5	124	27	117	56	141	738	18.7%
Community/Social Service Facilities	13	18	22	17	20	20	21.5	18.5	16	21	187	4.7%
Stormwater	8	5	9	5	5	6	5	3	0	0	46	1.2%
Irrigation/Agriculture	2	8	3	3	3	3	11	28	2	11	74	1.9%
Bioremediation	0	0	0	0	0	0	0	1	1	3	5	0.1%
Other Categories ²	37	73	74	70	75	78	55	48	126.5	116.5	753	19.1%
Totals:³	235.5	395.5	357	410	318	471	375	456	427.5	500.5	3946	Percent
Jurisdiction	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Totals	Percent
Cities and Towns	114.5	131.5	164	150	128.5	197.5	149.5	165.5	119	179	1499	38.0%
Counties	29	116	60	124	36.5	119.3	42.5	111.5	88.5	128.5	856	21.7%
Tribes	0.5	3.5	5	2	5	0	3.5	1.5	3	4	28	0.7%
Water and/or Sewer Districts	18	40	28	33	25	43	37	26	16	24	290	7.3%
Port Districts	5	4	8	3	6	11	11	9	16	6	79	2.0%
Public Utility Districts	11	15	19	10	16.5	14.5	19	6	21	5	136	3.4%
Conservation Districts	14	23	17	19	20	16	20	22	17	16	184	4.7%
Other Special Purpose Districts	7	7	9	14	12	3	13	27	17	25	134	3.4%
State Agencies	0	1	0	0	0	0	0	0	0	0	1	0.0%
For-Profit Organizations	2	6	1	2	11	3	0	0	0	0	32	0.8%
Non-Profit Organizations	30.5	31.5	35	41	55.5	60.5	71.5	77.5	122	107	632	16.0%
Other	4	17	11	12	2	3	8	10	1	6	74	1.9%
Totals:³	235.5	395.5	357	410	318	471	375	456	427.5	500.5	3946	

¹ Includes grants and the face values of loans. Loans must be repaid, most with interest.
² Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.
³ The following programs were reported by biennium: Building for the Arts, Capital and Operating Budget, Community Services Facilities, and Youth Recreational Facilities. For these programs each biennial figure was divided in half and assigned to individual years. For example, a \$1,000,000 award for the 1999-01 biennium would be reported here as .5 awards and \$500,000 in 1999 and .5 awards and \$500,000 in 2000. These tables do not include two programs: Bond Cap Allocation and Local Infrastructure Financing Tool.

Table 9 - 10-Year Grants and Loans¹ by Infrastructure Type and Jurisdiction
 Proviso Section 2(c)

Infrastructure Type	Table B: Amount of Grants and Loans										Totals	
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008		
Wastewater	\$85.0	\$86.4	\$140.2	\$117.7	\$160.8	\$239.0	\$193.3	\$187.4	\$131.3	\$294.1	\$1,635.1	45.3%
Drinking Water	\$55.9	\$69.1	\$104.4	\$122.6	\$68.4	\$113.5	\$80.9	\$67.1	\$77.1	\$54.9	\$803.8	22.3%
Buildings and Facilities	\$8.8	\$7.9	\$18.7	\$20.2	\$9.5	\$11.6	\$41.0	\$40.9	\$59.1	\$62.4	\$280.0	7.8%
Transportation Infrastructure	\$9.1	\$36.7	\$27.2	\$18.8	\$26.6	\$62.2	\$17.0	\$10.7	\$0.5	\$43.6	\$252.4	7.0%
Solid/Hazardous Waste	\$0.4	\$27.1	\$0.8	\$26.5	\$0.3	\$16.7	\$3.9	\$17.4	\$4.6	\$23.0	\$120.6	3.3%
Community/Social Service Facilities	\$4.0	\$6.9	\$6.7	\$4.7	\$6.7	\$7.4	\$8.1	\$7.1	\$6.9	\$9.9	\$69.5	1.9%
Stormwater	\$7.9	\$8.1	\$9.7	\$12.0	\$0.7	\$9.4	\$8.9	\$1.7	\$0.0	\$0.0	\$47.3	1.3%
Irrigation/Agriculture	\$0.2	\$3.2	\$8.4	\$4.0	\$0.9	\$2.2	\$3.1	\$13.2	\$0.5	\$4.6	\$40.3	1.1%
Bioremediation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$2.6	\$8.1	\$11.5	0.3%
Other Categories ²	\$6.5	\$12.6	\$15.4	\$14.8	\$38.5	\$34.1	\$10.5	\$20.1	\$119.8	\$76.9	\$348.3	9.7%
Totals:³	\$177.3	\$258.1	\$331.6	\$330.6	\$496.0	\$367.7	\$366.3	\$402.3	\$576.5	\$3,608.8	Percent	
Jurisdiction	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Totals	Percent
Cities and Towns	\$109.2	\$113.1	\$209.3	\$184.1	\$32.2	\$39.7	\$206.5	\$198.4	\$211.3	\$295.4	\$1,969.2	54.6%
Counties	\$21.9	\$73.1	\$41.5	\$55.8	\$103.7	\$65.1	\$39.3	\$45.3	\$33.5	\$92.0	\$600.9	15.8%
Tribes	\$0.0	\$0.4	\$0.9	\$0.4	\$0.7	\$0.0	\$1.4	\$0.5	\$2.0	\$1.8	\$6.2	0.2%
Water and/or Sewer Districts	\$20.4	\$39.2	\$25.7	\$48.3	\$17.0	\$57.2	\$27.3	\$43.3	\$24.2	\$74.5	\$377.1	10.4%
Port Districts	\$2.7	\$2.4	\$3.9	\$1.3	\$2.8	\$4.4	\$7.2	\$4.5	\$10.3	\$8.4	\$48.0	1.3%
Public Utility Districts	\$5.9	\$9.3	\$22.8	\$13.4	\$3.2	\$21.8	\$9.0	\$15.5	\$12.3	\$4.7	\$111.8	3.1%
Conservation Districts	\$2.3	\$5.8	\$2.6	\$6.7	\$3.9	\$5.7	\$5.0	\$11.2	\$9.8	\$6.5	\$58.5	1.6%
Other Special Purpose Districts	\$2.9	\$2.5	\$5.6	\$6.7	\$14.6	\$5.6	\$15.6	\$14.1	\$20.8	\$36.4	\$124.8	3.5%
State Agencies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
For-Profit Organizations	\$1.3	\$1.6	\$0.1	\$1.2	\$2.9	\$0.7	\$0.0	\$0.0	\$2.8	\$0.0	\$10.6	0.3%
Non-Profit Organizations	\$10.9	\$9.5	\$10.7	\$12.0	\$21.2	\$25.6	\$25.4	\$28.2	\$75.1	\$68.2	\$284.9	7.9%
Other	\$0.3	\$1.0	\$8.5	\$0.7	\$0.2	\$0.2	\$31.1	\$5.1	\$0.0	\$1.5	\$48.9	1.4%
Totals:³	\$177.3	\$258.1	\$331.6	\$330.6	\$496.0	\$367.7	\$366.3	\$402.3	\$576.5	\$3,608.8		

¹ Includes grants and the face values of loans. Loans must be repaid, most with interest.
² Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.
³ The following programs were reported by biennium: Building for the Arts, Capital and Operating Budget, Community Services Facilities, and Youth Recreational Facilities. For these programs each biennial figure was divided in half and assigned to individual years. For example, a \$1,000,000 award for the 1999-01 biennium would be reported here as .5 awards and \$500,000 in 1999 and .5 awards and \$500,000 in 2000. These tables do not include two programs: Bond Cap Allocation and Local Infrastructure Financing Tool.

Table 10 - 5-Year Grants and Loans¹ by Infrastructure Type

Proviso Section 2(c)

Infrastructure Type		Total	Percent
Number of Grants	Solid/Hazardous Waste	463	31%
	Buildings and Facilities	286	19%
	Community and Social Service Facilities	256	17%
	Drinking Water	97	7%
	Irrigation/Agriculture	64	4%
	Wastewater	53	4%
	Transportation Infrastructure	18	1%
	Stormwater	8	1%
	Biofuels	2	0%
	Other Categories ²	219	15%
	Multiple	20	1%
Amount of Grants	Community and Social Service Facilities	\$155,022,047	23%
	Buildings and Facilities	\$153,873,469	23%
	Wastewater	\$88,074,603	13%
	Solid/Hazardous Waste	\$60,824,558	9%
	Drinking Water	\$53,274,686	8%
	Irrigation/Agriculture	\$20,695,638	3%
	Transportation Infrastructure	\$19,843,742	3%
	Biofuels	\$6,497,000	1%
	Stormwater	\$2,630,200	0%
	Other Categories ²	\$104,748,085	16%
	Multiple	\$7,818,076	1%
Infrastructure Type		Total	Percent
Number of Loans	Wastewater	370	41%
	Drinking Water	363	40%
	Transportation Infrastructure	59	7%
	Stormwater	20	2%
	Buildings and Facilities	15	2%
	Solid/Hazardous Waste	4	0%
	Biofuels	4	0%
	Irrigation/Agriculture	3	0%
	Other Categories ²	54	6%
	Multiple	10	1%
Amount of Loans	Wastewater	\$1,005,275,846	61%
	Drinking Water	\$408,911,261	25%
	Transportation Infrastructure	\$157,007,811	10%
	Stormwater	\$21,096,535	1%
	Buildings and Facilities	\$11,319,250	1%
	Biofuels	\$11,030,150	1%
	Irrigation/Agriculture	\$7,485,914	0%
	Solid/Hazardous Waste	\$5,303,550	0%
	Other Categories ²	\$27,354,150	2%
	Multiple	\$8,521,442	1%

¹ Includes grants and the face value of loans. Loans must be repaid, most with interest.

² Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.

Table 11 - 5-Year Grants and Loans¹ by Jurisdiction

Proviso Section 2(c)

Jurisdiction	Type of Assistance	Number	Amount	Percent
Cities and Towns	Grant	407	\$250,597,326	19%
	Loan	453	\$1,050,756,226	80%
	Other	5	\$9,000,000	1%
Counties	Grant	453	\$120,397,927	43%
	Loan	62	\$159,795,081	57%
	Other	1	\$2,000,000	1%
Tribes	Grant	13	\$3,827,699	100%
Water and/or Sewer Districts	Grant	15	\$10,998,570	4%
	Loan	157	\$239,876,097	96%
Port Districts	Grant	28	\$12,576,484	26%
	Loan	28	\$31,386,996	64%
	Other	1	\$5,000,000	10%
Public Utility Districts	Grant	33	\$20,101,484	11%
	Loan	47	\$50,563,793	27%
	Other	6	\$119,731,189	63%
Conservation Districts	Grant	86	\$22,803,396	65%
	Loan	5	\$12,091,785	35%
Other Special Purpose Districts	Grant	24	\$9,857,266	19%
	Loan	30	\$41,999,461	81%
State Agencies	Grant	5	\$1,343,667	100%
For-Profit Organizations	Grant	2	\$2,179,892	1%
	Loan	21	\$6,460,220	2%
	Other	12	\$260,360,000	97%
Non-Profit Organizations	Grant	382	\$189,888,196	86%
	Loan	61	\$30,433,756	14%
Other ²	Grant	38	\$28,730,196	42%
	Loan	28	\$39,939,495	58%
Total Grants		1486	\$673,302,103	25%
Total Loans		892	\$1,663,302,908	61%
Total Other³		25	\$396,091,189	14%
Total		2403	\$2,732,696,200	
Annual Average Grants		297	\$134,660,421	25%
Annual Average Loans		178	\$332,660,582	61%
Annual Average Other		5	\$79,218,238	14%
Annual Average Total		481	\$546,539,240	

¹ Includes grants and the face value of loans. Loans must be repaid, most with interest.

² Includes some school districts, community colleges, inter-governmental entities, and funds provided to local governments to be loaned to private businesses.

³ Taxing and tax exempt bond cap authority.

Table 12 - 5-Year Grants and Loans¹ by Project Type
 Proviso Section 2(c)

Jurisdiction		Construction Project	Planning or Design of Individual Construction Project	Projects that reduce the need for, or size of, future infrastructure projects	Other activities
Number of Grants and Loans	Cities and Towns	503	250	146	39
	Counties	88	67	318	71
	Tribes	5	2	0	6
	Water and/or Sewer District	112	58	0	2
	Port District	43	22	0	1
	Public Utility District	62	9	0	9
	Conservation District	13	2	0	76
	Other Special Purpose District	37	13	0	4
	State Agencies	3	1	0	1
	For-Profit Organizations	22	1	0	0
	Non-Profit Organizations	374	17	0	52
	Other	24	3	0	39
	Totals:	1286	445	464	300
	Percent²	53%	18%	19%	12%
Amount of Grants and Loans	Cities and Towns	\$1,152,966,205	\$143,851,462	\$11,387,228	\$35,776,021
	Counties	\$184,113,227	\$35,579,689	\$50,119,898	\$27,492,794
	Tribes	\$2,238,912	\$100,000	\$0	\$1,488,787
	Water and/or Sewer District	\$221,880,755	\$22,161,060	\$0	\$6,832,852
	Port District	\$43,013,716	\$768,763	\$0	\$181,000
	Public Utility District	\$66,717,000	\$1,768,525	\$0	\$2,179,753
	Conservation District	\$9,457,178	\$368,000	\$0	\$25,070,003
	Other Special Purpose District	45926281	\$5,364,222	\$0	\$566,224
	State Agencies	\$877,000	\$350,000	\$0	\$116,667
	For-Profit Organizations	\$8,590,112	\$50,000	\$0	\$0
	Non-Profit Organizations	\$184,163,732	\$9,980,000	\$0	\$26,178,220
	Other	\$56,524,061	\$376,232	\$0	\$11,769,398
	Totals:	\$1,976,468,178	\$220,717,952	\$61,507,126	\$137,651,718
	Percent²	87%	8%	2%	5%

¹ Includes grants and the face values of loans. Loans must be repaid, most with interest.

² Percents sum to more than 100 because some awards funded projects with multiple types. This table does not include Bond Cap Authority or Tax Increment Financing.

Table 13 - 5-Year Grants as Proportion of Total Project Costs¹

Proviso Section 2(e)

Table A: Programs Tracking Total Project Costs

Grant Programs	Tracks Total Project Costs	Does Not Track Total Project Cost
Building for the Arts		•
Capital and Operating Budget		•
Centennial Clean Water Fund ²	•	
Clean Water Act	•	
CDBG - Community Investment	•	
CDBG - General Purpose	•	
CDBG - Housing Enhancement	•	
CDBG - Imminent Threat	•	
CERB - Job Development	•	
CERB Rural ²	•	
Community Services Facilities		•
Coordinated Prevention Grant	•	
Energy Freedom		•
Safe Drinking Water	•	
Water System Acquisition and Rehabilitation	•	
Watershed Plan Implementation	•	
Youth Recreational Facilities		•

Table B: Grants for all Project Types

Infrastructure Type	Number of Grants	Amount		Percent of Total Project Cost Provided by State Grants****
		State Grants	Total Project Cost	
Solid/Hazardous Waste	462	\$60,474,558	\$80,632,744	75%
		Total Project Cost		
Stormwater	4	\$1,292,200	\$1,823,146	71%
		Total Project Cost		
Transportation	7	\$2,833,742	\$5,641,896	50%
		Total Project Cost		
Drinking Water	86	\$40,261,686	\$87,918,304	46%
		Total Project Cost		
Community and Social Service Facilities	26	\$16,391,902	\$39,542,224	41%
		Total Project Cost		
Irrigation/Agriculture	57	\$17,970,638	\$50,001,034	36%
		Total Project Cost		
Other Categories ³	204	\$95,558,085	\$273,893,611	35%
		Total Project Cost		
Wastewater	48	\$73,904,603	\$217,845,045	34%
		Total Project Cost		
Multiple	20	\$7,818,076	\$64,718,130	12%
		Total Project Cost		
Total:	914	\$316,505,489	\$822,016,133	39%

¹ Programs did not share a common definition of total project costs. Figures may report costs for a phase or component of a project (for example, design) versus the cost including design through construction for all project phases. Due to the number of multiple awards over several years to some projects, total project costs reported may be overstated.

² Centennial Clean Water Fund and CERB Rural provides both grants and loans. Only grants are included here.

³ Includes some Capital and Operating Budget projects, some non-point source projects, and economic development projects.

⁴ One program reported two grants in which the total project cost was less than the award amount. For those projects, the project recipient's actual project costs were less than anticipated when the contract was signed. Only the actual project cost was granted to the recipient.

Table 13 - 5-Year Grants as Proportion of Total Project Costs¹

Proviso Section 2(e)

Table C: Grants for Construction Projects Only

Infrastructure Type	Number of Grants	Amount		Percent of Total Project Cost Provided by State Grants
		State Grants	Total Project Cost	
Stormwater	2	\$957,300	\$1,488,246	64%
		Total Project Cost		
Transportation	7	\$2,833,742	\$5,641,896	50%
		Total Project Cost		
Drinking Water	75	\$37,212,345	\$83,121,625	45%
		Total Project Cost		
Community and Social Service Facilities	23	\$14,091,902	\$34,606,794	41%
		Total Project Cost		
Wastewater	44	\$71,937,959	\$215,827,725	33%
		Total Project Cost		
Irrigation/Agriculture	32	\$12,931,302	\$40,323,267	32%
		Total Project Cost		
Other Categories ³	18	\$51,457,298	\$214,607,231	24%
		Total Project Cost		
Multiple	18	\$7,818,076	\$64,718,130	12%
		Total Project Cost		
Total:	219	\$199,239,923	\$660,334,913	30%

Table 14 - Projections of Future Appropriations

Proviso Section 3(a)

Program	Reported Projections for Existing Programs	Reported Projections for Need Beyond Existing Programs	Program Terminates Before 2009-2011 Biennium	No Reported Projections
Bond Cap Allocation				●
Building Communities Fund	●			
Building for the Arts	●			
Capital and Operating Budget				●
Centennial Clean Water Fund	●	●		
Clean Water Act, Section 319	●	●		
CDBG Community Investment			●	
CDBG General Purpose	●	●		
CDBG Housing Enhancement	●			
CDBG Imminent Threat	●			
CDBG Interim Construction Financing	●			
CERB Job Development			●	
CERB Rural	●	●		
CERB Traditional	●	●		
Community Services Facilities			●	
Coordinated Prevention Grant	●			
Drinking Water State Revolving Fund	●			
Energy Freedom	●			
PWAA Construction	●	●		
PWAA Emergency Loan	●	●		
PWAA Planning	●	●		
PWAA Pre-construction	●	●		
Rural Washington Loan Fund	●			
Safe Drinking Water Action Grant				●
Local Infrastructure Financing Tool				●
Water System Acquisition and Rehabilitation ¹				●
Water Pollution Control Revolving Fund	●	●		
Watershed Plan Implementation	●	●		
Youth Recreation Facilities	●			
Totals:	21	11	3	5

¹ Assessment of need beyond existing programs currently underway.

Table 15 - Projected Appropriations for Existing Grant and Loan¹ Programs
 Proviso Section 3(a)

21 Programs Reporting Projected Appropriations
 (See individual program narratives for additional detail.)

Programs	Estimated Appropriations	Projected Appropriations			
	2007-2009	2009-2011	2011-2013	2013-2015	2009-2015 Totals
Grants					
Building Communities Fund	n/a	\$31,600,000	\$31,600,000	\$31,600,000	\$94,800,000
Building for the Arts	\$11,856,880	\$11,856,880	\$11,856,880	\$11,856,880	\$35,570,640
Centennial Clean Water Fund ²	\$66,816,117	\$59,940,000	\$59,940,000	\$59,940,000	\$179,820,000
Clean Water Act, Section 319	\$3,770,838	\$3,800,000	\$3,500,000	\$3,500,000	\$10,800,000
CDBG General Purpose	\$19,500,000	\$24,000,000	\$24,000,000	\$24,000,000	\$72,000,000
CDBG Housing Enhancement	\$1,900,000	\$2,000,000	\$2,000,000	\$2,000,000	\$6,000,000
CDBG Imminent Threat	\$400,000	\$400,000	\$400,000	\$400,000	\$1,200,000
CERB Combined (Rural & Traditional) ²	\$620,000	\$930,000	\$930,000	\$930,000	\$2,790,000
Coordinated Prevention Grant	\$25,500,000	\$27,060,000	\$28,730,000	\$30,500,000	\$86,290,000
Watershed Plan Implementation	\$11,704,000	\$15,750,000	\$15,750,000	\$15,750,000	\$47,250,000
Youth Recreation Facilities	\$8,936,877	\$7,900,000	\$7,900,000	\$7,900,000	\$23,700,000
Totals:	\$151,004,712	\$185,236,880	\$186,606,880	\$188,376,880	\$560,220,640
Loans					
Centennial Clean Water Fund ²	\$66,883	\$60,000	\$60,000	\$60,000	\$180,000
CDBG Interim Financing	\$32,000,000	\$24,000,000	\$24,000,000	\$24,000,000	\$72,000,000
CERB Combined (Rural & Traditional) ²	\$19,380,000	\$29,070,000	\$29,070,000	\$29,070,000	\$87,210,000
Drinking Water State Revolving Fund	\$107,378,035	\$63,201,000	\$69,118,000	\$75,035,000	\$207,354,000
Energy Freedom	\$0	\$0	\$25,000,000	\$25,000,000	\$50,000,000
PWAA Combined	\$327,000,000	\$421,000,000	\$456,000,000	\$494,000,000	\$1,371,000,000
Rural Washington Loan Fund	\$8,079,002	\$0	\$4,000,000	\$4,000,000	\$8,000,000
Water Pollution Control Revolving Fund	\$140,000,000	\$116,202,937	\$110,348,718	\$106,169,469	\$332,721,124
Totals:	\$633,903,920	\$653,533,937	\$717,596,718	\$757,334,469	\$2,128,465,124

¹ Includes grants and the face value of loans. Loans must be repaid, most with interest.

² Centennial Clean Water Fund and CERB Rural provide both grants and loans. These tables separate their projected total aid based on the ratio of grants to loans for the past five years.

Table 16 - Projected Funding Needs Beyond Existing Programs by Infrastructure Type

Proviso Section 3(a)

11 Programs Reporting Funding Needs Beyond Existing Programs by Infrastructure Type¹
 (See individual program narratives for additional detail)

Infrastructure Type	2009-2011 Loans/Grants	2011-2013 Loans/Grants	2013-2015 Loans/Grants	2009-2015 Totals
Wastewater	\$1,771,521,878	\$1,794,719,331	\$1,817,916,784	\$5,384,157,993
Non-Point Source Projects ²	\$1,186,470,982	\$1,186,470,982	\$1,186,470,982	\$3,559,412,946
Stormwater	\$80,000,000	\$160,000,000	\$320,000,000	\$560,000,000
Drinking Water	\$126,780,170	\$138,773,175	\$150,766,180	\$416,319,525
Transportation	\$61,895,804	\$68,041,819	\$74,187,833	\$204,125,456
Multiple	\$39,497,000	\$37,248,000	\$34,075,000	\$110,820,000
Community and Social Service Facilities	\$8,000,000	\$8,000,000	\$8,000,000	\$24,000,000
Totals:	\$3,274,165,834	\$3,393,253,307	\$3,591,416,779	\$10,258,835,920

¹ Figures by infrastructure type are combined from all programs.

² See Department of Ecology program narratives for definition of non-point source projects.

Table 17 - Unfunded Need of Qualified Applicants

Proviso Section 3(a)

23 Programs Reporting Unfunded Need

(See individual program narratives for additional detail)

Program	Year	Number of Projects Selected	Total Amount of Awards Offered	Number of Qualified Applicants Not Funded	Total Dollar Amount of Qualified Applications Not Funded
Bond Cap Allocation ¹	2008	5	\$11,342,336	0	\$0
Building for the Arts	2007-2009	23	\$12,000,000	0	\$0
Centennial Clean Water Fund	2008	31	\$41,640,000	47	\$18,333,124
Clean Water Act, Section 319	2008	7	\$1,885,419	52	\$6,203,397
CDBG Community Investment	2007	8	\$4,262,767	0	\$0
CDBG General Purpose	2008	18	\$10,309,901	11	\$7,677,830
CDBG Housing Enhancement	2008	4	\$1,900,000	0	\$0
CDBG Imminent Threat	2007	1	\$258,000	0	\$0
CDBG Interim Financing	2007	2	\$5,042,000	0	\$0
CERB Job Development	2007	12	\$49,501,000	52	\$179,123,000
CERB Rural*	2008	13	\$4,441,000	0	\$0
CERB Traditional*	2008	7	\$7,150,256	1	\$0
Coordinated Prevention Grant	2008	250	\$20,970,404	0	\$0
Drinking Water State Revolving Fund	2007	40	\$44,990,114	33	\$17,024,192
Rural Washington Loan Fund	2008	4	\$1,341,000	0	\$0
PWAA Construction	2008	52	\$277,950,000	34	\$176,064,122
PWAA Emergency Loan	2008	3	\$650,200	0	\$0
PWAA Planning	2008	7	\$547,350	0	\$0
PWAA Pre-construction	2008	24	\$26,260,083	3	\$0
Local Infrastructure Financing Tool	2008	5	\$4,000,000	2	\$1,400,000
Water Pollution Control Revolving Fund	2008	17	\$70,600,000	6	\$63,000,000
Watershed Plan Implementation	2008	28	\$8,604,000	34	\$5,703,000
Youth Recreation Facilities	2007-2009	17	\$9,050,000	0	\$0
Totals:		578	\$614,695,830	275	\$474,528,665
Percent			56%		44%

¹ Programs prequalify applicants.

Centennial Clean Water Fund Program

Administered By:
 Department of Ecology
 Water Quality Program

General Information

Program Purpose: The Centennial Clean Water Fund provides grants and some low-interest loans to eligible governments for wastewater treatment facilities and for certain activities that reduce nonpoint sources of water pollution. "Facilities" refer to facilities or systems for the control, collection, storage, treatment, disposal, or recycling of wastewater or stormwater. "Activities" include actions to control nonpoint sources of water pollution and to prevent or correct the effects of water pollution. Ecology administers this program jointly with two other programs; The Water Pollution Control Revolving Fund and the Clean Water Act Section 319 (319) programs.

Mission Statement: The mission of the Water Quality Program is to protect and restore Washington's waters.

Year Established: 1986 **Legislative Intent:** RCW 70.146.010

Enabling State Statutes: Chapter 70.146 RCW
Administrative Rules: Chapter 173-95A WAC

It is the purpose of this chapter to provide financial assistance to the state and to local governments for the planning, design, acquisition, construction, and improvement of water pollution control facilities and related activities in the achievement of state and federal water pollution control requirements for the protection of the state's waters.

Proportion of Grants and Loans, 1999-2008:
 99.9% Grants
 0.1% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$1,260,325	\$1,674,363	\$1,562,119	\$1,997,907	\$2,307,630
New Appropriation for Loans/Grants	\$62,526,527	\$50,094,769	\$43,950,000	\$46,250,000	\$66,883,000
Expenditure for Administration	\$1,200,309	\$1,572,199	\$1,240,859	\$1,837,261	(estimated) \$2,307,630
Funds Awarded for Grants/Loans*	\$54,654,710	\$53,818,696	\$44,061,039	\$42,583,730	(estimated) \$56,755,000

Note: Funds under this program are issued on a cost-reimbursement basis. Projects often take three to four years to complete. The amount in the last line of the chart above includes funds reimbursed for projects selected during the indicated biennium, as well as funds reimbursed for projects selected in earlier biennia that have reimbursements crossing biennia. The amounts include reappropriations.

General Information

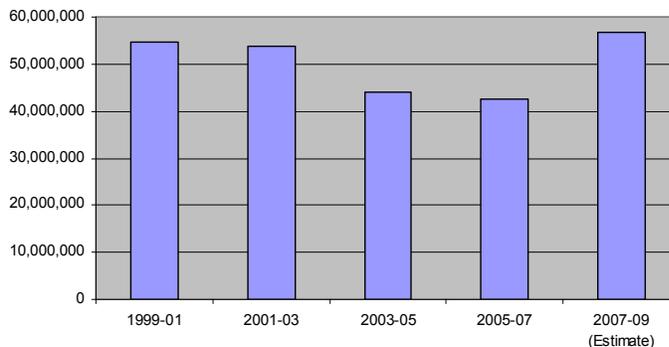
FTEs for the Program in 2007-09:
10.50

Fund Account(s):
130-1- Water Quality Account (State)
057-1- State Building Construction Acct
173-1- State Toxics Control Account

Fund Sources: Funds are deposited into the Water Quality Account from:

- RCW 82.24.027: 4 mills per cigarette
- RCW 82.24.026: 1.7% of 30 mills per cigarette
- RCW 82.26.020: 13% of the 75% tax on the sale of tobacco products (from 7/1/2005 through 7/1/2021)
- RCW 82.32.390: Sales tax on construction materials used to build facilities funded by the Water Quality Account

Note: On 7/1/05, RCW 82.26.025, providing 16.75% of the 129.42% tax on the wholesale price of tobacco products as a fund source, was repealed.



Recent Changes to Funding Pattern: Per statute, the Water Quality Account has a guarantee of revenue of \$90 million per biennium. When tobacco revenue is not sufficient to reach \$90 million, the State Treasurer transfers general fund dollars sufficient to reach the guarantee. Ecology reports that, over the past few biennia, due to state budget cuts, portions of the general fund transfer have been suspended. Today's programs are supported by a combination of the tobacco tax dedicated to the Water Quality Account, general fund revenue, State Building Construction Bonds, and transfers from the State Toxics Control Account. Additionally, the Legislature has used Water Quality Account funds for other purposes. In the 2007-09 Biennium, \$42.629 million is appropriated from the State Building Construction Account, \$5.417 million from the Water Quality Capital Account, and \$18.837 million from the State Toxics Control Account for a total of \$66.883 million in Centennial grant appropriations.

Eligible Applicants

Number of Applicants in 2008 Funding Year: 76

Number of Projects Selected in 2008 Funding Year: 31 (some awards provide added funds to existing projects through amendment and would not be reflected on the data table; data table obtained from Contracts and Grants Payable database, Inventory numbers obtained from Fiscal Year 2008 Applicant and Offer List document).

Total Amount of Awards Offered in 2008 Funding Year: \$41,640,000

Number of Qualified Applicants not funded in 2008 Funding Year: 47

Total Dollar Amount of Qualified Applications not funded in 2008: \$18,333,124

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: By rule, Ecology allocates up to 2/3 of the funds available competitively to *facilities* or *activities* projects, depending on project rating and the combined ranked list of priority projects. The remaining 1/3 of these funds is awarded to the other category to ensure funding of high priority projects in both the *facility* and *activity* categories. "Facilities" refer to facilities or systems for the control, collection, storage, treatment, disposal, or recycling of wastewater and stormwater. "Activities" include actions to control nonpoint sources of water pollution and to prevent or mitigate pollution of groundwater.

Special Qualifications Regarding Who Can Apply: Per statute, a county, city, or town planning under the state's Growth Management Act may not receive a grant or loan for facility projects from this program unless the local government has adopted a comprehensive plan – including a capital facilities plan – and accompanying development regulations. There may be an exception to address a public health need or substantial environmental degradation. Per rule, there are additional requirements that the local applicant must be in compliance with the Growth Management Act. State agencies are generally not eligible to apply in the competitive process, though Ecology notes that the Legislature sometimes earmarks program funds for state agency projects.

Applicants must also meet technical engineering prerequisites for facilities projects, with approval by Ecology that the applicant is proceeding according to the agency's "Step Process." Projects such as nonpoint activities projects can be implemented on private land with an easement or a landowner agreement, but the application must come from a qualifying eligible government.

Special Qualifications Regarding Project Eligibility: Per statute, eligible costs covered by the Centennial Fund Program are for the portion of a water pollution control facility's capacity that addresses 110 percent of the applicant's needs at the time the application is submitted. Costs for capacity to address growth beyond 10 percent are not eligible for this program (note that the companion Water Pollution Control Revolving Fund Program can provide loans for up to 20 years reserve capacity). WAC 173-95A-100 through 120 provides a more detailed list of what project elements are eligible and not eligible for funding (e.g. legal and lobbying expenses) and what project elements may be eligible for loans but not grants.

Recent Changes in Eligible Applicants or Categories of Projects: The July 2007 revision to WAC 173-95A, Uses and Limitation of the Centennial Clean Water Funds provided more of a simplified sliding scale for hardship funding and included hardship grant eligibility for on-site septic repair and replacement programs and stormwater projects, in addition to wastewater construction.

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

Federal

Federal Clean Water Act: The objective of the Federal Water Pollution Control Act, commonly referred to as the Clean Water Act (CWA), is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by preventing point and nonpoint pollution sources, providing assistance to publicly owned treatment works for the improvement of wastewater treatment, and maintaining the integrity of wetlands.

Clean Water Act Section 319: Congress amended the Clean Water Act (CWA) in 1987 to establish the section 319 Nonpoint Source Management Program because it recognized the need for greater federal leadership to help focus state and local nonpoint source efforts. Under section 319, state, territories, and Indian tribes receive grant money which support a wide variety of activities including technical assistance, financial assistance, education, training, technology transfer, demonstration projects, and monitoring to assess the success of specific nonpoint source implementation projects.

State Statute or Regulation (RCW/WAC)

Chapter 70.146 RCW, Water Pollution Control Facilities Financing: It is the purpose of this chapter to provide financial assistance to the state and to local governments for the planning, design, acquisition, construction, and improvement of water pollution control facilities and related activities in the achievement of state and federal water pollution control requirements for the protection of the state's waters. It is the intent of the legislature that distribution of moneys for water pollution control facilities under this chapter be made on an equitable basis taking into consideration legal mandates, local effort, ratepayer impacts, and past distributions of state and federal funds for water pollution control facilities.

WAC 173-95A, Uses and Limitation of the Centennial Clean Water Fund: The purpose of this chapter is to set forth requirements for the Department of Ecology's administration of the centennial clean water program, as authorized by chapter 70.146 RCW, water pollution control facilities financing. This fund provides financial assistance to public bodies for statewide, high-priority water quality projects in the form of grants and loans through appropriation by the Washington state legislature.

Chapter 90.48 RCW, Water Pollution Control: It is declared to be the public policy of the state of Washington to maintain the highest possible standards to insure the purity of all waters of the state consistent with public health and public enjoyment thereof, the propagation and protection of wild life, birds, game, fish and other aquatic life, and the industrial development of the state, and to that end require the use of all known available and reasonable methods by industries and others to prevent and control the pollution of the waters of the state of Washington.

Chapter 173.240, Submission of Plans and Reports for Construction of Wastewater Facilities: The purpose of this chapter is to implement RCW [90.48.110](#). The department interprets "plans and specifications" as mentioned in RCW [90.48.110](#) as including "engineering reports," "plans and specifications," and "general sewer plans," all as defined in WAC [173-240-020](#). This chapter also includes provisions for review and approval of proposed methods of operation and maintenance.

Board Policies

Although Ecology does not have a board, it has an agency-established advisory council to provide advice and guidance to the water quality funding programs. The Financial Assistance Council (FAC) is made up of stakeholder representatives from local governments and state and federal agencies.

In addition, Ecology has an Executive Oversight Team for the State Revolving Fund loan program that has cross program influence on the Centennial program based on the integrated funding approach. This team has an advisory role that does not supplant any program management responsibilities established in statute, administrative rule, job performance requirements, or other means. This oversight team's role is to advise Ecology's Senior Management Team (SMT). It is limited to strengthening and clarifying Ecology's on-going internal management of the Water Pollution Control Revolving Fund program. It is intended to complement the role of the Program's external advisory group and consultations with other stakeholders.

Agency Strategic Plan

The mission of the Water Quality Program is to protect and restore Washington's waters.

Water Quality:

- Stabilize Ecology's core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.
- Explore the implementation of a "no-discharge" zone for vessels in Puget Sound.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: The Growth Management Act (GMA) helps implement water quality objectives through land use limitations and critical areas protection.

As with other programs, funding of a water quality improvement infrastructure project may be delayed or denied due to a GMA non-compliance issue. The project may have been, at least partially, planned and designed to address the problem.

Ecology handles GMA compliance differently than other state funding programs. For example, the Public Works Trust Fund Program requires GMA compliance as a prerequisite for submitting an application for funding consideration. Ecology uses Chapter 70-146RCW for the Centennial Clean Water Program to guide the Revolving Fund Program on GMA compliance to receive funding for water quality facility projects. This means that Ecology can allow application submission without GMA compliance but requires compliance for a local government to receive state funding.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: The Partnership action agenda and programs to implement it are still being developed, but there is a high potential that these priorities will help implement water quality protection and the restoration objectives specific to the Puget Sound. There is also a potential conflict with the geographic focus on Puget Sound verses the Revolving Fund focus on statewide water quality objectives.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: Climate change initiatives and programs to implement them are still in development and how these initiatives will relate to water quality funding program goals is unknown. However, there is a high potential that those actions that include reduction of emissions and greenhouse gases and a move to alternative clean energy sources will generally lead to cleaner air and water in the state.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: The State Economic Development Plan has the potential to both help and conflict with the goals of the water quality financial assistance programs. Washington’s economic strategy, with a focus on education and “environmentally aware” economic development, could potentially help implement water quality protection over time. At the same time economic development initiatives that lead to increased land development and impervious surfaces and promote industries that increase the production of emissions, wastewater, and solid and hazardous waste conflict with the goals of the water quality funding programs.

The purpose of the Revolving Fund loans and Centennial hardship grants is to direct money to municipal wastewater infrastructure projects that target the residential customer. From the economic development perspective, it is helpful to note that studies show that money invested in water quality infrastructure at the local level leads to an indirect benefit for the local community and the overall state and national economy.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

In 2002, Ecology began implementation of recommendations from the Joint Legislative Audit Review Committee (JLARC). The recommendations are included in the 2001 JLARC report titled: “Investing in the Environment, Environmental Quality Grant and Loan Programs Performance Audit.” Ecology developed a process that includes project progress and performance monitoring from the time of an award through post project status (three years after project completion). Each project scope of work includes water quality goals and outcomes in grant and loan applications and agreements and progress is measured quantitatively and qualitatively against these goals and outcomes. This information is captured in Final Performance Evaluations for each project. The program continues to refine its efforts in establishing some standard cross-agency performance measures for reporting water quality outcomes achieved statewide.

Top Five Evaluation Criteria:

As defined by: 

The criteria below are the top five evaluation criteria used to rate and rank projects under the single integrated application process for the three jointly-administered programs (the Centennial Clean Water Fund Program, the Water Pollution Control Revolving Fund Program, and the Clean Water Act Section 319 Program). The funding application was modified in July 2007 as part of the rule revision and application redevelopment process that simplified and clarified program objectives and priority rating.

The new application was implemented for FY 2009 and thus both 2008 and 2009 data is provided below. Applicants provide answers to the appropriate questions plus information on how a proposed project fits within locally-derived priorities.

Question #	Criteria	Points Available
1	Project Scope of Work	250
2	Proposed Budget	150
3	Water Quality and Public Health Improvements	250
4	State and Federal Requirements	100
5	Readiness to Proceed	100
	Total Possible Points (includes added criteria on project development, local support and ratepayer impact)	1,000

Program Awards:

How many of the 2008 funding year awards received 90 percent or more of the maximum points?

0. (There were 11 legislative provisos and 2 prior funding commitments placed at the top of the list above rated and ranked projects.)

How many of the 2008 funding year awards received 75-89 percent of the maximum points?

3 (1 facility, 2 activity)

How many of the 2008 funding year awards received 50-74 percent of the maximum points?

15 (3 facility, 12 activity)

In addition, these are the FY 2009 numbers:

How many of the 2009 funding year awards received 90 percent or more of the maximum points?

1 (facility). Note: There were also 11 legislative provisos and 2 prior funding commitments placed at the top of the list above rated and ranked projects (all facility projects).

How many of the 2009 funding year awards received 75-89 percent of the maximum points?

10 (1 facility, 9 activity)

How many of the 2009 funding year awards received 50-74 percent of the maximum points?

6 (all activity)

Performance Measures and Program Performance:

From Ecology Budget Measures:

- Protection of surface and groundwater is improved through community implementation of the state’s Water Quality Management Plan to Control Nonpoint Pollution and water quality improvement reports. Local communities and groups get help from Ecology to implement water quality improvement reports and other strategies to clean up polluted waters. Best management practices necessary to address non-point pollution problems are implemented.
- State and federal Loans are available, and used efficiently by, local governments. The number of stream miles restored or protected is increased through work with local communities and other agencies.

From Ecology Strategic Plan:

- Stabilize Ecology’s core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.

GMAP Measures:

- Ecology uses the OFM semi-annual performance measure, A043, to measure success for its Puget Sound Septic Tank Repair and Elimination Program. The target for funded on-site sewage system repairs or replacements completed in Puget Sound counties is 39 every 6 months.

Additional Performance Measures defined in statute, rule, and program policy and procedure include:

- Integrate, to the greatest extent possible, the Revolving Fund with the Centennial Clean Water Program (Centennial) and the federal Clean Water Act Section 319 Nonpoint Source Program (Section 319) to maximize limited state and federal grant and loan funds to improve and protect the water quality of the state of Washington.
- Provide financial assistance to communities to achieve compliance with state and federal water pollution control requirements, implement nonpoint source pollution control programs, and develop and implement estuary conservation and management programs.
- Protect public health and water quality and to achieve overall improvement and protection of the environment.
- Encourage local governments to develop and implement projects, which will prevent water quality degradation, including wetland protection projects.
- Assist communities with financial difficulties in meeting required public health and water quality standards while maintaining the health and perpetuity of the Revolving Fund according to federal law and guidance.
- Provide the type and amount of financial assistance most advantageous to communities, consistent with the long-term health of the fund.
- Administer the Revolving Fund program to ensure that the financial integrity, viability, and revolving nature are maintained.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$2,423,012	\$2,544,162	\$2,671,370
New Appropriation for Loans/Grants	\$60,000,000	\$60,000,000	\$60,000,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized): See below.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Wastewater Treatment Facilities - (based on the 2004 Clean Watersheds Needs Survey plus inflation factor = \$4,595,710,000, which roughly equates to 6 years of need)	\$1,531,903,000	\$1,531,903,000	\$1,531,903,000
2. Stormwater Activities and Facilities (based on recent demand and anticipated increasing demand for stormwater implementation funding)	\$80,000,000	\$160,000,000	\$320,000,000
3. Other - Nonpoint Source Projects (combined Centennial and 319) based on rough projections of \$3,559,412,948 over the next six years	\$1,186,470,982	\$1,186,470,982	\$1,186,470,982

Does your program have a method of estimating future needs?

Yes No

If yes, please briefly describe:

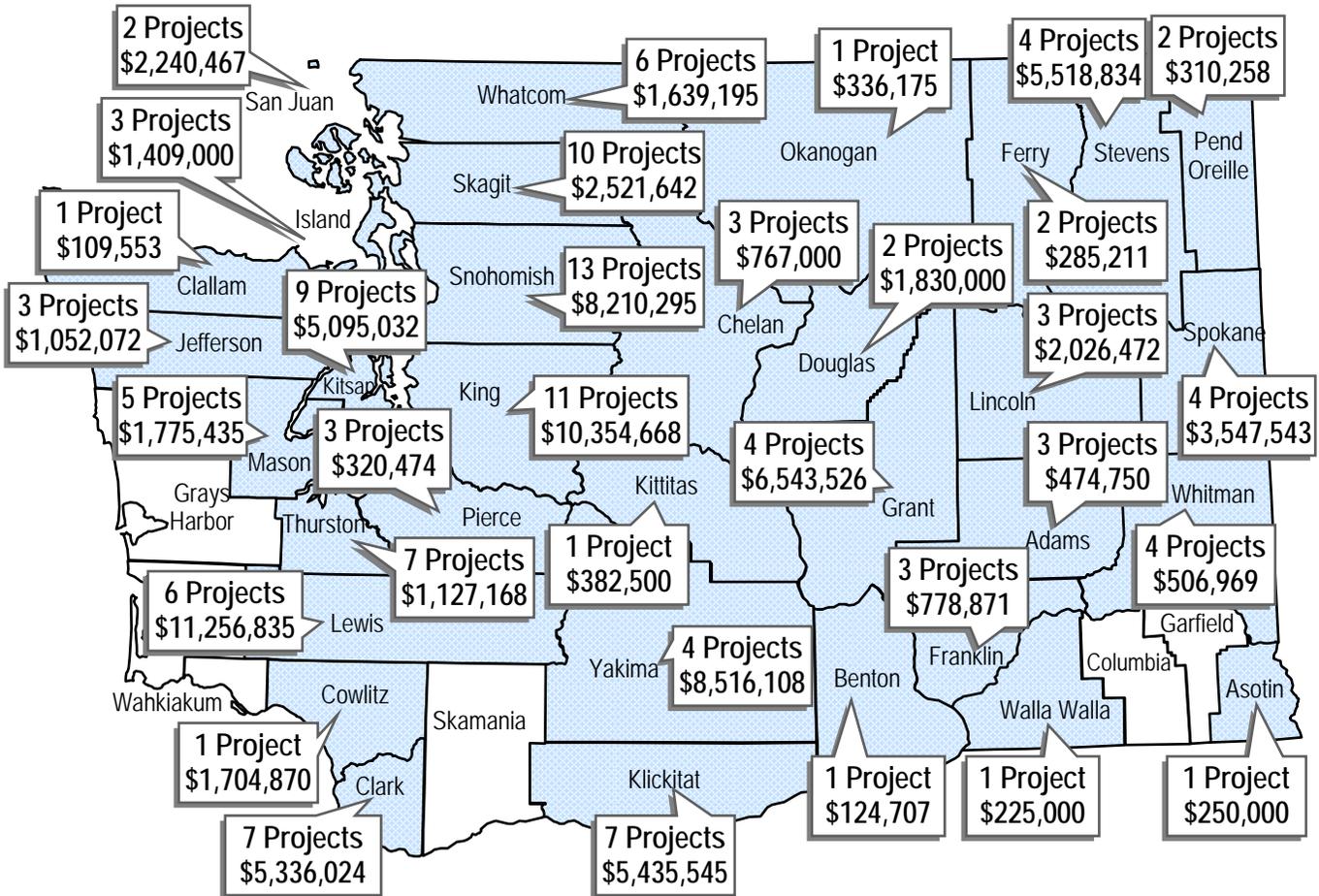
The EPA sponsored Clean Watersheds Needs Survey is conducted every four years to determine future needs statewide. The last survey was conducted in 2004 and data is currently being collected and updated for the 2008 report, and thus the above figures for wastewater are estimated. The survey requires that project and cost data be collected from reliable and verifiable source documentation (comprehensive plans, facility plans, engineering reports, etc.) in order to be captured as a state need for wastewater, stormwater, and nonpoint source control. In the past, the capture of nonpoint and stormwater data has been very limited due to the difficulty in meeting strict documentation requirements. The documentation requirements have been eased some for the 2008 survey to allow better capture of this need.

Clear needs data on stormwater and nonpoint source is difficult to quantify, but is likely a large figure statewide as the impacts to water quality from these two sources are significant and often difficult to address through implementation of best management practices.

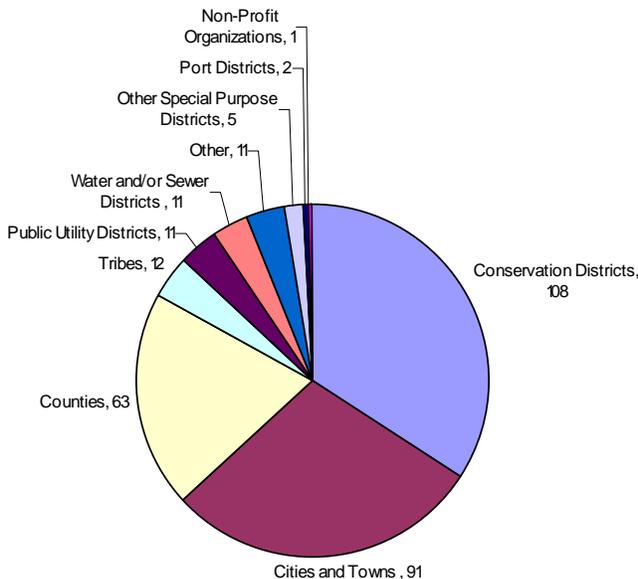
- Ecology has made rough estimates of nonpoint pollution control and abatement project needs based on watershed planning and Total Maximum Daily Load implementation planning. The estimated projected need for the next six years is approximately \$3,559,412,948.
- For stormwater, which is an emerging need statewide, estimates of future need are difficult to project. Demand for funding under Ecology's recent one-time 2008 Stormwater Implementation Grant program was approximately \$40 million, which provides the basis for the above estimate. It is clear from current data on stormwater implementation planning, design, and construction costs that the financial need is very large statewide.

Centennial Clean Water Fund Competitive Grants and Loans, 2004-08

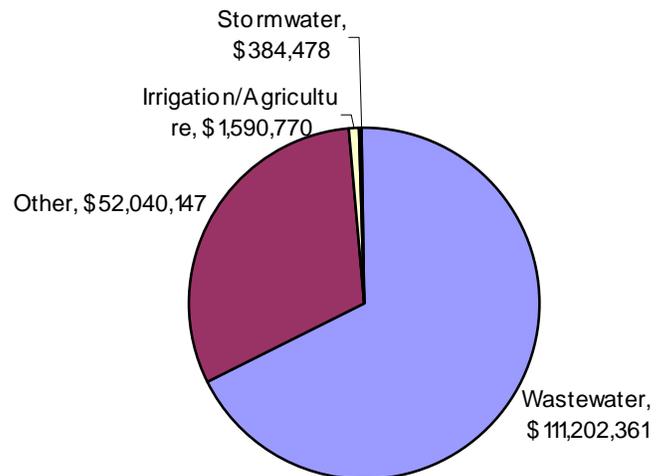
Location of Grants and Loans by County



Grant and Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Some awards were made to multiple counties, and thus the number of projects per county may vary from the number provided in the data summaries.

Clean Water Act Section 319 Grant Program

Administered By:
Department of Ecology
Water Quality Program

General Information

Program Purpose: The Clean Water Act Section 319 Grant Program provides grants from EPA awarded funds to eligible governments and 501(c)3 non-profit organizations for implementation of activities that reduce nonpoint sources of water pollution. This is pollution that enters the state's waters from dispersed rather than point sources, for example, surface water run-off from agricultural lands, urban areas, or forest lands. Congress established this program as part of the federal Clean Water Act amendments of 1987. The program provides a federal funding source for states to use in nonpoint source pollution control programs.

Unlike the Centennial Clean Water Fund and Water Pollution Control Revolving Fund programs, Section 319 grants may not be used for wastewater infrastructure facilities such as wastewater treatment plants. Ecology administers this program jointly with two other programs; The Centennial Clean Water (Centennial) and the Water Pollution Control Revolving Fund programs.

Mission Statement: The mission of the Water Quality Program is to protect and restore Washington's waters.

Year Established: 1987

Legislative Intent: (Congressional) 33 USC 1251

Enabling State Statutes:
Not applicable (federal law)

(a) The objective of this chapter is to restore and maintain the chemical, physical, and biological integrity of the nation's waters. In order to achieve this objective it is hereby declared that, consistent with the provisions of this chapter.

Administrative Rules:
None specifically, but Ecology tries to manage this consistently with the Centennial Program rules, Chapter 173-95A WAC.

(7) It is the national policy that programs for the control of nonpoint sources of pollution be developed and implemented in an expeditious manner so as to enable the goals of this chapter to be met through the control of both point and nonpoint sources of pollution.

Proportion of Grants and Loans, 1999-2008:
100% Grants

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$161,463	\$161,875	\$162,287	\$162,700	\$239,252
New Appropriation for Loans/Grants ¹	\$4,475,426	4,629,273	\$4,640,349	\$3,279,150	\$3,770,838
Expenditure for Administration	\$137,243	\$110,359	\$135,733	\$97,950	(estimated) \$272,830
Funds Awarded for Grants/Loans ²	\$4,475,426	\$4,629,273	\$4,640,349	\$3,279,150	(estimated) \$3,770,838

Notes:

(1) The federal Section 319 grant awarded to the state is divided 40 percent for administration and 60 percent for pass-through funding. Of the designated pass-through funds, 83 percent is available for competitive awards. The appropriation for grants represented here only includes competitive awards.

(2) This amount represents the amount of money awarded, not disbursed. In addition to the funds for the grant program, Ecology also receives Section 319 funds that are used by Ecology staff for projects that directly support the state's nonpoint program and funds that are used by other state agencies to assist in implementing other actions identified in the state's Nonpoint Work Plan.

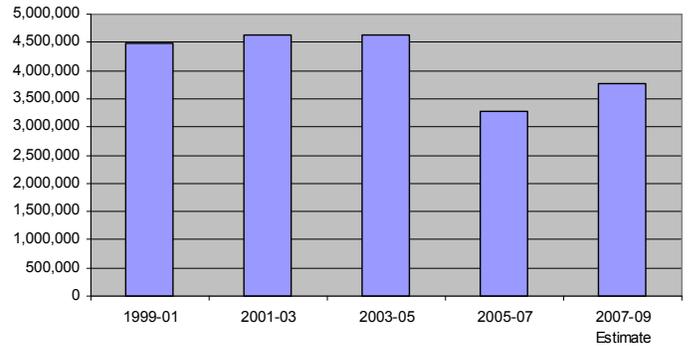
General Information

FTEs for the Program in 2007-09:
1.5

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

Fund Sources: Funds originate with a federal appropriation to the EPA, which passes it to states as block grants. States are required to provide 40 percent non-federal matching. Ecology has permission to provide the match by counting qualifying activities projects funded by the Centennial Clean Water Fund Program.

Funds Awarded for Grants



Recent Changes to Funding Pattern: Ecology reports that appropriations from Congress have been declining in recent years. FY 07 appropriations were reduced by 1 percent. The amount awarded to the state in FY 08 remained the same. It is expected that the current trend in funding amounts will continue.

Number of Applicants in 2008 Funding Year: 59 - This includes all eligible 319 and Centennial nonpoint grant applications submitted in the SFY 2008 funding cycle. Funding of nonpoint source projects can be through Section 319 or Centennial and project funding and fund source determinations are made once a ranked list of eligible projects is finalized.

Number of Projects Selected in 2008 Funding Year: 7

Total Amount of Awards Offered in 2008 Funding Year: \$1,885,419

Number of Qualified Applicants not funded in 2008 Funding Year: 52 – See note above

Total Dollar Amount of Qualified Applications not funded in 2008: \$6,203,397 - This represents the amount of grant money requested but not awarded through either the Section 319 Grant or Centennial programs. This figure does not include grants awarded in conjunction with loans for facilities projects that fall into the hardship category.

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Eligible projects include implementation of best management practices on public and private property (for example, riparian restoration, streambank restoration, and farm planning), public information and education, watershed planning, non-permit related stormwater activities, water quality monitoring, and groundwater protection efforts.

Special Qualifications Regarding Who Can Apply: Local public bodies and certain other groups are eligible: counties, cities, towns, conservation districts, municipal or quasi-municipal corporations, federally recognized tribes, and (in some instances) state colleges and universities. Section 319 also allows 501(c)3 non-profit organizations to apply for funding.

Other state agencies, federal agencies, and local school districts are ineligible. Projects can be implemented on private land with an easement or a landowner agreement, but the application must come from an eligible public body

Special Qualifications Regarding Project Eligibility: Section 319 funds are limited to implementing provisions found in the State Nonpoint Plan to, directly or indirectly, protect and improve water quality from nonpoint sources of pollution. Water pollution control *facilities* projects are not eligible.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

Federal Clean Water Act: The objective of the Federal Water Pollution Control Act, commonly referred to as the Clean Water Act (CWA), is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by preventing point and nonpoint pollution sources, providing assistance to publicly owned treatment works for the improvement of wastewater treatment, and maintaining the integrity of wetlands.

Clean Water Act Section 319: Congress amended the Clean Water Act (CWA) in 1987 to establish the section 319 Nonpoint Source Management Program because it recognized the need for greater federal leadership to help focus state and local nonpoint source efforts. Under section 319, states, territories, and Indian Tribes receive grant money which support a wide variety of activities including technical assistance, financial assistance, education, training, technology transfer, demonstration projects, and monitoring to assess the success of specific nonpoint source implementation projects.

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

Ecology manages the Section 319 fund in concert with the Centennial program and thus maintains some cross-program consistency with the Centennial rule in order to maintain effective and efficient use of funds.

WAC 173-95A, Uses and Limitation of the Centennial Clean Water Fund: The purpose of this chapter is to set forth requirements for Ecology's administration of the centennial clean water program, as authorized by chapter 70.146 RCW, Water pollution control facilities financing. This fund provides financial assistance to public bodies for statewide, high-priority water quality projects in the form of grants and loans through appropriation by the Washington state legislature.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Although Ecology does not have a board, it has an agency-established advisory council to provide advice and guidance to the water quality funding programs. The Financial Assistance Council (FAC) is made up of stakeholder representatives from local governments and state and federal agencies.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

The mission of the Water Quality Program is to protect and restore Washington's waters.

Water Quality:

- Stabilize Ecology's core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

Because Section 319 grants cannot be used to fund infrastructure, the GMA does not impact projects funded through this program.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The Partnership priorities are still being developed, but there is a high potential that these priorities will help implement water quality protection and the restoration objectives of the program specific to the Puget Sound.

There is also potential conflict with the geographic focus on Puget Sound versus the Centennial focus on statewide water quality objectives.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

Climate change initiatives and programs to implement them are still in development and how these initiatives will relate to water quality funding program goals is unknown. However, there is a high potential that those actions that include reduction of emissions and greenhouse gases and a move to alternative clean energy sources will generally lead to cleaner air and water in the state

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:

The state Economic Development Plan has the potential to both help and conflict with the goals of the water quality financial assistance programs. Washington’s economic strategy, with a focus on education and “environmentally aware” economic development, could potentially help implement water quality protection over time. At the same time, economic development initiatives that lead to increased land development and impervious surfaces and promote industries that increase the production of emissions, wastewater, and solid and hazardous waste conflict with the goals of the water quality funding programs.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

The EPA requires states to report on program and individual project progress annually. This report includes progress toward goals that have been established by the state when applying for the award. Also, the state is required to enter progress reports from external recipients in EPA’s Grants Reporting and Tracking System (GRTS) database semi-annually, report nutrient and sediment load reductions from best management practices (BMPs) that have been installed annually, and submit final project reports, after external projects have been closed, summarizing what the project accomplished.

In 2002, Ecology began implementation of recommendations from the Joint Legislative Audit Review Committee (JLARC). The recommendations are included in the 2001 JLARC report titled: “Investing in the Environment, Environmental Quality Grant & Loan Programs Performance Audit.” Ecology developed a process that includes project progress and performance monitoring from the time of an award through post project status (three years after project completion). Each project scope of work includes water quality goals and outcomes in grant and loan applications and agreements and progress is measured quantitatively and qualitatively against these goals and outcomes.

The program continues to refine its efforts to improve and enhance the establishment of standard cross-agency performance measures for reporting water quality outcomes achieved statewide.

Top Five Evaluation Criteria:

As defined by: 

The criteria below are the top five evaluation criteria used to rate and rank projects under the single integrated application process for the three jointly-administered programs (the Centennial Clean Water Fund Program, the Water Pollution Control Revolving Fund Program, and the Clean Water Act Section 319 Program). The funding application was modified in July 2007 as part of the rule revision and application redevelopment process that simplified and clarified program objectives and priority rating. The new application was implemented for FY 2009. Applicants provide answers to the appropriate questions plus information on how a proposed project fits within locally-derived priorities.

Question #	Criteria	Points Available
1	Project Scope of Work	250
2	Proposed Budget	150
3	Water Quality and Public Health Improvements	250
4	State and Federal Requirements	100
5	Readiness to Proceed	100
	Total Possible Points (includes added criteria on project development, local support and ratepayer impact)	1,000

How many of the 2009 funding year awards received 90% or more of the maximum points?

1

How many of the 2009 funding year awards received 75-89% of the maximum points?

7

How many of the 2009 funding year awards received 50-74% of the maximum points?

0

Performance Measures and Program Performance:

From Ecology Budget Measures:

- Protection of surface and groundwater is improved through community implementation of the state’s Water Quality Management Plan to Control Nonpoint Pollution and water quality improvement reports. Local communities and groups get help from Ecology to implement water quality improvement reports and other strategies to clean up polluted waters. Best management practices necessary to address non-point pollution problems are implemented.
- State and federal loans are available and used efficiently by local governments. The number of stream miles restored or protected is increased through work with local communities and other agencies.

From Ecology Strategic Plan:

- Stabilize Ecology’s core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.

GMAP Measures:

- Ecology uses the OFM semi-annual performance measure, A043, to measure success for its Puget Sound Septic Tank Repair and Elimination Program. The target for funded onsite sewage system repairs or replacements completed in Puget Sound counties is 39 every 6 months.

Additional Performance Measures used by the Program include:

- Integrate, to the greatest extent possible, the Revolving Fund with the Centennial Clean Water Program (Centennial) and the federal Clean Water Act Section 319 Nonpoint Source Program (Section 319) to maximize limited state and federal grant and loan funds to improve and protect the water quality of the state of Washington.
- Provide financial assistance to communities to achieve compliance with state and federal water pollution control requirements, implement nonpoint source pollution control programs, and develop and implement estuary conservation and management programs.
- Protect public health and water quality and to achieve overall improvement and protection of the environment.
- Encourage local governments to develop and implement projects, which will prevent water quality degradation, including wetland protection projects.
- Assist communities with financial difficulties in meeting required public health and water quality standards while maintaining the health and perpetuity of the Revolving Fund according to federal law and guidance.
- Provide the type and amount of financial assistance most advantageous to communities, consistent with the long-term health of the fund.
- Administer the Revolving Fund program to ensure that the financial integrity, viability, and revolving nature are maintained.

Performance measures are indicated in *Washington’s Water Quality Management Plan to Control Nonpoint Sources of Pollution: Volume 3*. This document is used as a starting point to help track progress toward meeting Ecology’s priorities and goals to improve water quality that is affected by nonpoint source pollution.

Progress on annual activities is described in the *Annual Report on Activities to Implement Washington’s Water Quality Management Plan to Control Nonpoint Source Pollution Appendix: Nonpoint Plan Action Table*.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration (based on 3% inflation)	\$239,252	\$239,252	\$239,252
New Appropriation for Loans/Grants	\$3,800,000	\$3,500,000	\$3,500,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):
 Ecology has made rough estimates of nonpoint pollution control and abatement project needs based on watershed planning and Total Maximum Daily Load implementation planning. The estimated projected need for the next six years is \$3,559,412,948.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Other - Nonpoint Source Projects (combined Centennial and 319)	\$1,186,470,982	\$1,186,470,982	\$1,186,470,982
2.			
3.			

Does your program have a method of estimating future needs?

Yes No

If yes, please briefly describe:

As noted in the beginning of this document there is always more demand for grant funding to address nonpoint source pollution in the state than is awarded from year-to-year. However, money requested to fund projects does not sufficiently reflect the actual need to address all of the nonpoint source problems throughout the state.

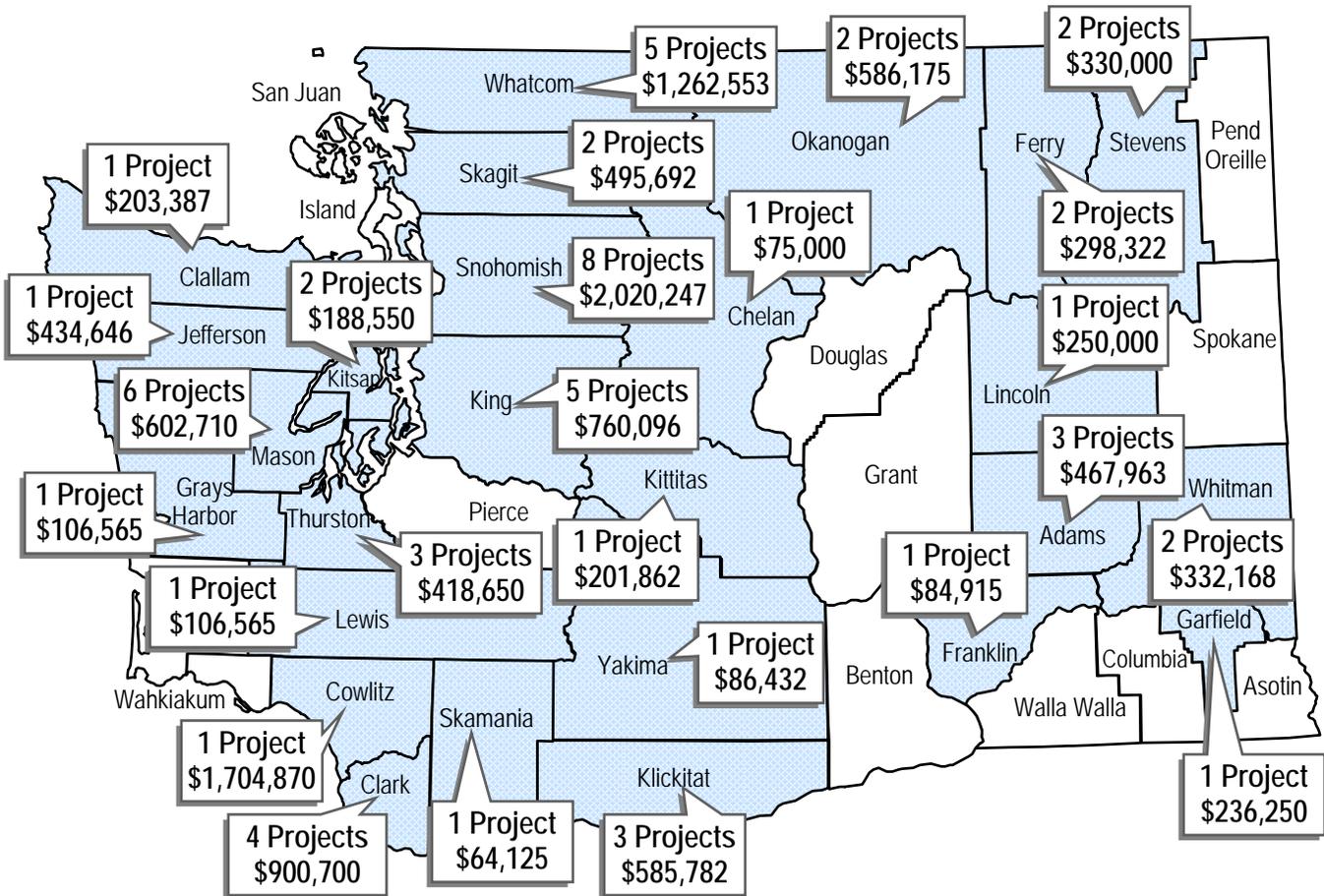
The EPA-sponsored Clean Watersheds Needs Survey is conducted every four years to determine future needs statewide. The last survey was conducted in 2004 and data is currently being collected and updated for the 2008 report. The survey requires that project and cost data be collected from reliable and verifiable source documentation (i.e. comprehensive plans, facility plans, engineering reports, etc.) in order to be captured as a state need for wastewater, stormwater, and nonpoint source control. The program is considering having this effort be a yearly process to keep needs data more up to date.

The state could also use needs that are documented in Total Maximum Daily Load reports and assessing the 303(d) list of impaired waters to determine what type of work needs to be accomplished in order to improve impaired surface waters of the state. However, because of growth throughout the state and our ever-changing needs, it is hard to determine the amount of money needed to clean the state waters. Nonpoint source run-off from impermeable surface will continue to increase as the population of Washington increases. To make the impact needed to reduce nonpoint source pollution from urban and rural sources and improve water quality through the state, the need is potentially in the billions of dollars.

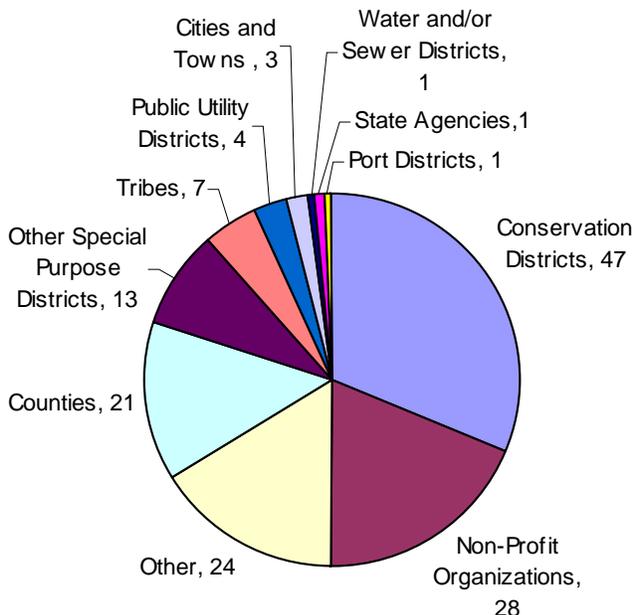
Ecology has made rough estimates of nonpoint pollution control and abatement project needs based on watershed planning documents and Total Maximum Daily Load implementation planning. The estimated projected need for the next six years is approximately \$3,559,412,948.

Clean Water Act, Section 319 Grants, 2004-08

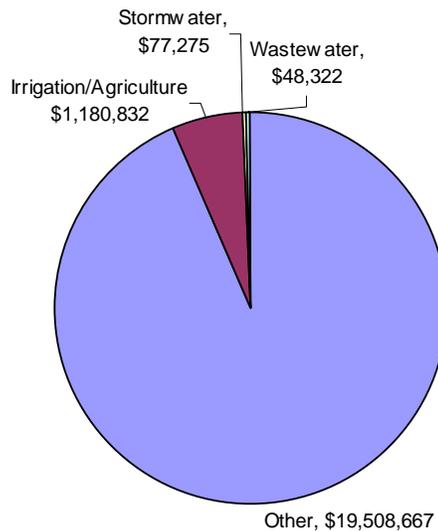
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Some awards were made to multiple counties, and thus the number of projects per county may vary from the number provided in the data summaries.

Coordinated Prevention Grant Program

Administered By:
Department of Ecology, Solid Waste and Financial Assistance Program

Program Purpose: The Coordinated Prevention Grant Program (CPG) helps local governments to develop and implement their hazardous and solid waste management plans. Two types of grants are available: (1) solid and hazardous waste planning and implementation grants, and (2) solid waste enforcement grants.

Mission Statement: The mission of the Solid Waste and Financial Assistance Program is to reduce waste and to safely manage the remaining hazardous and solid waste.

Year Established: 1988

Enabling State Statutes:
RCW 70.105D.070

Administrative Rules:
Chapter 173-312 WAC

Proportion of Grants and Loans, 1999-2008:
100% Grants

Legislative Intent: From RCW 70.105D.070(3)(a)

Monies deposited in the Local Toxics Control Account shall be used by the Department of Ecology for grants or loans to local governments for the following purposes in descending order of priority:

- (i) Remedial actions;
- (ii) hazardous waste plans and programs;
- (iii) solid waste plans and programs [and additional specified uses].

General Information

Recent Biennial Budgets

	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$1,230,000	\$1,251,200	\$1,153,200	\$1,122,000	\$1,248,000
New Appropriation for Loans/Grants	\$16,821,684	\$19,500,000	\$18,070,000	\$22,200,000	\$25,500,000
Expenditure for Administration	\$1,193,100	\$1,213,664	\$1,037,880	\$1,009,800	\$517,000 (Through June, 2008)
Funds Awarded for Grants/Loans*	\$16,704,259	\$19,468,502	\$18,045,001	\$22,036,686	\$20,970,404 *

Note: The remainder of funds for the 2007-09 Biennium will be awarded by October 2008 through the competitive off set cycle.

General Information

FTEs for the Program in 2007-09: 5

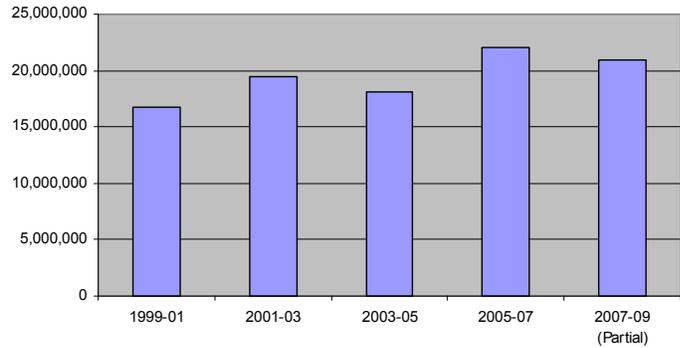
Fund Account(s):

174 – Local Toxics Control Account

Fund Sources:

RCW 82.21.030 Hazardous Substance Tax

Funds Awarded for Grants



Recent Changes to Funding Pattern: In 2005, CPG started awarding funds in two grant cycles, the regular (starts every even year) and offset (starts every odd year). The off set cycle was created to maximize the use of any unrequested and unspent funds from the previous regular cycle. In the 2005 and 2007 Capital Budgets, the legislature included \$4 million for the program for grants to local governments for local projects that implement the state’s “Beyond Waste” plan. Grant funds were to emphasize additional organics composting and diversion, green building, and moderate risk waste projects described in the plan. These funds were made available in the offset cycle. In the 2007 Capital Budget, the legislature included \$2 million for the program to provide funding to increase alternatives to burning options in communities affected by the Clean Air act’s burn ban. Because these funds needed to be used right away, they were made available during the regular cycle through a separate competitive process. If any funds remained, applicants could apply during the offset cycle.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 111

Number of Projects Selected in 2008 Funding Year: 250 (some applicants have multiple projects and so the number of projects exceeds the number of awards).

Total Amount of Awards Offered in 2008 Funding Year: \$20,970,404 (as of August 2008)

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: The program funds required local solid waste and hazardous waste planning, and implementation of some projects and programs contained in those plans. Implementation projects might include backyard composting and other organics management projects, recycling programs, household hazardous waste collection, technical assistance to small businesses to reduce their hazardous and solid wastes, collection events for specific materials like electronics, and supporting green building programs around the state. Twenty percent of the base funds, fund enforcement of the solid waste laws which includes permitting, inspections and ensuring compliance of solid waste facilities.

Special Qualifications Regarding Who Can Apply: For *solid waste* planning grants, eligible counties are those that are required to adopt or update local solid waste plans. Eligibility extends to cities that have submitted an independent city plan, a joint city plan, or a joint city-county plan. For solid waste implementation grants, counties and cities are eligible if their solid waste plans are adopted and approved by Ecology.

For *hazardous waste* planning grants, eligible counties and cities are those that are required to adopt or update local hazardous waste plans. For hazardous waste implementation grants, those counties and cities with Ecology-approved hazardous waste plans are eligible to apply for grants to help pay for implementation of projects in those plans. (Jurisdictional health departments/districts are eligible to apply for coordinated prevention grants to pay for enforcement of rules adopted under Chapter 70.95 RCW.)

Special Qualifications Regarding Project Eligibility: The following projects are not eligible for grant funding under this program: solid waste incinerator projects, new landfill construction or expansion, landfill closure, garbage collection and disposal, and solid and hazardous waste expenses not directly related to compliance with state solid and hazardous waste laws and rules.

Recent Changes in Eligible Applicants or Categories of Projects: The scope of this program is expanding. In the 2005 and 2007 Capital Budget, the legislature included \$4 million for the program for grants to local governments for local projects that implement the state's "Beyond Waste" plan. Grant funds were to emphasize additional organics composting and conversion, green building, and moderate risk waste projects described in the plan. In the 2007 Capital Budget, the legislature included \$2 million for the program to provide funding to increase alternatives to burning options in communities affected by the Clean Air Act's burn ban.

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

RCW 70.105D –To prevent or minimize environmental contamination. Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I and 70.105.

RCW 70.95 –To implement local solid waste management plans. To provide financial assistance to local governments in the planning, development and conduct of solid waste handling programs.

RCW 70.105 –To implement local hazardous waste management plans. To promote waste reduction and to encourage other improvements in waste management practices. To promote cooperation between state and local governments by assigning responsibilities for planning for hazardous waste to the state and planning for moderate-risk waste to local government.

WAC 173-312 –Prevent or minimize environmental contamination by providing financial assistance to local governments to help them comply with state solid and hazardous waste laws and rules. Provide funding assistance for local solid and hazardous waste planning and for implementation of some programs and projects in those plans. Requires that 20 percent of the funds go to enforcement of solid waste laws.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Policy decisions are made in consultation with a group of local government stakeholders, such as the selection criteria for the offset (competitive) cycle.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

For the Beyond Waste Proviso awards, the projects must be consistent with the state’s solid waste management plan, Beyond Waste.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

The Growth Management Act works to concentrate populations of people which create the opportunity for the creation of more efficient, cost-effective infrastructure and services such as curbside recycling, organics collection, and household hazardous waste collection. CPG supports Green Building initiatives that encourage Smart Growth and Development.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The goal of the Puget Sound Partnership Initiative is to reduce pollution in Puget Sound. To the extent that the initiatives address solid and hazardous wastes they help implement the CPG program. CPG funds projects to reduce groundwater pollution through education and collection and proper disposal of household and small business hazardous waste.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The goal of the Climate Change Initiative is to reduce greenhouse gas emissions. Through organic diversion and waste reduction programs, CPG reduces disposal of solid waste, reducing the greenhouse gas emissions from landfills, incinerators and backyard burning. To the extent that subsequent actions address emissions from landfills and stimulate waste reduction, they could help implement CPG. Conversely, CPG reduces disposal of solid waste, reducing the greenhouse gas emissions from landfills, incinerators and backyard burning. CPG focuses on closed loop recycling, which diminishes the need to create new products from energy- intensive mining and manufacturing processes.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: If you assume that economic development means more businesses and more waste, there could be conflicting goals. However, Ecology and CPG programs encourage businesses to reduce their waste and incorporate "lean manufacturing" which can help them reduce costs and their impact on the environment.

CPG encourages alternatives to disposal which leads to market development and the development of green businesses. Through education and outreach, CPG helps to encourage the development of green businesses. Green building programs have increased demand for green builders. King County's "Link up" program promotes and encourages businesses that make recycled content products.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

In 2004, with the help of our local government recipients, CPG developed 5 and 10 year goals that are consistent with the state’s Solid Waste Management plan, Beyond Waste. The CPG coordinator is tracking the progress toward those goals and will reevaluate them as needed.

Top Five Evaluation Criteria:

As defined by:

CPG has two grant cycles: Regular (Base-plus population formula) and off set (Competitive).

The regular grant cycle funds are distributed based on a base-plus population formula. Counties can choose to apply for all or some of the funds. Applicants submit applications, applications are scored for a possible 18 points, if the applicant receives 16 points or lower, they are given an opportunity to rewrite the application. They are scored again and the award is given.

Grant officers ensure that the applications meet the minimum requirements of: (1) The activity is consistent with the local solid and hazardous waste management plan; and (2) The project is ready to proceed.

The CPG Coordinator and grant officer score (0-3 points) the application based on the following elements:

- Project title;
- Goal statement;
- Outcome statement;
- Target audience;
- Work plan and timeline; and
- Method of evaluation.

The offset cycle funds are distributed through a competitive process. Funds come from unrequested/unspent funds from the regular cycle and special proviso funds awarded by the legislature. An awards committee is formed of grant officers and local government representatives who score the applications. A project ranking list is created and as many projects are funded as funds allow.

Grant officers ensure that the applications meet the minimum requirements of: (1) The activity is consistent with the local solid and hazardous waste management plan; and (2) The project is ready to proceed.

Applications are scored (1-5) based on the following criteria:

- Defined outcome;
- Potential for lessons learned;
- Return on investment;
- Partnership/coordination; and
- Meets a local or statewide need.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
111
- How many of the 2008 funding year awards received 75-89% of the maximum points?
0
- How many of the 2008 funding year awards received 50-74% of the maximum points?
0

Performance Measures and Program Performance:

Ecology Strategic Plan and Budget Measures:

- Tons of Household Hazardous Waste and Small Quantity Generator Waste Diverted.
- Tons of Solid Waste Generated.
- Tons of Solid Waste Disposed.
- Tons of Solid Waste Reused or Recycled.

Performance Measures Used by the Coordinated Prevention Grant Program:

- Tons of Organics Diverted.
- Tons of Moderate Risk Waste Diverted.
- Tons Recycled.
- # of Residential Participants and Contacts.
- # of Business Participants and Contacts.

Additional Performance Measures Used by the Solid Waste Program:

- Washington Lawn and Garden Pesticide Consumption.
- Ecosystem Toxicity Index for Lawn and Garden Pesticide used in Washington.
- Percent of Reused and Recycled Paint in Washington.
- Economic Value of Recyclables Disposed in Washington.
- Commercial and Residential Green Building Market Share.
- Electronics Recycling Rate.
- WA Consumer Climate Change Index.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$1,597,000	\$1,617,000	\$1,639,000
New Appropriation for Loans/Grants	\$27,060,000	\$28,730,000	\$30,500,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Projects will be funded from appropriation received each biennium as authorized by the legislature and if needed under a supplemental request. Figures above include costs estimated for 1.5 new FTEs in grant staff resources lining up with a budget package Ecology is submitting for consideration during the 2009-11 legislative session in FY09.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. For the past two offset grant cycles, local governments have applied for \$10 million worth of projects for around \$5 million available. This indicates there is a need for additional money to implement Beyond Waste initiatives and local solid and hazardous waste management plans	See note below.	See note below.	See note below.
2.			
3.			

Does your program have a method of estimating future needs?

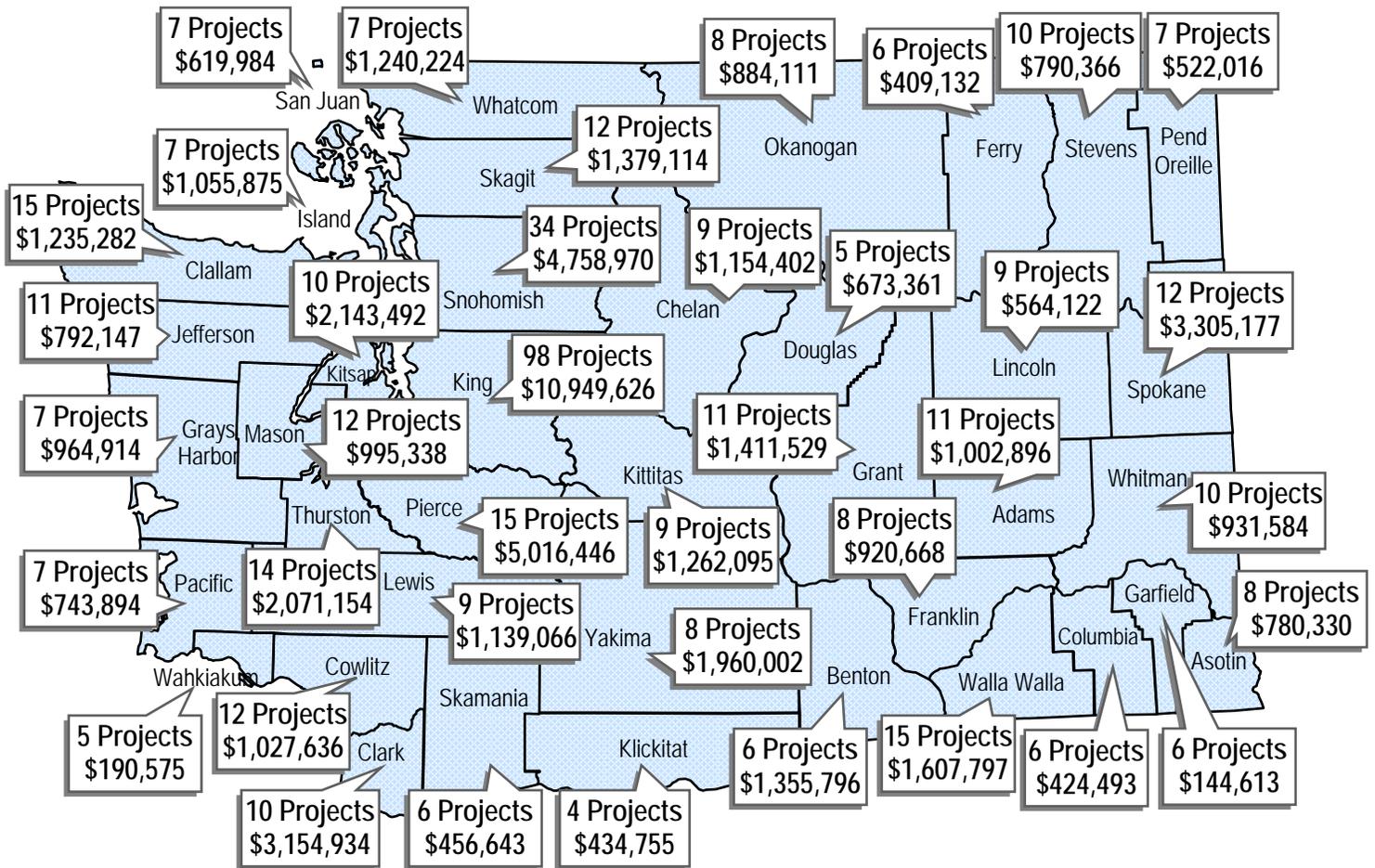
Yes No

If yes, please briefly describe:

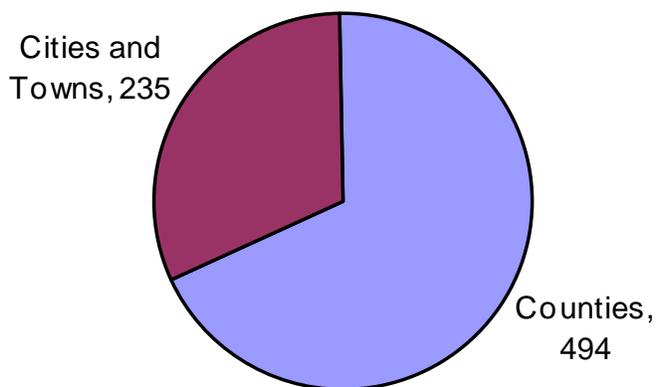
Pursuant to HB 1761 which passed in 2008, Ecology is required to submit a comprehensive 10-year MTCA financing report to the legislature in coordination with local governments that have having cleanup responsibilities. The report is due by December 20 in even numbered years and December 2008 will be the first report. It is intended to provide more planning certainty for the state, local jurisdictions, and ports regarding future hazardous waste cleanup, toxics release, and waste prevention needs. Coordinated Prevention Grant funding is newly requested each biennium and is calculated by applying the appropriate rate of combined personal consumption and population growth to the previous biennium's appropriation levels.

Coordinated Prevention Grant Program Grants, 2004-08

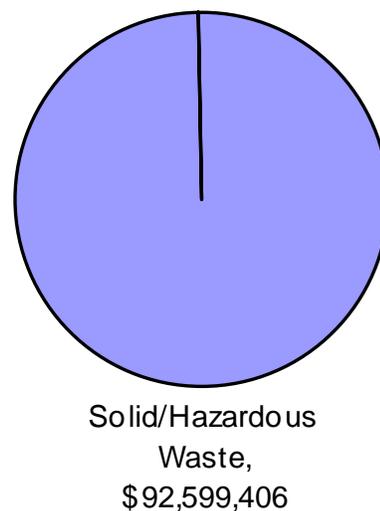
Location of Grants by County



Grant Recipients, 1999-2008



Types of Grants Funded, 1999-2008



Some awards were made to multiple counties, and thus the number of projects per county may vary from the number provided in the data summaries.

Safe Drinking Water Action Grant Program

Administered By:

Department of Ecology
 Solid Waste and Financial Assistance Program
 Also a role by Department of Health

General Information	Program Purpose: Safe Drinking Water Action Grants supplement local government efforts to provide safe drinking water to residents living in an area where a hazardous waste site has contaminated a public water system.					
	Mission Statement: The mission of the Solid Waste and Financial Assistance Program is to reduce waste and to safely manage the remainder.					
	Year Established: 1993	Legislative Intent: RCW 70.105D.070(3)(a)				
	Enabling State Statutes: RCW 70.105D.070	Monies deposited in the Local Toxics Control Account shall be used by the Department of Ecology for grants or loans to local governments for the following purposes in descending order of priority: (i) Remedial actions; (ii) hazardous waste plans and programs; (iii) solid waste plans and programs [and additional specified uses].				
	Administrative Rules: WAC 173-322-100					
	Proportion of Grants and Loans, 1999-2008: (new data) 100 % Grants 0 % Loans					
	Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09 (New Data)
	New Appropriation for Administration	Note: Ecology receives appropriations for the Remedial Action Grant Programs as a whole rather than for individual programs such as the Safe Drinking Water Action Grants Program – the appropriations data posted for 2007-09 is for the entire Remedial Action Grant Program.				
	New Appropriation for Loans/Grants					\$92,850,000
	Expenditure for Administration					
Funds Awarded for Grants/Loans*	\$1,639,500	\$972,234	\$844,300	\$1,000,000	-0-	
To date, Department of Ecology (Ecology) has not received any Safe Drinking Water grant applications for the 2007-2009 Biennium.						
*NOTE: These award figures are for Safe Drinking Water grants only. The Safe Drinking Water Action Grant program is one of 10 programs funded by the Remedial Action Grants and Loans Program in Ecology. The program is intended to assist local governments in the cleanup of contaminated sites. There are 8 grant programs and 2 loan programs for local governments that are financed from the Remedial Action Grant program.						

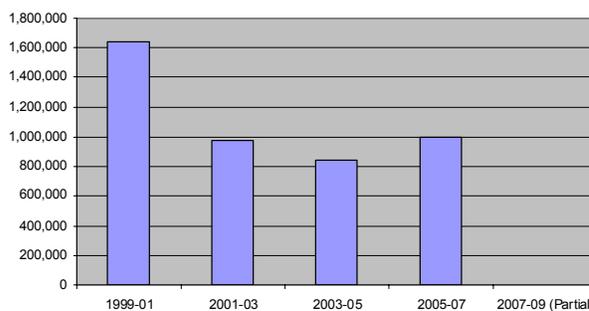
General Information

FTEs for the Program in 2005-07:
2.75 FTE for all of the Remedial Action Grant programs combined.

Fund Account(s):
174-1 – Local Toxics Control Account

Fund Sources:
RCW 82.21.030 – Hazardous Substances Tax

Funds Awarded for Grants



Recent Changes to Funding Pattern: Ecology reports that the funding provided to the Remedial Action Grant/Loan Programs as a whole has increased significantly from biennium to biennium. However, the Safe Drinking Water Action Grants make up only a small part of all Remedial Action Grants awarded.

Number of Applicants in 2008 Funding Year: 0

Number of Projects Selected in 2008 Funding Year: 0

Total Amount of Awards Offered in 2008 Funding Year: 0

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Applicants And Projects

Eligible Projects: Eligible projects include water supply source development and replacement, transmission lines, treatment equipment and facilities, distribution lines, bottled water (as an interim action), individual service connections, and well abandonment for wells identified by Ecology as an environmental safety or health hazard. Ecology's guidelines for the program indicate that the solutions to a water contamination problem generally fall into three categories: (1) treatment; (2) extension of an existing water system; or (3) providing a new water source. Ecology's preferred solution is treating the water and eliminating the source of the contamination.

Special Qualifications Regarding Who Can Apply: Per rule, an applicant/project must meet the following qualifications:

- The applicant must be a local government that owns or operates a public drinking water system or a local government applying on behalf of an entity that owns or operates a public drinking water system;
- The Department of Health has certified that a contaminant threatens the safety and reliability of the public water system and that the threat cannot be remedied by operational solutions, and the contaminants must include at least one hazardous substance;
- The Department of Health has determined that the applicant is in substantial compliance with applicable rules pertaining to public water supplies, water works operator certification, the Water System Coordination Act, and drinking water operating permits;
- The Department of Ecology has determined that the subject water system is in an area that is a hazardous waste site or threatened by contamination from a hazardous waste site; and
- The water system shows maximum contaminant levels exceeding either the standards for public water supplies, EPA standards as determined by the Department of Health, or Ecology standards set pursuant to the Model Toxics Control Act.

Special Qualifications Regarding Project Eligibility: Ecology's rules describe some costs that are not eligible for grant funding under this program.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation: Chapter 70.105D RCW Model Toxics Control Act and Chapter 173-322 WAC Remedial Action Grants/Loans – safe drinking water for public health is of the highest priority within the Remedial Action Grant Program and therefore any requests for grant funding that meet the eligibility requirements in Chapter 173-322-100 WAC, will receive funding.

- Provides safe drinking water meeting the standards for public water supplies (WAC 246-290-310)
- Eliminates the threat of or source(s) of contamination (WAC 173-340)
- Compliance with Model Toxics Control Act cleanup regulations (WAC 173-340-700)

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation: Reduces the number of contaminated water systems statewide. Provides environmental and public health benefits.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts Helps Implement Both

Comment:

The Growth Management Act potentially helps implement and advance program goals by defining zoning and associated land uses. These efforts could potentially help define areas in need of cleanup in order to restore access to safe drinking water.

Puget Sound Partnership Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

The Puget Sound Partnership helps implement program goals by advancing the clean up of sites that are contaminating Puget Sound and that may, in some places, have contributed to the contamination of drinking water.

Climate Change Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

Neutral – no clear direct impacts.

State Economic Development Plan

- Potentially Conflicts Helps Implement Both

Comment:

The state economic development plan helps support the Safe Drinking Water Grant Program in that in that clean air, water and land are essential to the economic success of Washington. Promoting economic development through the cleanup of contaminated property and putting it back in to a useful state can result in a net increase in local government revenue or job creation.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Project progress and performance are monitored from the time of award through post project/on-going monitoring. Performance measures are met when a water supply source is developed and/or an alternative water supply is established providing a public health benefit. Ecology assigns a site manager to provide technical oversight to each safe drinking water project.

Other assessments include the extent to which: a) the project advances policy goal of both the Toxics Cleanup and the Solid Waste & Financial Assistance Program; and b) the grant funding will result in designated beneficial uses that will be restored or protected and a public health emergency will be eliminated.

Top Five Evaluation Criteria:

As defined by: WAC

Requests for grant funding are always awarded provided they meet the eligibility requirements of the WAC. The Remedial Action Grant/Loan Program and the subset Safe Drinking Water Program is non-competitive and criteria are non-weighted.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

None – have not received any requests for funding for the year 2008. The safe drinking water program is a non-competitive program and no points are awarded.

How many of the 2008 funding year awards received 75-89% of the maximum points?

N/A

How many of the 2008 funding year awards received 50-74% of the maximum points?

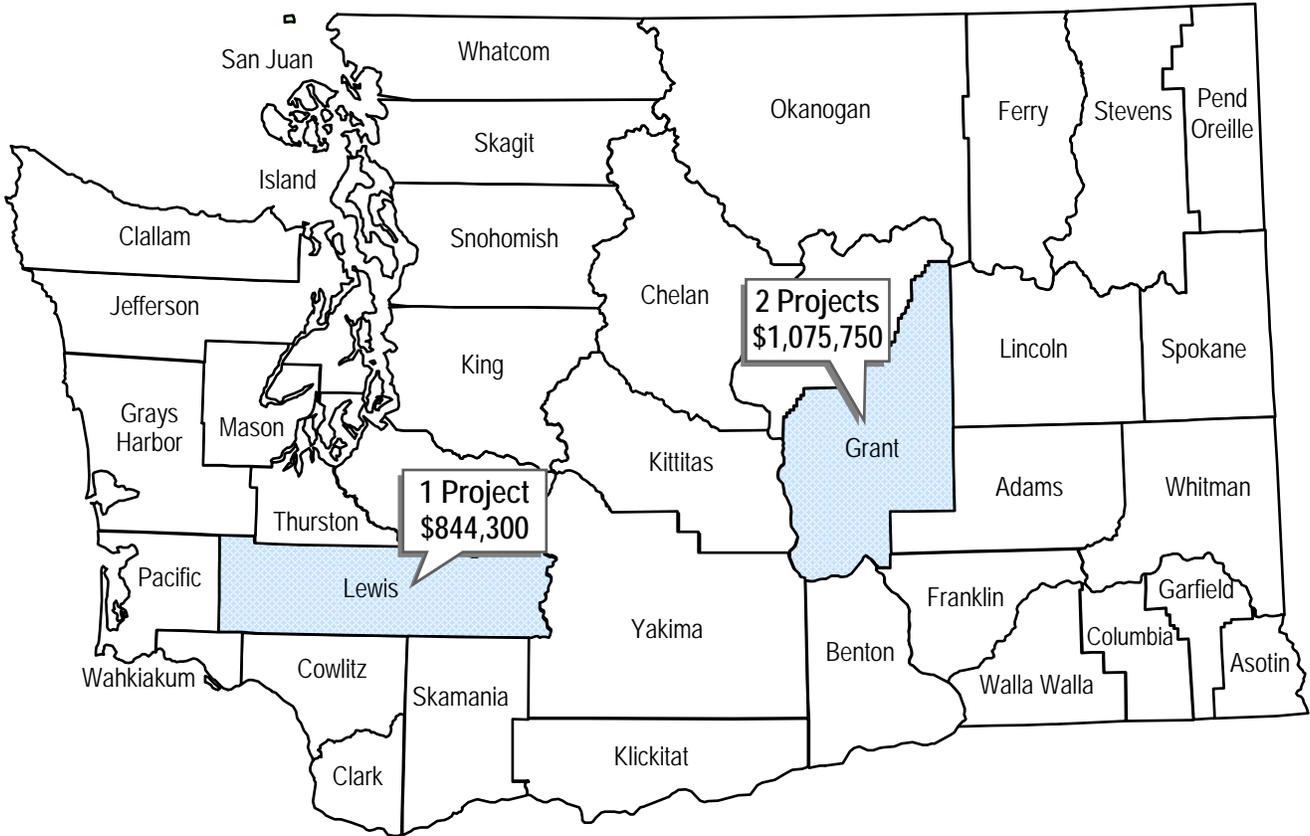
N/A

Program Policy Guidance, Award Criteria and Performance Measures	Performance Measures and Program Performance:		
	Ecology Strategic Plan:		
	<ul style="list-style-type: none"> • Supports Ecology’s strategic plan objective to “cleanup toxic sites” and strategic priority “reduce toxic threats”. Cleaning contaminated sites promotes a healthful environment for Washington’s citizens and protects groundwater, which services half of the state’s population. 		
	Ecology Budget Measures:		
	<ul style="list-style-type: none"> • Cleanup of the most contaminated sites first, number of known toxics-contaminated sites with cleanup actions completed • Protection of public health and environment • Preserve, maintain and restore natural resources, providing safe drinking water • Economic development by making land available for beneficial uses 		
	Additional Performance Measures Used by the Program:		
	<ul style="list-style-type: none"> • Remedy water contamination problems caused by hazardous substances • Provides safe drinking water to communities • Eliminates a public health threat • Eliminates an environmental threat • Provides beneficial uses 		

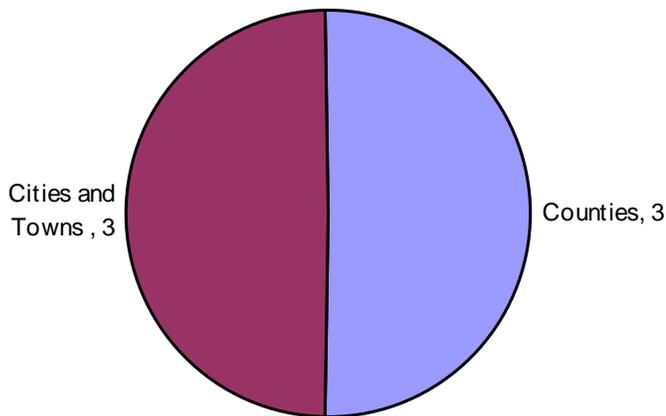
Projected Program Budgets and Needs	Projected Biennial Budgets for Existing Programs:			
		2009-11	2011-13	2013-15
	New Appropriation for Administration			
	New Appropriation for Loans/Grants	\$134,000,000	\$301,479,214	\$265,826,696
	Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized): Projects will be funded from appropriation received each biennium as authorized by the legislature and if needed under a supplemental request.			
	Please List Additional Program Funding Needed by Infrastructure Type:			
		2009-11	2011-13	2013-15
	1. Drinking Water – under the 10 year plan we do not have any drinking water projects identified. If one is identified in the future we will fund the project from current appropriation due to the risk to human health (highest priority).	0	0	0
	2.			
	3.			
Does your program have a method of estimating future needs?				
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
If yes, please briefly describe:				
We are required to develop a 10 year funding plan identifying hazardous waste sites slated for cleanup activities.				

Safe Drinking Water Action Grant Program 2004-05

Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Water Pollution Control Revolving Fund

Administered By:
Department of Ecology
Water Quality Program

General Information

Program Purpose: The Water Pollution Control Revolving Fund (Revolving Fund) provides low-interest loans to eligible governments for projects that improve and protect the state's water quality. Loans may be used for wastewater treatment facilities and for certain activities that reduce nonpoint sources of water pollution. "Facilities" refer to facilities or systems for the control, collection, storage, treatment, disposal, or recycling of wastewater or stormwater. "Activities" include actions to control nonpoint sources of water pollution and to prevent or correct the effects of water pollution.

The United States Congress established the Revolving Fund as part of the Clean Water Act amendments of 1987. The amendments authorized the Environmental Protection Agency (EPA) to offer yearly capitalization grants to states for establishing sustaining loan programs. In response, Washington's legislature created this state program as a mechanism to receive this federal funding for water pollution control.

Ecology administers this program jointly with two other programs; The Centennial Clean Water (Centennial) and the Clean Water Act Section 319 (319) programs.

Mission Statement: The mission of the Water Quality Program is to protect and restore Washington's waters.

Year Established: 1988

Legislative Intent: RCW 90.50A.005

Enabling State Statutes: Chapter 90.50A RCW

Administrative Rules: Chapter 173-98 WAC

Proportion of Grants and Loans, 1999-2008: 100% Loans

It is the purpose of this chapter to provide an account to receive federal capitalization grants to provide financial assistance to the state and to local governments for the planning, design, acquisition, construction, and improvement of water pollution control facilities and related activities in the achievement of state and federal water pollution control requirements for the protection of the state's waters.

The Revolving Fund is a loan-only program established under the Clean Water Act Amendments of 1987.

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$2,639,000	\$3,338,000	\$2,309,511	\$2,842,000	\$2,971,000
New Appropriation for Loans/Grants	\$100,600,000	\$202,412,802	\$147,081,409	\$239,616,286	\$140,000,000
Expenditure for Administration	\$2,079,914	\$2,784,717	\$1,974,255	\$1,996,435	(estimated) \$2,056,328
Funds Awarded for Grants/Loans	\$79,435,911	\$155,484,384	\$202,792,887	\$177,202,450	(estimated) \$93,667,957

Notes:

The 2007-09 appropriation includes a special appropriation of \$700,000 from the Water Quality Account.

Funds awarded under this program are issued on a cost-reimbursement basis. Projects often take three-to-four years to complete. The amount in the last line of the chart above includes funds reimbursed for projects selected during the indicated biennium, as well as funds reimbursed for projects selected in earlier biennia that have reimbursements crossing biennia. The amounts include reappropriations.

FTEs for the Program in 2007-09:
14.49

Fund Account(s):

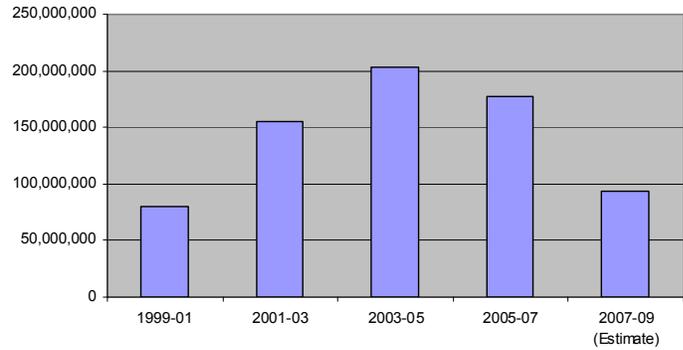
727-1 Water Pollution Control Revolving Account – State

727-2—Water Pollution Control Revolving Account – Federal

Fund Sources:

- Federal Capitalization Grant from EPA
- 20% state match from the Water Quality Account
- Loan principal and interest repayments and investment interest

Funds Awarded for Loans



Recent Changes to Funding Pattern:

As a result of the President’s budget, as approved by Congress, the capitalization grants from the EPA have decreased in recent years. Capitalization grants are scheduled to be phased out in Federal Fiscal Year (FFY) 2011. At that time, the program will be self-sustaining.

Although the capitalization grants to the states may be phased out, the program portfolio continues to increase in value. Due to its revolving nature (repayment of principal and interest), the fund value has increased over 100 percent since State Fiscal Year (SFY) 2004, with a current value of over \$960 million.

The federal Clean Water Act allows states to use a maximum of 4 percent of the federal capitalization grant for the administration of the program. In the 2005-07 state biennial budget, the legislature approved additional funding of \$700,000 from the Water Quality Account to supplement administration costs to meet federal requirements. Language in the Clean Water Act prevents Ecology from using principal or interest repayments for administration costs.

In response to a Clean Water Act mandate which requires states to manage the fund in perpetuity, Ecology, in cooperation with financial consultant, conducted an interest rate study. To ensure perpetuity, Ecology raised its interest rates in SFY 2007, on new loans. Ecology restored its interest rates structure that had been set at .5 percent for a five-year term and 1.5 percent for a 20-year term from SFY 2000-06 to 30 and 60 percent of the market rate respectively for tax exempt municipal bonds.

This change resulted in immediate positive results on the fund balance. For example, loan interest rates in SFY 2008 were 1.5 percent for a five-year term and 2.7 percent for a 20-year term.

Ecology also amended the Revolving Fund rules, Chapter 173-98 WAC, to update the method used to fund construction costs for wastewater and stormwater projects for financially distressed communities.

Instead of one interest rate for all hardship construction projects, Ecology developed a new sliding scale and bases its interest rate subsidies on the local median household income (MHI) in relation to the sewer user fees associated with the project. A reduced interest rate for stormwater projects is based on an average statewide MHI.

New features of the on-site septic repair and replacement local loan program include possible grants from the Centennial Program to leverage the Revolving Fund dollars, as well as reduced interest rates for those local governments when money is passed through low-income residents.

Number of Applicants in 2008 Funding Year: 23

Number of Projects Selected in 2008 Funding Year: 17 (three awards provide added funds to existing projects through amendment, and thus there are 14 new projects)

Total Amount of Awards Offered in 2008 Funding Year: \$70.6 million

Number of Qualified Applicants not funded in 2008 Funding Year: 6

Total Dollar Amount of Qualified Applications not funded in 2008: \$63 million

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects:

Consistent with the Clean Water Act, 80 percent of the competitive funds are allocated for facilities projects and 20 percent for activities projects; however Ecology can modify this allocation if demand in one category is limited. "Facilities" refer to facilities or systems for the control, collection, storage, treatment, disposal, or recycling of wastewater or stormwater. "Activities" include actions to control nonpoint sources of water pollution, including work in national estuaries. Historically, 93.2 percent of the funds available have been offered for water pollution control facilities projects.

Special Qualifications Regarding Who Can Apply:

Eligible public bodies can apply, including a city, town, county, tribe, and special purpose districts.

Depending on the project type, applicants and recipients must meet technical engineering and environmental compliance prerequisites for facilities projects, including the requirements found in Chapter 90.48 RCW, Chapter 173-240 WAC, and the stormwater management manuals for Eastern and Western Washington.

Although an applicant can apply and be placed on the funding list, by rule they cannot receive the funds unless they are in compliance with the Growth Management Act. This requirement applies to facility projects. GMA compliance is determined by CTED. There may be an exception to address a public health need or substantial environmental degradation while the applicant pursues GMA compliance.

Special Qualifications Regarding Project Eligibility:

Proposed projects must be consistent with adopted water quality plans, such as the Puget Sound Water Quality Management Plan, and city or county comprehensive sewer plans. WAC 173-98-100 and WAC 173-98-110 include a more detailed list identifying eligible and ineligible project costs.

Projects must be consistent with state and federal environmental review requirements including the State Environmental Policy Act and the Revolving Fund State Environmental Review Process (SERP). SERP is a process designed to identify and mitigate, if necessary, project impacts on the environment e.g., Threatened and Endangered Species Act, Archaeological Historic Preservation Act.

The fund can be used to pay for up to 20 years of reserve capacity for growth for water pollution control facilities. Loan recipients can implement nonpoint projects on private land with a conservation easement or a landowner agreement.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

Federal Clean Water Act: The objective of the Federal Water Pollution Control Act, commonly referred to as the Clean Water Act (CWA), is to restore and maintain the chemical, physical, and biological integrity of the nation's waters by preventing point and nonpoint pollution sources, providing assistance to publicly owned treatment works for the improvement of wastewater treatment, and maintaining the integrity of wetlands.

Clean Water Act Section 319: Congress amended the Clean Water Act (CWA) in 1987 to establish the section 319 Nonpoint Source Management Program because it recognized the need for greater federal leadership to help focus state and local nonpoint source efforts. Under section 319, state, territories, and Indian tribes receive grant money which support a wide variety of activities including technical assistance, financial assistance, education, training, technology transfer, demonstration projects, and monitoring to assess the success of specific nonpoint source implementation projects.

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

Chapter 90.50A RCW, Water pollution control facilities — federal capitalization grant:

It is the purpose of this chapter to provide an account to receive federal capitalization grants to provide financial assistance to the state and local governments for the planning, design, acquisition, construction, and improvement of water pollution control facilities and related activities in the achievement of state and federal water pollution control requirements for the protection of the state's waters.

Chapter 173-98 WAC, Uses and Limitation of the Water Pollution Control Revolving Fund: The purpose of this chapter is to set forth requirements for the Department of Ecology's administration of the Washington state water pollution control revolving fund, as authorized by Chapter 70.146 RCW, Water pollution control facilities financing. This fund provides financial assistance to public bodies for statewide, high-priority water quality projects in the form of low-interest loans through appropriation by the Washington state legislature.

Chapter 90.48 RCW, Water Pollution Control: It is declared to be the public policy of the state of Washington to maintain the highest possible standards to insure the purity of all waters of the state consistent with public health and public enjoyment thereof, the propagation and protection of wild life, birds, game, fish and other aquatic life, and the industrial development of the state, and to that end require the use of all known available and reasonable methods by industries and others to prevent and control the pollution of the waters of the state of Washington.

Chapter 173.240 WAC, Submission of Plans and Reports for Construction of Wastewater Facilities: The purpose of this chapter is to implement RCW 90.48.110. The department interprets "plans and specifications" as mentioned in RCW 90.48.110 as including "engineering reports," "plans and specifications," and "general sewer plans," all as defined in WAC 173-240-020. This chapter also includes provisions for review and approval of proposed methods of operation and maintenance.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Although Ecology does not have a board, it has an agency-established advisory council to provide advice and guidance on rule making, policies and procedures to the water quality funding programs. The Financial Assistance Council (FAC) is made up of stakeholder representatives from local governments and state and federal agencies.

In addition, Ecology has an Executive Oversight Team for the State Revolving Fund loan program that has cross program influence on the Centennial program based on the integrated funding approach. This team has an advisory role that does not supplant any program management responsibilities established in statute, administrative rule, job performance requirements, or other means. This oversight team's role is to advise Ecology's Senior Management Team (SMT). It is limited to strengthening and clarifying Ecology's on-going internal management of the Water Pollution Control Revolving Fund program. It is intended to complement the role of the program's external advisory group and consultations with other external stakeholders.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

- Stabilize Ecology's core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.
- Explore the implementation of a "no-discharge" zone for vessels in Puget Sound.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts
 Helps Implement
 Both

Comment:

The Growth Management Act (GMA) helps implement water quality objectives through land-use limitations and critical areas protection. As with other programs, funding of a water quality improvement infrastructure project may be delayed or denied due to a GMA non-compliance issue. The project may have been, at least partially, planned and designed to address the problem.

Ecology handles GMA compliance differently than other state funding programs. For example, the Public Works Board requires GMA compliance as a prerequisite for submitting an application for funding consideration. Ecology uses Chapter 70-146RCW for the Centennial Clean Water Program to guide the Revolving Fund Program on GMA compliance to receive funding for water quality facility projects. This means that Ecology can allow application submission without GMA compliance but requires compliance for a local government to receive state funding.

Puget Sound Partnership Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment:

The Partnership action agenda and programs to implement it are still being developed, but there is a high potential that these priorities will help implement water quality protection and the restoration objectives specific to the Puget Sound. There is also a potential conflict with the geographic focus on Puget Sound verses the Revolving Fund focus on statewide water quality objectives.

Climate Change Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment:

Climate change initiatives and programs to implement them are still in development and how these initiatives will relate to water quality funding program goals is unknown. However, there is a high potential that those actions that include reduction of emissions and greenhouse gases and a move to alternative clean energy sources will generally lead to cleaner air and water in the state.

State Economic Development Plan

- Potentially Conflicts
 Helps Implement
 Both

Comment:

The State Economic Development Plan has the potential to both help and conflict with the goals of the water quality financial assistance programs. Washington’s economic strategy, with a focus on education and “environmentally aware” economic development, could potentially help implement water quality protection over time. At the same time, economic development initiatives that lead to increased land development and impervious surfaces and promote industries that increase the production of emissions, wastewater, and solid and hazardous waste conflict with the goals of the water quality funding programs.

The purpose of the Revolving Fund loans and Centennial hardship grants is to direct money to municipal wastewater infrastructure projects that target the residential customer.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used: The EPA requires states to report on overall program progress annually in an Intended Use Plan and an annual report. These reports include progress toward goals that have been established by the EPA and the state. The state is required to enter progress reports from external recipients in two national EPA reporting and tracking system databases. The program is also audited by the EPA and the Office of the State Auditor at least annually.

In 2002, Ecology began implementation of recommendations from the Joint Legislative Audit Review Committee (JLARC). The recommendations are included in the 2001 JLARC report titled: "Investing in the Environment, Environmental Quality Grant & Loan Programs Performance Audit." Ecology developed a process that includes project progress and performance monitoring from the time of an award through post project status (three years after project completion). Each project scope of work includes water quality goals and outcomes in grant and loan applications and agreements and progress is measured quantitatively and qualitatively against these goals and outcomes.

The program continues to refine its efforts improve and enhance the establishment of standard cross-agency performance measures for reporting water quality outcomes achieved statewide.

Top Five Evaluation Criteria:

As defined by:

The criteria below are the top five evaluation criteria used to rate and rank projects under the single integrated application process for the three jointly-administered programs (the Centennial Clean Water Fund Program, the Water Pollution Control Revolving Fund Program, and the Clean Water Act Section 319 Program). The funding application was modified in July 2007 as part of the rule revision and application redevelopment process that simplified and clarified program objectives and priority rating. The new application was implemented for FY 2009. Applicants provide answers to the appropriate questions plus information on how a proposed project fits within locally derived priorities.

Question #	Criteria	Points Available
1	Project Scope of Work	250
2	Proposed Budget	150
3	Water Quality and Public Health Improvements	250
4	State and Federal Requirements	100
5	Readiness to Proceed	100
	Total Possible Points (includes added criteria on project development, local support and ratepayer impact)	1,000

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

0 Note: two projects reflecting previous ongoing funding commitments were offered Revolving Funds at the top of the FY 2008 list – these project are not re-scored.

How many of the 2008 funding year awards received 75-89% of the maximum points?

3

How many of the 2008 funding year awards received 50-74% of the maximum points?

11

In addition, these are the FY 2009 numbers:

How many of the 2009 funding year awards received 90% or more of the maximum points?

2

How many of the 2009 funding year awards received 75-89% of the maximum points?

2

How many of the 2009 funding year awards received 50-74% of the maximum points?

2

Performance Measures and Program Performance:

From Ecology Budget Measures:

- Protection of surface and groundwater is improved through community implementation of the state’s Water Quality Management Plan to Control Nonpoint Pollution and water quality improvement reports. Local communities and groups get help from Ecology to implement water quality improvement reports and other strategies to clean up polluted waters. Best management practices necessary to address non-point pollution problems are implemented.
- State and federal loans are available and used by local governments. The number of stream miles restored or protected is increased through work with local communities and other agencies.

From Ecology Strategic Plan:

The state and federal water quality financial assistance programs help to directly implement the mission and key objectives of the Agency and Water Quality Program:

- Stabilize Ecology’s core water quality programs.
- Reduce the bioaccumulation of toxic chemicals in Puget Sound.
- Enhance implementation of water quality cleanup plans.
- Improve the control of nutrient pollution from wastewater treatment systems and facilities.
- Broaden stormwater control through a comprehensive stormwater management strategy.

GMAP Measures:

- Ecology uses the OFM semi-annual performance measure, A043, to measure success for its Puget Sound Septic Tank Repair and Elimination Program. The target for funded on-site sewage system repairs or replacements completed in Puget Sound counties is 39 every 6 months.

Additional Performance Measures defined in statute, rule, and program policy and procedure include:

- Integrate, to the greatest extent possible, the Revolving Fund with the Centennial Clean Water Program (Centennial) and the federal Clean Water Act Section 319 Nonpoint Source Program (Section 319) to maximize limited state and federal grant and loan funds to improve and protect the water quality of the state of Washington.
- Provide financial assistance to communities to achieve compliance with state and federal water pollution control requirements, implement nonpoint source pollution control programs, and develop and implement estuary conservation and management programs.

- Protect public health and water quality and to achieve overall improvement and protection of the environment.
- Encourage local governments to develop and implement projects, which will prevent water quality degradation, including wetland protection projects.
- Assist communities with financial difficulties in meeting required public health and water quality standards while maintaining the health and perpetuity of the Revolving Fund according to federal law and guidance.
- Provide the type and amount of financial assistance most advantageous to communities, consistent with the long-term health of the fund.
- Administer the Revolving Fund program to ensure that the financial integrity, viability, and revolving nature are maintained.

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$3,060,130	\$3,151,934	\$3,246,492
New Appropriation for Loans/Grants	\$116,202,937	\$110,348,718	\$106,169,469

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized): 169,687,773

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Wastewater Treatment Facilities - (based on the 2004 Clean Watersheds Needs Survey plus inflation factor = \$4,595,710,000, which roughly equates to 6 years of need)	\$1,531,903,000	\$1,531,903,000	\$1,531,903,000
2. Stormwater Activities and Facilities (based on recent demand and anticipated increasing demand for stormwater implementation funding)	\$80,000,000	\$160,000,000	\$320,000,000
3. Other - Nonpoint Source Projects (combined Centennial and 319) based on rough projections of \$3,559,412,948 over the next six years	\$1,186,470,982	\$1,186,470,982	\$1,186,470,982

Does your program have a method of estimating future needs?

Yes No

If yes, please briefly describe:

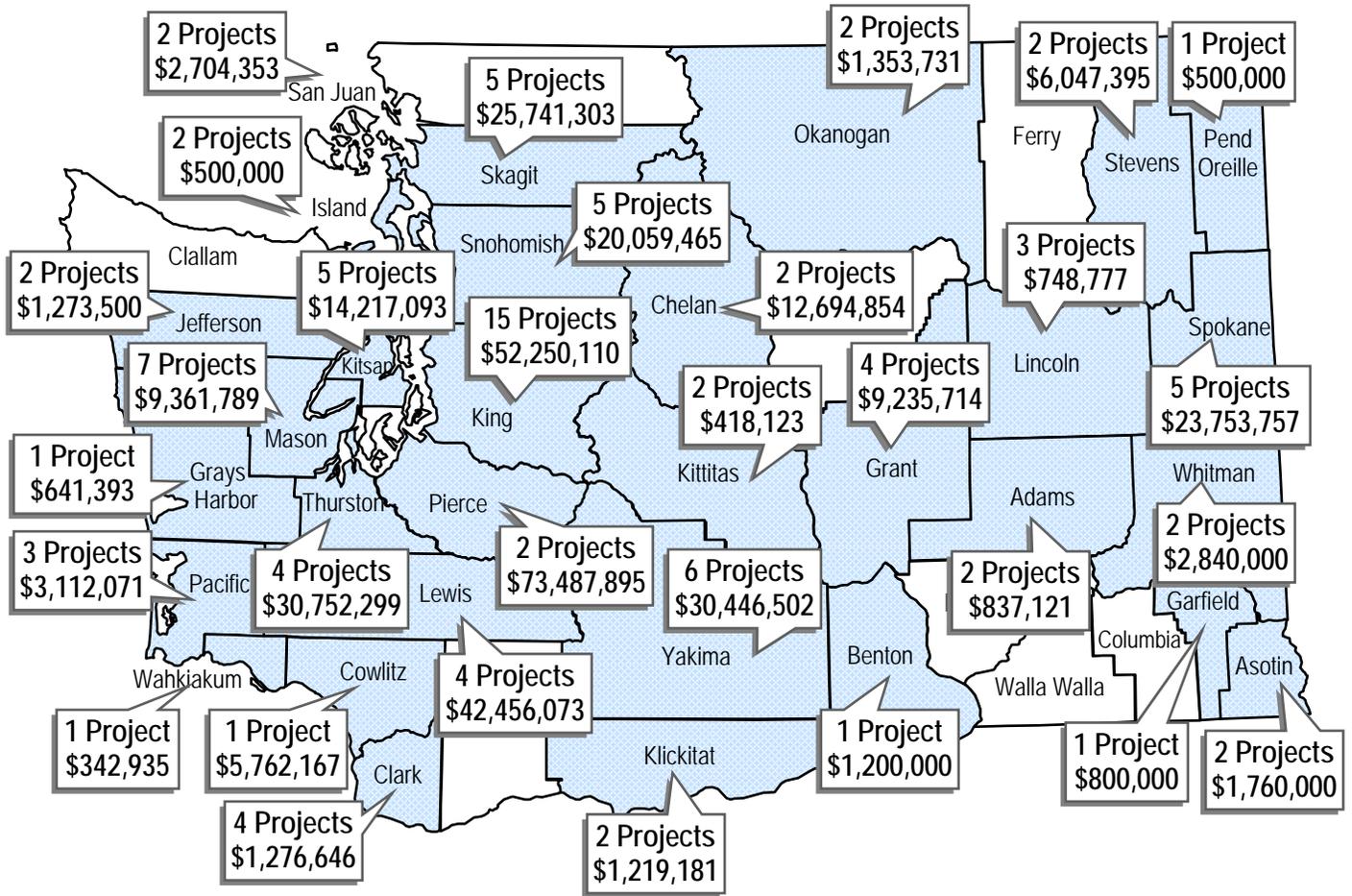
The EPA-sponsored Clean Watersheds Needs Survey is conducted every four years to determine future needs statewide. The last survey was conducted in 2004 and data is currently being collected and updated for the 2008 report, and thus the above figures for wastewater are estimated. The survey requires that project and cost data be collected from reliable and verifiable source documentation (i.e. comprehensive plans, facility plans, engineering reports, etc.) to be captured as a state need for wastewater, stormwater, and nonpoint source control. In the past, the capture of nonpoint and stormwater data has been very limited due to the difficulty in meeting strict documentation requirements. The documentation requirements have been eased some for the 2008 survey to allow better capture of this need.

Clear needs data on stormwater and nonpoint source is difficult to quantify, but is likely a large figure statewide as the impacts to water quality from these two sources is significant and often difficult to address through implementation of best management practices.

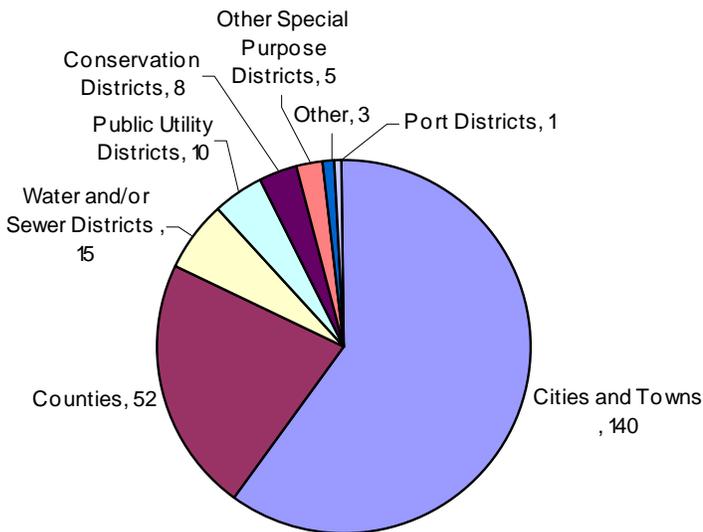
- Ecology has made rough estimates of nonpoint pollution control and abatement project needs based on watershed planning and total maximum daily load implementation planning. The estimated projected need for the next six years is approximately \$3,559,412,948.
- For stormwater, which is an emerging need statewide, estimates of future need are difficult to project. Demand for funding under Ecology's recent one-time 2008 Stormwater Implementation Grant program was approximately \$40 million, which provides the basis for the above estimate. It is clear from current data on stormwater implementation planning, design, and construction costs that the financial need is very large statewide.

Water Pollution Control Revolving Fund Program Loans, 2004-08

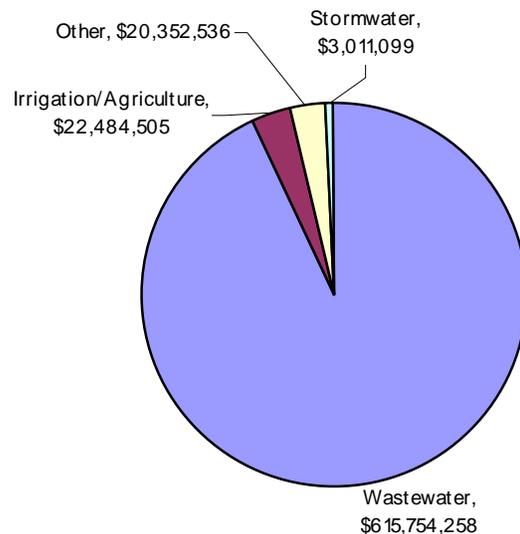
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Some awards were made to multiple counties, and thus the number of projects per county may vary from the number provided in the data summaries.

Watershed Plan Implementation and Flow Achievement Program

Administered By:
 Department of Ecology
 Water Resources Program

General Information

Program Purpose: The Capital Budget includes an appropriation to be used in part for infrastructure improvement projects and other water management actions that benefit stream flows and enhance water supply. Unlike other grant or loan programs where the end goal is to fund an infrastructure project, here the funding of a water infrastructure project is a means to an end goal of increasing instream flows.

This program is a component of implementation of watershed plans authorized under Chapter 90.82 RCW. In addition to funding infrastructure projects, the funding is also to be used for water storage projects, metering, completion of some effort for agricultural water supply initiated under Referendum 38, water or water right acquisition, and small grants to watershed councils so that they can monitor watershed plan implementation. The competitive grant program is for construction-type capital projects for infrastructure improvement, metering and water acquisition and for water storage feasibility studies. The small grants to watershed councils have been provided through legislative proviso.

Mission Statement: The mission of the Water Resources Program is to support sustainable water resources management to meet the present and future water needs of people and the natural environment, in partnership with Washington communities.

Year Established: Some earmarked projects were included in the Capital Budget in 2004.

Legislative Intent: From ESSB 6094, Section 330 (2005 Capital Budget)

The appropriation is to support infrastructure improvement projects and other water management actions that benefit stream flows and enhance water supply to resolve conflicts among water needs for municipal water supply, agriculture water supply, and fish restoration. The stream flow improvements and other public benefits secured from these projects should be commensurate with the investment of state funds. The funding is to provide capital funding needs for those jurisdictions that have a watershed planning authorized through Chapter 90.82 RCW.

Enabling State Statutes: Capital Budget proviso only

Administrative Rules: None.

Proportion of Grants and Loans: 100% Grants

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	0	0	\$25,000	\$50,000	\$250,000
New Appropriation for Loans/Grants	0	0	\$5,800,000	\$11,500,000	\$11,704,000
Expenditure for Administration	0	0	\$25,000	\$43,000	\$26,000
Funds Awarded for Grants*	0	0	\$5,800,000	\$10,256,000	\$ 8,604,000

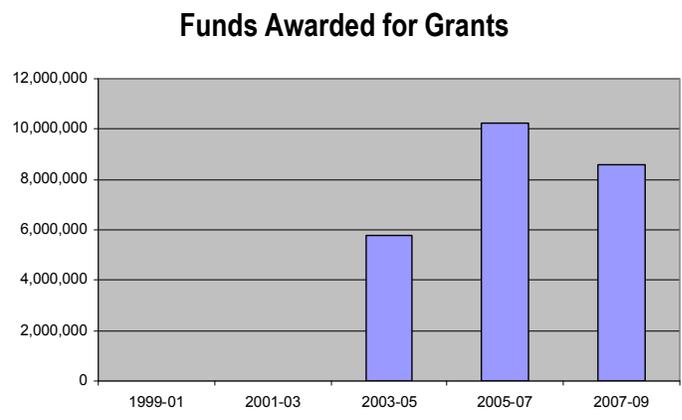
Amount of awards shown is the amount appropriated for the funding categories less the amount provided by the legislature for special projects.

General Information

FTEs for the Program in 2007-09:
2.0 for administering all of the categories under the proviso, not just infrastructure

Fund Account(s):
Fund, 057-1 – State Building Construction Account

Fund Sources:
Fund 057-1 – State Building Construction Account



Recent Changes to Funding Pattern: In the 2004 Supplemental Capital Budget, additional fund sources were the State and Local Improvements Revolving Account (Water Supply Facilities – Referendum 38) and the Water Quality Account.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 62

Number of Projects Selected in 2008 Funding Year: 28

Total Amount of Awards Offered in 2008 Funding Year: \$8,604,000

Number of Qualified Applicants not funded in 2008 Funding Year: 34

Total Dollar Amount of Qualified Applications not funded in 2008: \$5,703,000

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Applicants And Projects

Eligible Projects: While other categories of projects are likely eligible, the projects are primarily related to water conveyance or to public water systems. Examples of eligible projects are the conversion of open ditches or channels to piped systems, use of wells to replace surface water withdrawals, and development of systems to distribute reclaimed water to use for irrigation.

Special Qualifications Regarding Who Can Apply: Ecology notes that this program is designed for local governments, districts, tribes, or private entities implementing approved watershed plans.

Special Qualifications Regarding Project Eligibility: Projects are to be selected such that the stream flow improvements and other public benefits secured from these infrastructure projects are commensurate with the investment of state funds.

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

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

Funding is to provide implementation funds to local jurisdictions that have a watershed plan authorized through Chapter 90.82 RCW.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

The purpose of the Watershed Plan Implementation and Flow Achievement funding is to find solutions to water conflicts, improve water supply delivery systems, and to improve flow and habitat conditions for healthy watershed. In the majority of the watershed there is insufficient water available to meet both instream and out-of-stream needs. The projects funded improve instream flow and instream habitat conditions necessary to meet the program compliance requirements for out of stream uses.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts Helps Implement Both

Comment:

The Growth Management Act is useful in determining where future out-of-stream needs are required to meet growth projections. Improvement to flows will lessen the impacts caused by growth. Where the river system is below established flows, future population goals set by growth management may not be achievable.

Puget Sound Partnership Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

The Puget Sound Partnership Initiative is helpful in determining which basins have water supply issues and instream flows that need improvement. Improvement to flows in the Puget Sound Partnership is one of the stated goals.

Climate Change Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

Climate Change is helpful in determining where future water supplies and instream flows are limited. More accurate water use and improvements to flows will help offset the impacts caused by climate change.

State Economic Development Plan

- Potentially Conflicts Helps Implement Both

Comment:

The state Economic Development Plan is useful in determining where new water supply is needed. Investment in these projects helps local economic development by providing temporary construction jobs.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Ecology closely monitors the success of the program by requiring the projects improve instream flows and measures the volume of water acquired for instream flow (statewide). Data is accumulated through Ecology’s biennial planning process as part of the strategic plan. Instream flow monitoring is one of Ecology’s water resources performance measures and is updated on a quarterly basis through the planning process.

Top Five Evaluation Criteria:

As defined by:

1. Improvement to instream flows and the stream habitat conditions.
2. Implements the goals of local watershed plan.
3. Resolve water conflicts among various stakeholder groups.
4. Provides additional water quantity data.
5. Readiness to proceed.

Note: Ecology currently doesn’t have a rating point system. Each application must show that there is improvement to instream flow and helps implement watershed plan. The other criteria are used to establish the priority for funding. There is both a technical review and a regional priority for implementation of watershed plans. Capital construction projects funding is limited to the value of net water savings and other instream habitat benefits of the projects.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
Not applicable.
- How many of the 2008 funding year awards received 75-89% of the maximum points?
Not applicable.
- How many of the 2008 funding year awards received 50-74% of the maximum points?
Not applicable.

Performance Measures and Program Performance:

Ecology Strategic Plan:
The performance measure is to Support Water Use Efficiencies by measuring the volume of water acquired for instream flows (statewide).

Ecology Budget Measures:
Activity Inventory A061 Support Water Use Efficiencies by measuring the amount of water acquired for instream flows, A003 Instream Flow Achievement, and A059 Support Watershed Management of Water Resources.

GMAP:
Amount of new water availability in Eastern Washington.

Additional Performance Measures Used by the Program:

- Amount of additional habitat available for fish.

Ecology’s performance measures are the volume of water (number of acre-feet of water) protected for instream flow purposes, and the additional habitat available for fish.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$250,000	\$250,000	\$250,000
New Appropriation for Loans/Grants	\$15,750,000	\$15,750,000	\$15,750,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):
 Ecology does not have a dedicated funding source for Watershed Plan Implementation and Flow Achievement. We request a new appropriation for each biennium based on the assessment of needs to implement the local watershed plans. The assessment is done by reviewing the preliminary project proposals requested from the local watershed planning units.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Construction	\$10,000,000	\$10,000,000	\$10,000,000
2. Planning and Design	\$4,000,000	\$4,000,000	\$4,000,000
3. Other (Metering and Water Acquisition)	\$1,750,000	\$1,750,000	\$1,750,000

Does your program have a method of estimating future needs?
 Yes No
 If yes, please briefly describe:
 Every biennium we request preliminary project proposals from local governments and use this input to estimate the future funding needs.

Bond Cap Allocation Program

Administered By:

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

General Information

Program Purpose: Support affordable housing, industrial development, exempt facilities projects, and student loans by authorizing the issuance of tax-exempt private activity bond financing. Tax exempt financing allows the borrower to receive a lower interest rate and thus helps reduce overall project costs.

Mission Statement: The mission of the Bond Cap Allocation Program is to allocate the authority to issue tax-exempt private activity bonds in accordance with federal and state law.

Year Established: 1987

Enabling State Statutes:
RCW 39.86

Administrative Rules:
WAC 365-135

Proportion of Grants and Loans, 1999-2008:

Grants – 0%
Loans – 0%
Other – Bond issuance authority 100%

Legislative Intent: "To provide a flexible and efficient method of allocating the annual state ceiling in Washington in a manner that recognizes the need of the state and its political subdivisions to finance activities or projects that satisfy a substantial public purpose."

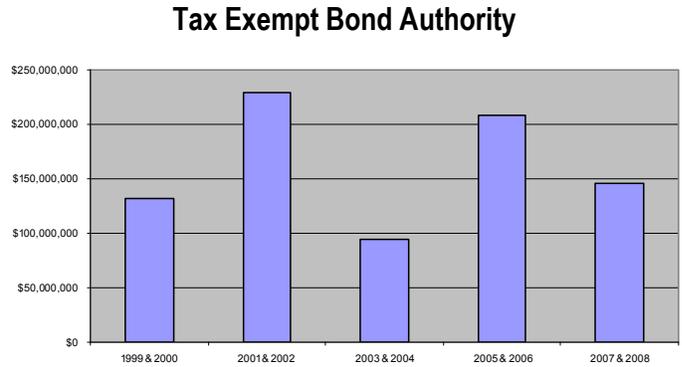
Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	No appropriation – program is self-supporting through fee revenue.				
New Appropriation for Loans/Grants	\$0	\$0	\$0	\$0	\$0
Expenditure for Administration	No state expenditures for program administration; all expenditures are from program revenue.				
Bond Cap Approval for <u>infrastructure-type projects only</u> (Exempt Facility and PUD categories).	Calendar years 1999 and 2000 total: \$132,354,000	Calendar years 2001 and 2002 total: \$228,740,000	Calendar years 2003 and 2004 total: \$93,980,000	Calendar years 2005 and 2006 total: \$207,813,853	Allocated in 2007: \$111,342,336 Projected for 2008: \$35,000,000

General Information

FTEs for the Program in 2007-09:
1.4

Fund Account(s):
Private Local

Fund Sources:
Bond Cap application fees.



Recent Changes to Allocation of Bond Issuance Authority (No funding takes place in this program) Pattern: Sunsetting of the PUD category in 2007, when the category reached its federally-mandated cap on tax-exempt private activity bond issuances. This reduced the amount of the cap available for infrastructure-type projects in the initial allocation (beginning of the calendar year) from 29 to 20 percent under state law. Actual allocation percentages vary from year to year, depending on market factors.

Number of Infrastructure-type Applicants in 2007 Calendar Year: 5

Number of Infrastructure-type Projects Selected in 2007 Calendar Year: 5

Total Bond Issuance Authority Allocated in 2007 Calendar Year for infrastructure-type projects: \$111,342,336

Number of Qualified Applicants not allocated bond issuance authority in 2007 Calendar Year: 0

Total Dollar Amount of Qualified Applications not allocated bond issuance authority in 2008: N/A

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

End users could be any of these kinds of entities, depending on the project type; but they must apply through a public entity authorized to issue bonds in WA state.

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

Within these categories there are limitations imposed by federal law, depending on the nature of the project. For example, a building for a solid waste processing facility would be eligible, but buildings for recreation or arts would not.

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

"Other activities" might include equipment for an eligible exempt facility project.

Eligible Projects: Facilities for the furnishing of water; sewage facilities; solid waste disposal facilities; facilities for the local furnishing of electric energy or gas; local district heating or cooling facilities; qualified hazardous waste facilities (per federal law). Note: unless these projects have a sufficiently high private component, they DO NOT NEED to apply to the Bond Cap Allocation Program in order to issue a tax-exempt bond. Under federal law, if 10 percent or greater of the bond proceeds are for a private purpose, or if 5 percent or more of the bond proceeds finance loans to private entities, the bond is considered a private activity bond.

Special Qualifications Regarding Who Can Apply: Any entity, including private businesses, may use a bond cap allocation depending on the nature of the project, but the bond itself must be issued by a public entity authorized to issue bonds in WA state. The bond issuer is the direct applicant to CTED on behalf of the user.

Special Qualifications Regarding Project Eligibility: From WAC 365-135-070: Until September 1st of each year, any one exempt facility project may not receive more than 30 percent of the initial allocation amount available in the exempt facility category; the size of the allocation relative to the total project cost is limited by state law; and in making allocation decisions, the Bond Cap Allocation Program may consider the community's level of unemployment, the number of direct and secondary jobs produced by the project, the number of persons who benefit from the project in relationship to the size of the community, the degree to which the project provides an economic boost to an economically distressed community, the degree to which the project retains or expands the local tax base, the degree to which the project reduces environmental pollution, the degree to which the project diverts solid waste from disposal and manufactures it into value-added products, the degree to which the project produces energy at a lower cost, the environmental benefit, the timing and need of the project to issue bonds.

Recent Changes in Eligible Applicants or Categories of Projects: As of 2007, the PUD category – defined as enhancements to hydroelectric facilities in the jurisdictions of the Chelan, Douglas, and Grant county PUDs – is no longer eligible, having used up that category's lifetime cap of \$750 million in tax-exempt private activity bond authority.

Policy Goals that are primary considerations in determining awards: Federal

Section 142 of the Internal Revenue Code defines eligible exempt facilities: Facilities for the furnishing of water; sewage facilities; solid waste disposal facilities; facilities for the local furnishing of electric energy or gas; local district heating or cooling facilities; and qualified hazardous waste facilities. Section 146 of the Internal Revenue Code further defines the bond volume cap and exempts some types of exempt facilities from having to apply for bond cap authority.

 State Statute or Regulation (RCW/WAC)

RCW 39.86 divides the total amount of bond cap authority among the different types of eligible projects at the beginning of the calendar year (initial allocation). WAC 365-135 provides criteria for prioritizing the allocation of cap authority as described above under "Special qualifications regarding project eligibility."

 Board Policies Agency Strategic Plan**Potentially Supporting or Conflicting Statewide Policies:****Growth Management Act** Potentially Conflicts Helps Implement Both

Comment:

Housing category assists in the purchase of single family homes for first-time home owners and the retention or creation of multifamily housing. These projects are more than likely to be consistent with GMA, but some may be outside urban growth areas.

Puget Sound Partnership Initiatives Potentially Conflicts Helps Implement Both

Comment:

Projects in the Puget Sound region may increase sewerage flows, while others may enhance sewerage treatment.

Climate Change Initiatives Potentially Conflicts Helps Implement Both

Comment:

Projects are not directly related to climate change initiatives and may be in conflict or help in implementing this policy.

State Economic Development Plan Potentially Conflicts Helps Implement Both

Comment:

Small Issue category supports the creation and retention of manufacturing jobs.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of awards of bond issuance authority?

Yes No

If yes, please briefly describe the method or process used:

Note: Once an allocation of bond issuance authority is made and the bond issued, CTED is finished. No contract is written, and no monitoring of projects takes place aside from IRS audits for tax purposes. CTED does not administer the projects in any way.

Top Five Evaluation Criteria:

As defined by:

1. Is the project eligible under federal and state law?
2. Is there sufficient bond cap authority available?
3. Does the project serve a clear public purpose (e.g. job creation, environmental enhancement, other criteria as cited above)?
4. Is all required documentation in place (including list of permits, copies of environmental studies if applicable, copies of architect’s certification if applicable, certification from bond counsel, certification of bond underwriter, etc.)?
5. Is the project sufficiently ready as to be likely to issue bonds within the statutory deadline?

Note: These criteria are not ranked or weighted. If all criteria are met, then the project receives an allocation. If there are more applications than cap authority available, the exempt facilities criteria in WAC 365-135-070 are considered to prioritize applications (rarely happens in the case of infrastructure-type projects).

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

N/A

How many of the 2008 funding year awards received 75-89% of the maximum points?

N/A

How many of the 2008 funding year awards received 50-74% of the maximum points?

N/A

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015)

- The average number of days to process applications.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals
- Expected Results: Administer the bond cap allocation ensuring 100 percent of the available cap is utilized within federal and state statutory limitations.

GMAP:

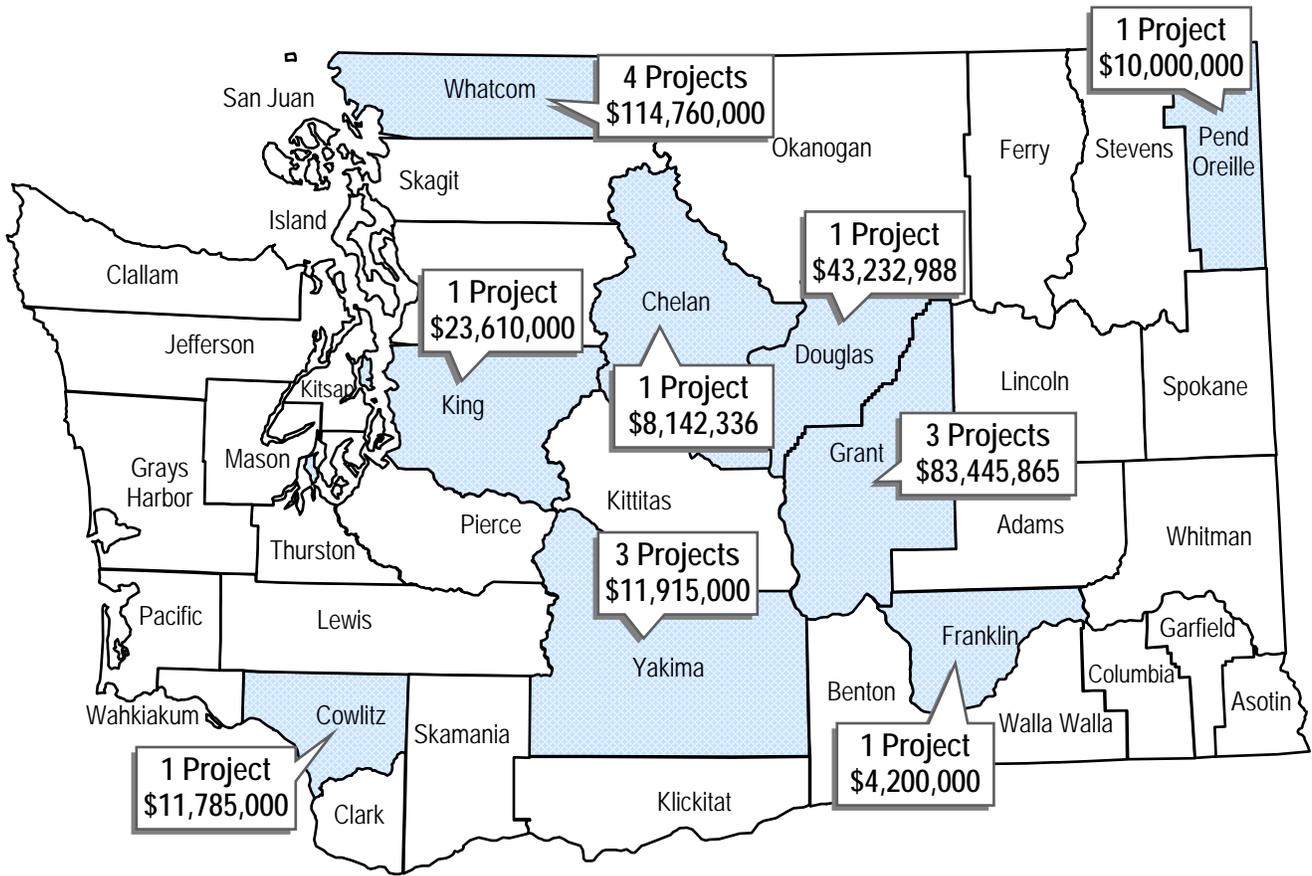
- The average number of days to process applications.

Projected Program Budgets and Needs

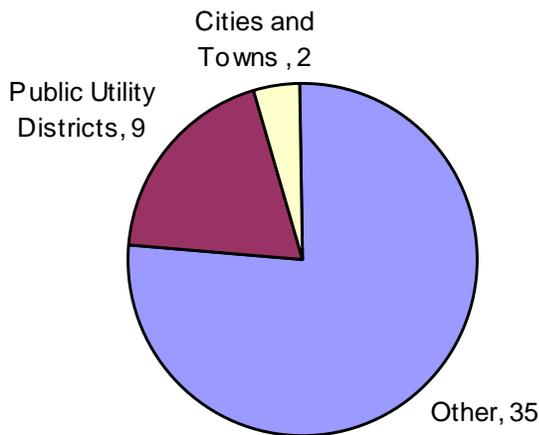
Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$0	\$0	\$0
New Appropriation for Loans/Grants	\$0	\$0	\$0
<p>Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):</p> <p>All funds needed to operate the Bond Cap Allocation Program are provided through application fee revenues. No appropriation of state funds is necessary, and no new funds are anticipated to be needed. Program is expected to continue to operate within current FTE levels.</p>			
Please List Additional Program Funding Needed by Infrastructure Type:			
	2009-11	2011-13	2013-15
1. Not applicable			
2.			
3.			
<p>Does your program have a method of estimating future needs?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>			

Bond Cap Allocation Tax Exempt Bond Authority, 2004-08

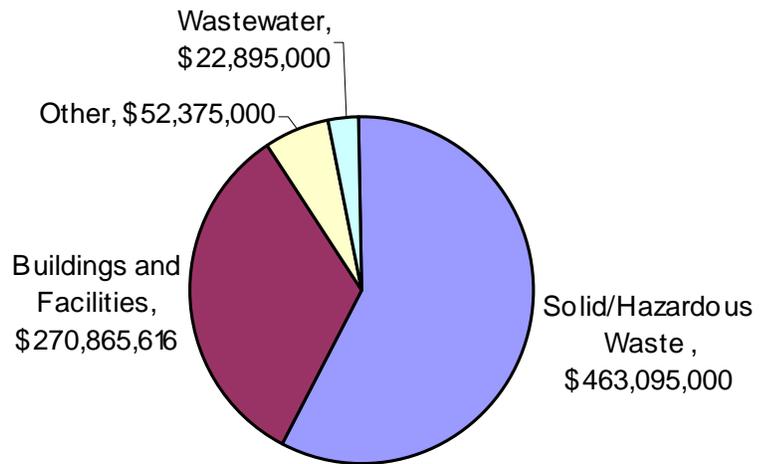
Location by County



Recipients of Bond Authority, 1999-2008



Types of Projects Funded, 1999-2008



An additional three awards totaling \$74,000,000 for bond cap allocation tax granting authority were made to statewide projects.

Building Communities Fund

Administered By:

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

General Information	Program Purpose: The Building Communities Fund is a new program that makes capital and technical assistance grants to nonprofit organizations for acquiring, constructing, or rehabilitating facilities used for the delivery of nonresidential community or social services. The projects funded under this program must be located in a geographically defined distressed area, or serve a substantial number of low-income or disadvantaged persons.					
	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: 2008		Legislative Intent:			
	Enabling State Statutes: RCW 43.63A.125		See program purpose. Section 12 of SSSB 6855 (legislative intent) was vetoed by the Governor.			
	Administrative Rules: N/A					
Proportion of Grants and Loans, 1999-2008: 100% Grants						
Recent Biennial Budgets						
	1999-01	2001-03	2003-05	2005-07	2007-09	
New Appropriation for Administration						\$250,000
New Appropriation for Loans/Grants						
Expenditure for Administration						\$200,000 (estimate)
Funds Awarded for Loans/Grants						

General Information	FTEs for the Program in 2007-09: 1.5 (2009)	New Program – No Funding History
	Fund Account(s): 057 (State Building Construction Account)	
	Fund Sources: 2008 Supplemental Capital Budget (Section 1021) provides \$250,000 in administrative start up costs for the Building Communities Fund.	
Recent Changes to Funding Pattern: This is a new program. Other than the funding reference directly above, no funds have been appropriated for capital projects or technical assistance. The Governor and 2009 Legislature may choose to provide funding for technical assistance and capital projects in the 2009-2011 Biennium. The Legislature has set a target level of up to \$3 million for technical assistance, and up to \$32 million for projects in 2009-2011.		
Eligible Applicants And Projects	Number of Applicants in 2008 Funding Year: N/A	
	Number of Projects Selected in 2008 Funding Year: N/A	
	Total Amount of Awards Offered in 2008 Funding Year: N/A	
	Number of Qualified Applicants not funded in 2008 Funding Year: N/A	
	Total Dollar Amount of Qualified Applications not funded in 2008: N/A	
	Who Is Eligible To Apply?	What Categories of Infrastructure Are Eligible?
	<input type="checkbox"/> Cities and Towns	<input type="checkbox"/> Drinking Water
	<input type="checkbox"/> Counties	<input type="checkbox"/> Wastewater
	<input type="checkbox"/> Water and/or Sewer Districts	<input type="checkbox"/> Stormwater
	<input type="checkbox"/> Port Districts	<input type="checkbox"/> Solid/Hazardous Waste
<input type="checkbox"/> Public Utility Districts	<input type="checkbox"/> Irrigation/Agriculture	
<input type="checkbox"/> Conservation Districts	<input type="checkbox"/> Transportation Infrastructure	
<input type="checkbox"/> Other Special Purpose Districts	<input checked="" type="checkbox"/> Buildings and Facilities (Recreation, Art, etc.)	
<input type="checkbox"/> Tribes	<input checked="" type="checkbox"/> Community and Social Service Facilities	
<input type="checkbox"/> State Agencies	<input type="checkbox"/> Biofuel Facilities	
<input checked="" type="checkbox"/> Non-Profit Organizations	<input type="checkbox"/> Other	
<input type="checkbox"/> For-Profit Organizations		
<input type="checkbox"/> Other		
What Types of Projects Are Eligible?		
<input checked="" type="checkbox"/> Construction Projects		
<input type="checkbox"/> Planning or Design of Individual Construction Projects		
<input type="checkbox"/> Multi-Year Planning of Infrastructure Systems or Facilities		
<input type="checkbox"/> Programs That Reduce the Need for, or Size of, Future Infrastructure Projects		
<input type="checkbox"/> Third Party Financing, Financing Guarantees or Interest Write Downs		
<input type="checkbox"/> Other Activities		

Eligible Projects:

Special Qualifications Regarding Who Can Apply: Applicants must: have current IRS 501(c)(3) registration or advance ruling; be registered in the state of Washington as a nonprofit organization; and have a legally constituted board of directors.

Special Qualifications Regarding Project Eligibility: Eligible projects must: be a nonresidential facility; be located in a geographically defined distressed area or serve a substantial number of low-income or disadvantaged persons; offer a diverse set of activities that meet multiple community service objectives; meet all ten evaluation benchmarks set forth in the enabling legislation.

Recent Changes in Eligible Applicants or Categories of Projects: N/A

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

Federal

State Statute or Regulation (RCW/WAC)

RCW 43.63A.125 – recognizes the role of non-profit organizations in providing community services, the need for such services in areas that have been defined as distressed or that serve a substantial number of low-income or disadvantaged persons.

Board Policies

Agency Strategic Plan

Goal 1; Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts

Helps Implement

Both

Comment: This program funds community service facilities and is not a traditional “infrastructure” type program of pipes in the ground or transportation. Applicants are non-profit organizations and aren’t part of any local government comprehensive plans.

Puget Sound Partnership Initiatives

Potentially Conflicts

Helps Implement

Both

Comment: Depending on the location and type of project, projects may increase sewage and stormwater flows in the Puget Sound region.

Climate Change Initiatives

Potentially Conflicts

Helps Implement

Both

Comment: Starting with the 2009-11 Biennium, all projects are required to meet the LEED silver standards or higher. Exemptions are allowed for facilities less than 5,000 square feet.

State Economic Development Plan

Potentially Conflicts

Helps Implement

Both

Comment: These projects are intended to assist with the delivery of community services and are not economic development type projects.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used: The enabling legislation directs the Department to monitor project expenditures and grantee performance, report project and contract information, and exercise due diligence and other contract management responsibilities.

Top Five Evaluation Criteria (with weights or points, and with maximum defined):

As defined by: (Drop-down menu)

The Department does not evaluate project proposals, but is responsible only for coordinating the RFP process and screening project proposals for eligibility - with the assistance of a citizen advisory committee. The enabling legislation directs the Department to submit an unranked list of eligible projects to the Governor and Legislature; they will make all funding decisions.

Eligibility is based on whether the project:

1. Will increase the range, efficiency, or quality of the services provided to citizens;
2. Will be located in a distressed community or will serve a substantial number of low-income or disadvantaged persons;
3. Will offer a diverse set of activities that meet multiple community service objectives, including but not limited to: providing social services, expanding employment opportunities for or increasing the employability of community residents, or offering educational or recreational opportunities separate from the public school system or private schools, as long as recreation is not the sole purpose of the facility;
4. Reflects a long-term vision for the development of the community, shared by residents, businesses, leaders, and partners;
5. Requires state funding to accomplish a discrete and usable phase;
6. Is ready to proceed and will make timely use of the funds;
7. Is sponsored by one or more entities that have the organizational and financial capacity to fulfill the terms of the grant agreement and to maintain the project into the future;
8. Fills an unmet need for community services;
9. Will achieve its stated objectives; and
10. Is a community priority as shown through tangible commitments of existing or future assets made to the project by community residents, leaders, businesses, and government partners.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
N/A
- How many of the 2008 funding year awards received 75-89% of the maximum points?
N/A
- How many of the 2008 funding year awards received 50-74% of the maximum points?
N/A

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015)

- The average number of days to process applications.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance
- Expected Results: To provide funding to local governments, nonprofit organizations, and private enterprise to address a variety of community, environmental, economic enhancement, and recreational needs throughout the state.

GMAP

- Private investment leveraged by CTED investment
- Number of applications received and number of contracts managed

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$400,000 (estimate)	\$400,000 (estimate)	\$400,000 (estimate)
New Appropriation for Loans/Grants	\$31,600,000 (estimate)	\$31,600,000 (estimate)	\$31,600,000 (estimate)

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

The above data are estimates only for grants to recipient organizations and program administration. The enabling legislation also stipulates that up to \$3 million from the operating budget can be made for technical assistance grants.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

Does your program have a method of estimating future needs?

- Yes No

If yes, please briefly describe:

Building Communities Fund Program Awards

The Building Communities Fund is a new program. Other than administrative start up costs (see template), no funds have been appropriated for capital projects or technical assistance. The Governor and 2009 Legislature may choose to provide funding for technical assistance and capital projects in the 2009 – 2011 Biennium. The Legislature has set a target level of up to \$3 million for technical assistance, and up to \$32 million for projects in 2009 – 2011.

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 percent 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

**Proportion of Grants
 and Loans, 1999-2008:**
 100% Grants

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$96,770	\$82,000	\$90,000	\$93,800	\$143,120
New Appropriation for Loans/Grants	\$5,432,954	\$4,018,000	\$4,410,000	\$4,596,200	\$11,856,880
Expenditure for Administration	\$98,000	\$71,301	\$147,718	\$93,800	(estimated) \$143,120
Funds Awarded for Grants/Loans*	\$5,432,954	\$4,018,000	\$4,410,000	\$4,596,200	(estimated) \$11,856,880

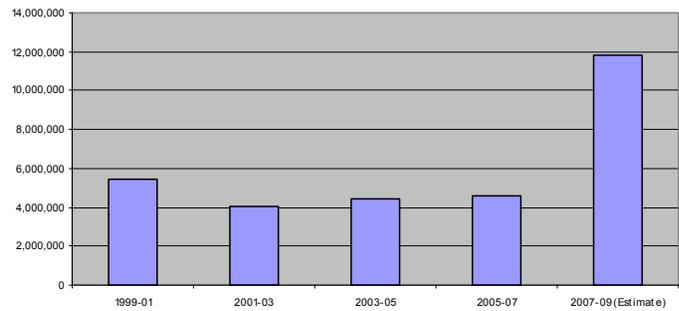
General Information

FTEs for the Program in 2007-09:
8.0 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 percent from each project in 2005-07, 1.25 percent in 2007-2009).

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 \$4 million. The 2006 Supplemental Capital Budget contains a provision that increases this amount to \$12 million, beginning in the 2007-09 Biennium.

Number of Applicants in 2007-09 Biennium: 25

Number of Projects Selected in 2007-09 Biennium: 23

Total Amount of Awards Offered in 2007-09 Biennium: \$12,000,000

Number of Qualified Applicants not funded in 2007-09 Biennium: 0

Total Dollar Amount of Qualified Applications not funded in 2007-09 Biennium: 0

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Applicants

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

Program Policy Guidance

Policy Goals that are primary considerations in determining awards:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: Neither

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neither

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neither

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: Neither

Does your program have a routine process or method for determining the progress that has been made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Top Five Evaluation Criteria:

As defined by: Board Policy

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.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
0
- How many of the 2008 funding year awards received 75-89% of the maximum points?
10
- How many of the 2008 funding year awards received 50-74% of the maximum points?
11 (two below 50%)

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- The estimated amount of private capital investment leveraged with CTED funding

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: To provide funding to local governments, nonprofit organizations, and private enterprise to address a variety of community, environmental, economic enhancement, and recreational needs throughout the state.

GMAP:

- Number of applications received and number of contracts managed

Additional performance measures developed by the program:

- How quickly funds are fully disbursed from the date of the award letter to the final payment date.
- Where funds are awarded by county.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$143,120	\$143,120	\$143,120
New Appropriation for Loans/Grants	\$11,856,880	\$11,856,880	\$11,856,880

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized): None.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

Does your program have a method of estimating future needs?

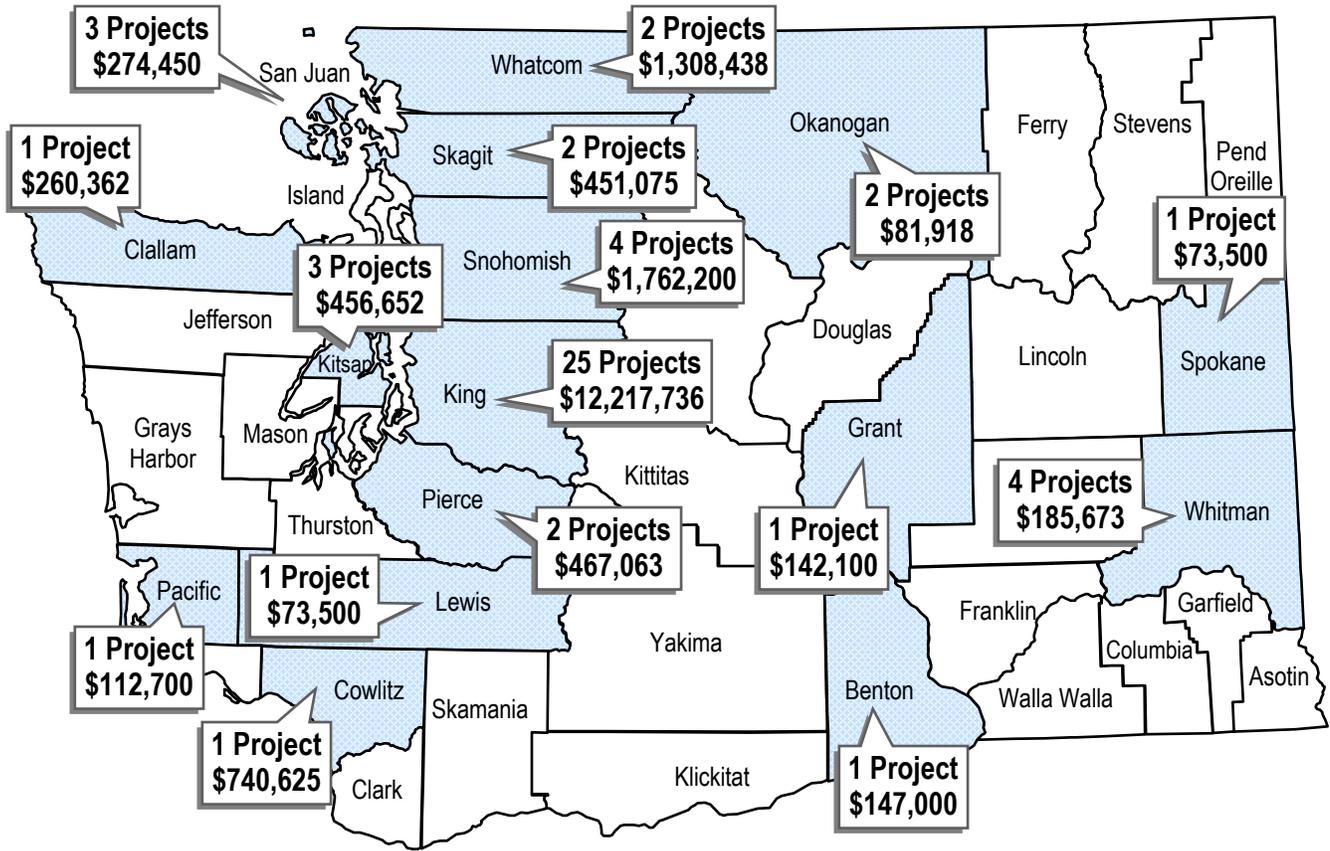
Yes No

If yes, please briefly describe:

Demand from previous funding cycles.

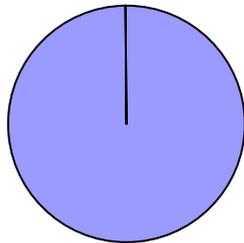
Building for the Arts Program Grants, 2003-08

Location of Grants by County

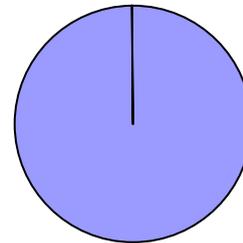


Grant Recipients, 1999-2008

Types of Projects Funded, 1999-2008



Non-Profit
Organizations,
105



Buildings and
Facilities,
\$30,088,000

Capital and Operating Budget Special Projects

Administered By:

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

Program Purpose: Funding capital and operating costs of various projects selected by the Governor and the Legislature.

Mission Statement: None.

Year Established: N/A

Legislative Intent:

Enabling State Statutes:
N/A

None.

Administrative Rules:
None.

**Proportion of Grants
and Loans, 1999-2008:**
100% Grants
0% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$35,000	\$371,210	\$574,206	\$901,063	\$1,953,272
New Appropriation for Loans/Grants	\$3,165,000	\$36,753,790	\$45,983,294	\$69,393,500	\$203,382,728
Expenditure for Administration	\$26,250	\$263,634	\$611,083	\$611,012	\$1,170,000 (estimate)
Funds Disbursed for Loans/Grants	\$3,047,546	\$21,326,368	\$44,687,446	\$47,213,036	\$127,950,000 (estimate)

General Information

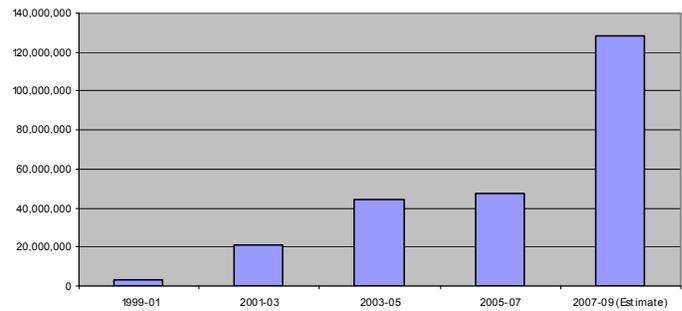
General Information

FTEs for the Program in 2007-09:
8.0 FTEs administer four division capital programs, including this one

Fund Account(s):
001, 057

Fund Sources:
State Operating and Capital Budgets

Funds Awarded for Grants



Recent Changes to Funding Pattern:

From the 1999-01 biennium to 2007-2009 the direct appropriations for capital and operating budget special projects have increased by \$200,217,728 or 6,300 percent.

Eligible Applicants And Projects

Number of Applicants in 2007-2009 Biennium: N/A

Number of Projects Selected in 2007-2009 Biennium: N/A

Total Amount of Awards Offered in 2007-2009 Biennium: N/A

Number of Qualified Applicants not funded in 2008 Funding Year: N/A

Total Dollar Amount of Qualified Applications not funded in 2008: N/A

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects:

Special Qualifications Regarding Who Can Apply: Must be a nonprofit or local government.

Special Qualifications Regarding Project Eligibility: None.

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

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

- Federal
- State Statute or Regulation (RCW/WAC)
- Board Policies
- Agency Strategic Plan

Goal 1: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts
- Helps Implement
- Both

Comment: This program funds capital facilities and other projects appropriated by the Governor and Legislature, and is not a traditional "infrastructure" type program of pipes in the ground or transportation.

Puget Sound Partnership Initiatives

- Potentially Conflicts
- Helps Implement
- Both

Comment: Depending on the location and type of project, projects may increase sewage flows and stormwater in the Puget Sound region.

Climate Change Initiatives

- Potentially Conflicts
- Helps Implement
- Both

Comment: Starting with the 2009-11 Biennium, all projects are required to meet the LEED silver standards or higher. Exemptions are allowed for facilities less than 5,000 square feet.

State Economic Development Plan

- Potentially Conflicts
- Helps Implement
- Both

Comment: These projects are capital facilities and other projects appropriated by the Governor and Legislature, and are not economic development type projects.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Top Five Evaluation Criteria:

As defined by:

Other

Projects selected by the Governor and the Legislature.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?
N/A.

How many of the 2008 funding year awards received 75-89% of the maximum points?
N/A.

How many of the 2008 funding year awards received 50-74% of the maximum points?
N/A.

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- The average number of days to process applications.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: To provide funding to local governments, nonprofit organizations, and private enterprise to address a variety of community, environmental, economic enhancement, and recreational needs throughout the state.

GMAP

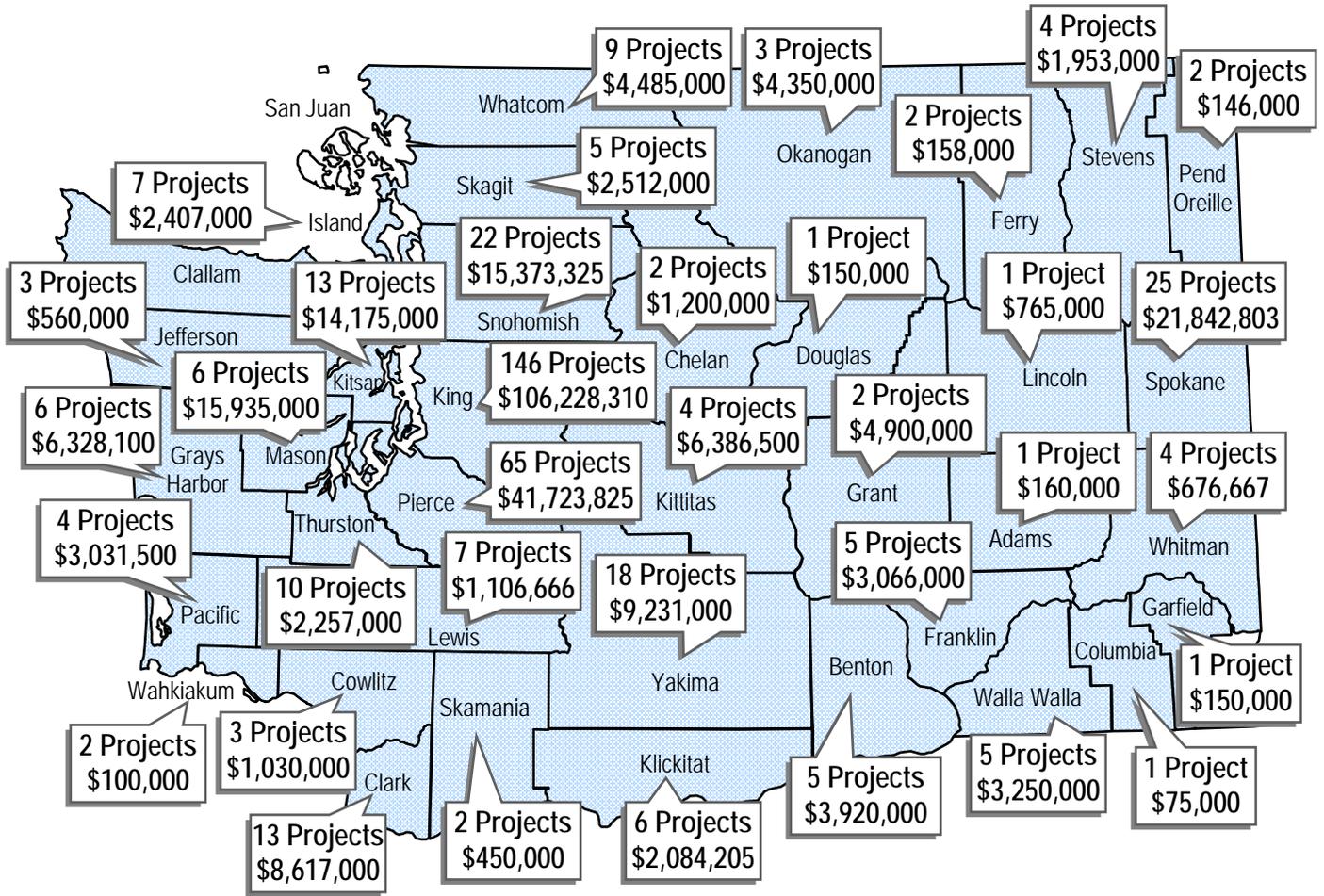
- Private investment leveraged by CTED investment.
- Number of applications received and number of contracts managed.

Projected Program Budgets and Needs

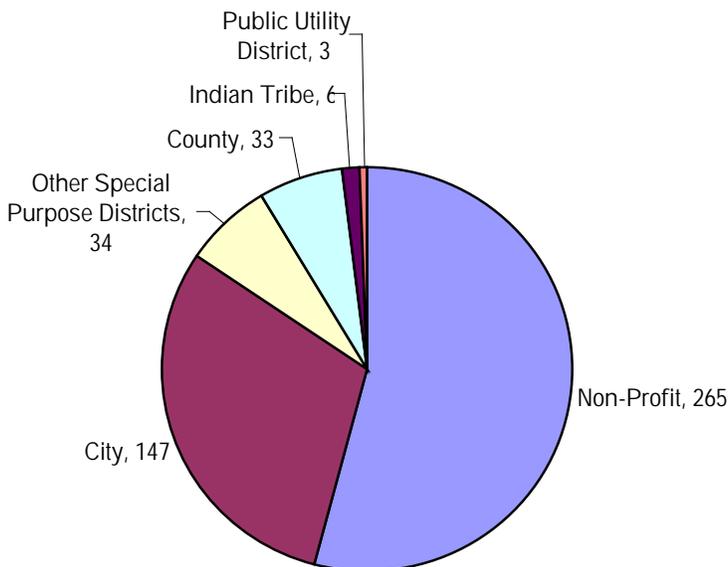
Projected Biennial Budgets for Existing Programs:		2009-11	2011-13	2013-15
New Appropriation for Administration				
New Appropriation for Loans/Grants				
Additional Program Funding Needed for the Next Six Years:				
N/A				
Please List Additional Program Funding Needed by Infrastructure Type:				
		2009-11	2011-13	2013-15
1.				
2.				
3.				
Does your program have a method of estimating future needs?				
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
If yes, please briefly describe:				

Capital and Operating Budget Special Projects Grants, 2004-08

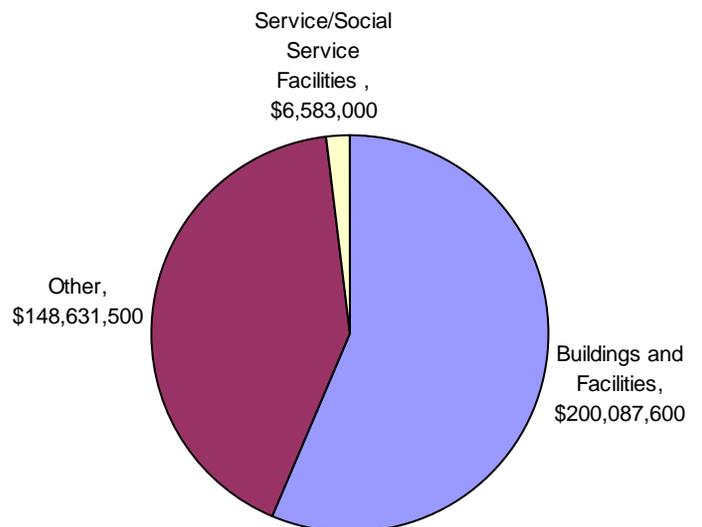
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



An additional 10 awards totaling \$10,269,000 were made to statewide projects.

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 assisted 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 was 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)	
Proportion of Grants and Loans, 1999-2008: 100% Grants	

Recent Biennial Budgets	CY 1999-00	CY 2001-02	CY 2003-04	CY 2005-06	CY 2007-08
New Appropriation for Administration- State Match for all CDBG Programs	\$276,762	\$318,596	\$295,044	\$292,732	\$458,240
New Appropriation for Loans/Grants	\$7,000,000	\$8,000,000	\$9,345,000	\$9,285,758	2007: \$3,222,593
Expenditure for Administration - For all CDBG Programs / includes fed admin	\$1,377,528	\$1,638,410	\$2,022,361	\$2,187,261	\$1,922,751
Funds Awarded for Grants/Loans	\$5,179,656	\$10,065,406	13,234,200	\$9,127,187	2007: \$4,262,767

Notes:
 1) 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 six individual CDBG grant programs.
 2) 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. Also, the Action Plan allocation is based on an anticipated, not the final federal award.
 3) Because the CDGB programs use calendar years instead of biennial timeframes, the amounts in the categories above reflect the combination of two calendar years' amounts.

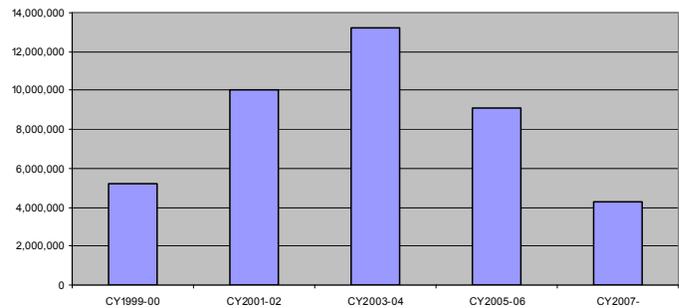
General Information

FTEs for the Program in 2007-09:
9.2 FTEs administer all six 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; and (2) At the state level, CTED program restructuring has split administrative duties and available administrative funds between two units.

Eligible Applicants And Projects

Number of Applicants in 2007 Funding Year: 9

Number of Projects Selected in 2007 Funding Year: 8

Total Amount of Awards Offered in 2007 Funding Year: \$4,262,767

Number of Qualified Applicants not funded in 2007 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2007: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Applicants And Projects

Eligible Projects: While the majority of funds in this grant program went to water and sewer projects, a wide range of projects were eligible, including community centers, health care facilities, child care facilities, economic development projects, and streets. Project eligibility for the Community Investment Fund grant program was the same as for the General Purpose Grant program; however the General Purpose Grant application process is an annual, competitive one while the Community Investment Fund application process was 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 percent of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80 percent 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.

Recent Changes in Eligible Applicants or Categories of Projects: The Community Investment Fund program ended in 2007 and the funds were allocated into the General Purpose Grant program beginning in 2008.

Program Policy Guidance

Policy Goals that are primary considerations in determining awards:

Federal

Title 1 of the Housing and Community Development Act of 1974 (as amended), HUD's Goals:

- 1. Decent housing;
- 2. A suitable living environment; and
- 3. Expanded economic opportunity.

HUD's CDBG national objectives:

- 1. Principally benefits persons with low- to moderate-income;
- 2. Prevents or eliminates slums or blight;
- 3. Addresses an urgent community development need, which poses a serious and immediate threat to health and safety; and
- 4. A project's readiness to proceed to comply with HUD's timeliness standards per 24 CFR Part 570.494, that 95 percent of funds should be obligated within 12 months of the state signing its grant agreement with HUD and expended in a timely manner.

State Statute or Regulation (RCW/WAC)

Board Policies

Agency Strategic Plan

Projects support CTED's goal to build livable, vibrant communities that meet the economic, environmental and social needs of their citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:
GMA compliance is not a requirement, but a project must be identified in the local government's plans.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:
The state CDBG serves the non-entitlement areas, excluding most of the Puget Sound area. However, we have funded and can fund projects in these areas that benefit low- and moderate-income persons and support the health of the Puget Sound.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:
Potentially an indirect benefit.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:
CDBG can fund job creation/retention activities for low- and moderate-income persons.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Close contract management through project completion milestones: environmental review, procurement and construction contracting, construction start/review of payrolls, on-site monitoring, payment requests, and close out process. Outcome data linked to HUD goals are collected and input into HUD's Integrated Disbursement Information System.

Top Five Evaluation Criteria (with weights or points, and with maximum defined):

As defined by: (Drop-down menu)

- As established by the state CDBG Program:
- 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.

Award Criteria and Performance Measures

Program Awards:

- How many of the 2007 funding year awards received 90% or more of the maximum points?
0
- How many of the 2007 funding year awards received 75-89% of the maximum points?
5
- How many of the 2007 funding year awards received 50-74% of the maximum points?
3

Performance Measures and Program Performance:

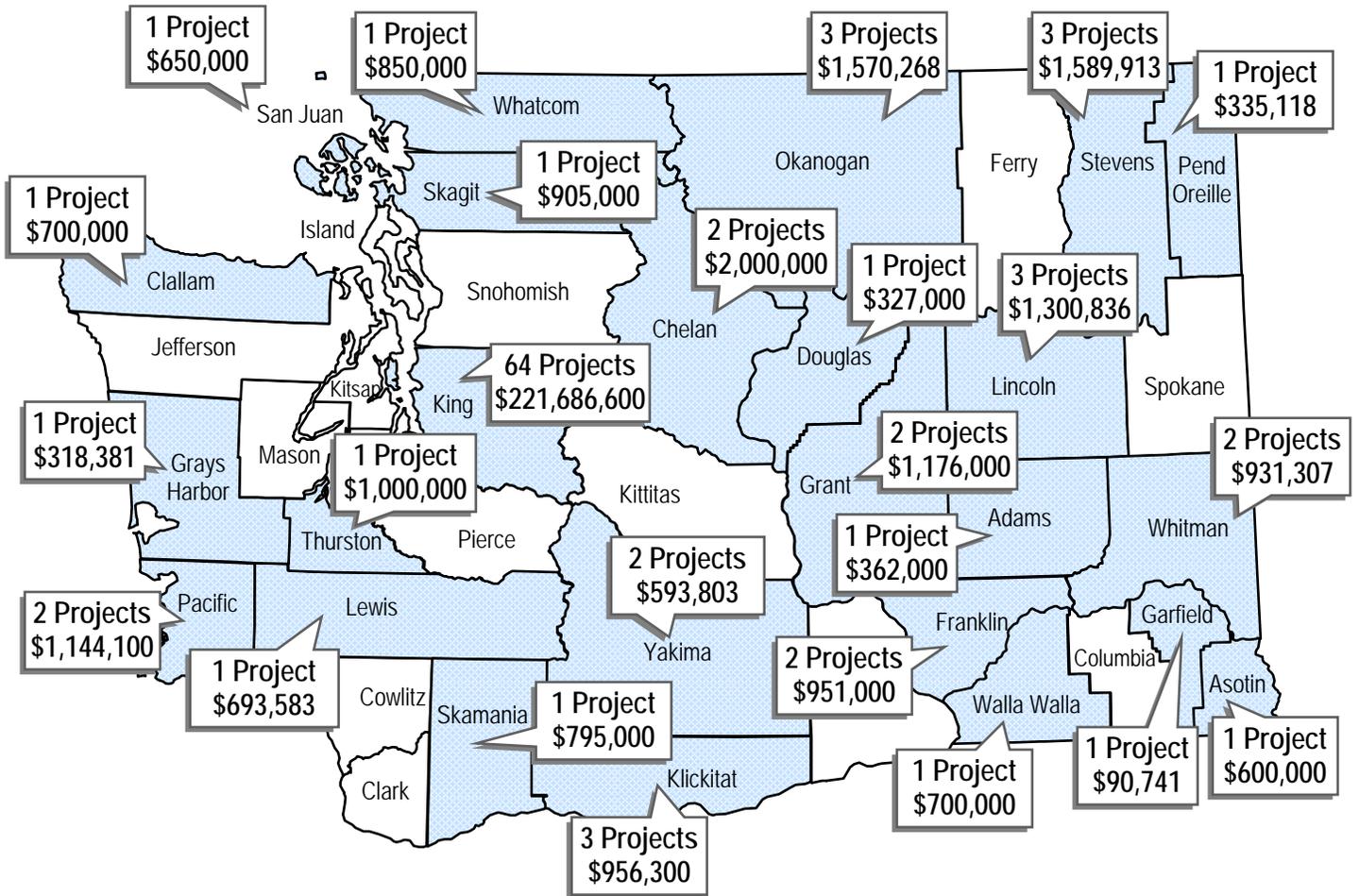
- CTED Strategic Plan (2009-2015):
- The percent of projects completed on time (within the biennium appropriated).
- CTED Budget Measures:
- Percent of projects completed on time, as per contracts.
- Priority of Government:
- Improve the economic vitality of businesses and individuals.
- Program specific performance measures:
Application processing time, Contract processing time

Projected Program Budgets and Needs

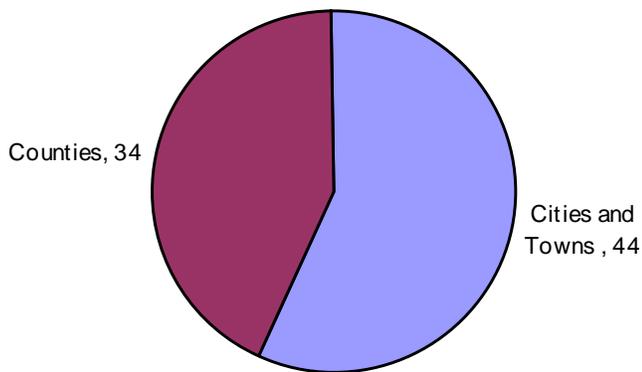
Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	N/A	N/A	N/A
New Appropriation for Loans/Grants	N/A	N/A	N/A
Additional Program Funding Needed for the Next Six Years: N/A, since fund ended in 2007			
Please List Additional Program Funding Needed by Infrastructure Type: N/A			
	2009-11	2011-13	2013-15
1.			
2.			
3.			
Does your program have a method of estimating future needs? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
If yes, please briefly describe:			
<ul style="list-style-type: none"> Trend data on applications received, including types of projects and amounts of requests. Annual public hearing on community development and housing needs. Review of assessments on local government needs, including AWC, PWB, etc. 			

CDBG Community Investment Fund Program Grants, 2004-07

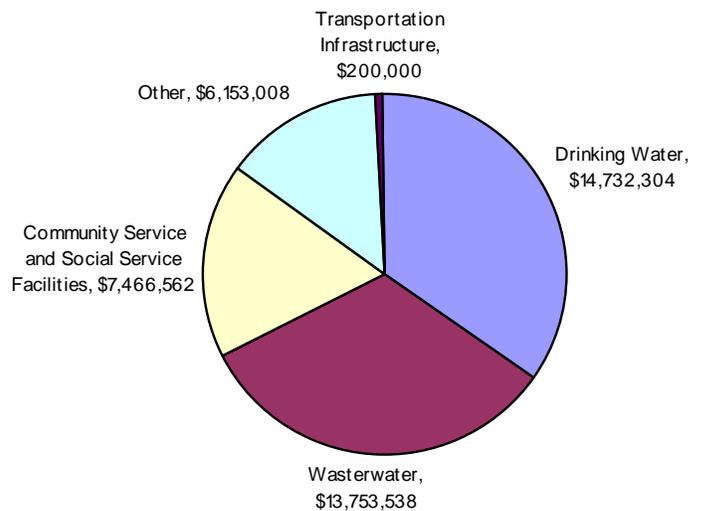
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Community Development Block Grant General Purpose Grant Program

Administered By:

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

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)

Administrative Rules:

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.

Proportion of Grants and Loans, 1999-2008:
100% Grants

Recent Biennial Budgets

	CY 1999-00	CY 2001-02	CY 2003-04	CY 2005-06	CY 2007-08
New Appropriation for Administration – State Match for all CDBG Programs	\$276,762	\$318,596	\$295,044	\$292,732	\$458,240
New Appropriation for Loans/Grants	\$15,640,000	15,740,000	\$15,000,000	\$14,500,000	\$19,500,000
Expenditure for Administration - For all CDBG Programs / includes fed admin	\$1,377,528	\$1,638,410	\$2,022,361	\$2,187,261	\$1,922,751
Funds Awarded for Loans/Grants	\$16,513,439	\$15,209,809	\$17,671,389	\$15,369,000	\$19,500,000

Notes:

(1) 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 six individual CDBG grant programs.

(2) 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. Also, the Action Plan allocation is based on an anticipated, not the final federal award.

[Because the CDGB programs use calendar years instead of biennial timeframes, the amounts in the categories above reflect the combination of two calendar years' amounts]

General Information

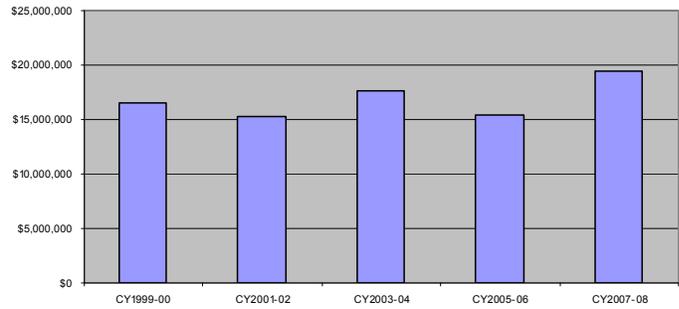
General Information

FTEs for the Program in 2007-09:
9.2 FTEs administer all six 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; and (2) At the state level, CTED program restructuring has split administrative duties and available administrative funds between two units.

Number of Applicants in 2008 Funding Year: 29

Number of Projects Selected in 2008 Funding Year: 18

Total Amount of Awards Offered in 2008 Funding Year: \$10,309,901

Number of Qualified Applicants not funded in 2008 Funding Year: 11

Total Dollar Amount of Qualified Applications not funded in 2008: \$7,677,830

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs

Other Activities

Eligible Applicants

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, housing rehabilitation, and streets. The General Purpose Grant has an annual, competitive application process.

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 percent of the benefit is to low- and moderate-income people. “Low- and moderate-income” is defined as 80 percent of county median income.

Recent Changes in Eligible Applicants or Categories of Projects: The Community Investment Fund and Housing Rehabilitation Grant programs ended in 2007 and the funds were allocated into the General Purpose Grant program beginning in 2008.

Policy Goals that are primary considerations in determining awards:

Federal

Title 1 of the Housing and Community Development Act of 1974 (as amended), HUD’s Goals:

1. Decent housing;
2. A suitable living environment; and
3. Expanded economic opportunity.

HUD’s CDBG national objectives:

1. Principally benefits persons with low- to moderate-income;
2. Prevents or eliminates slums or blight;
3. Addresses an urgent community development need, which poses a serious and immediate threat to health and safety; and
4. A project’s readiness to proceed to comply with HUD’s timeliness standards per 24 CFR Part 570.494, that 95 percent of funds should be obligated within 12 months of the State signing its grant agreement with HUD and expended in a timely manner.

State Statute or Regulation (RCW/WAC)

Board Policies

Agency Strategic Plan

Projects support CTED’s goal to build livable, vibrant communities that meet the economic, environmental and social needs of their citizens.

Program Policy Guidance

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

Cities and counties planning under GMA are required to define zoning and associated housing and infrastructure needs. As a result, GMA helps advance the goals of this program. GMA compliance is not a requirement of this program, but a project must be identified in the local government’s GMA plan in order to be eligible.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The state CDBG serves the non-entitlement areas, excluding most of the Puget Sound area. However, we can fund projects in these areas that benefit low- and moderate-income persons and support the health of the Puget Sound.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

Potentially an indirect benefit.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:

CDBG can fund job creation/retention activities for low- and moderate-income persons.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Close contract management through project completion milestones: environmental review, procurement and construction contracting, construction start/review of payrolls, on-site monitoring, payment requests, and close out process. Outcome data linked to HUD goals are collected and input into HUD’s Integrated Disbursement Information System.

Top Five Evaluation Criteria:

As defined by: 

As established by the state CDBG Program:

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

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

Award Criteria and Performance Measures

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?
0

How many of the 2008 funding year awards received 75-89% of the maximum points?
2

How many of the 2008 funding year awards received 50-74% of the maximum points?
16

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):
The percent of projects completed on time (within the biennium appropriated).

CTED Budget Measures:
Percent of projects completed on time, as per contracts.

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

Program specific performance measures:
Application processing time, contract processing time.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:

	2009-11	2011-13	2013-15
New Appropriation for Administration	\$300,000	\$300,000	\$300,000
New Appropriation for Loans/Grants	\$24,000,000	\$24,000,000	\$24,000,000

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 individual CDBG grant programs.

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Approximately \$60,000,000 would fund anticipated infrastructure applications for the next six years, based on the recent rate of unfunded infrastructure applications. Approximately 19 applications at an average requested amount of \$600,000 were not funded annually.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Sewer	\$6,000,000	\$6,000,000	\$6,000,000
2. Water	\$6,000,000	\$6,000,000	\$6,000,000
3. Community Facilities	\$8,000,000	\$8,000,000	\$8,000,000

Does your program have a method of estimating future needs?

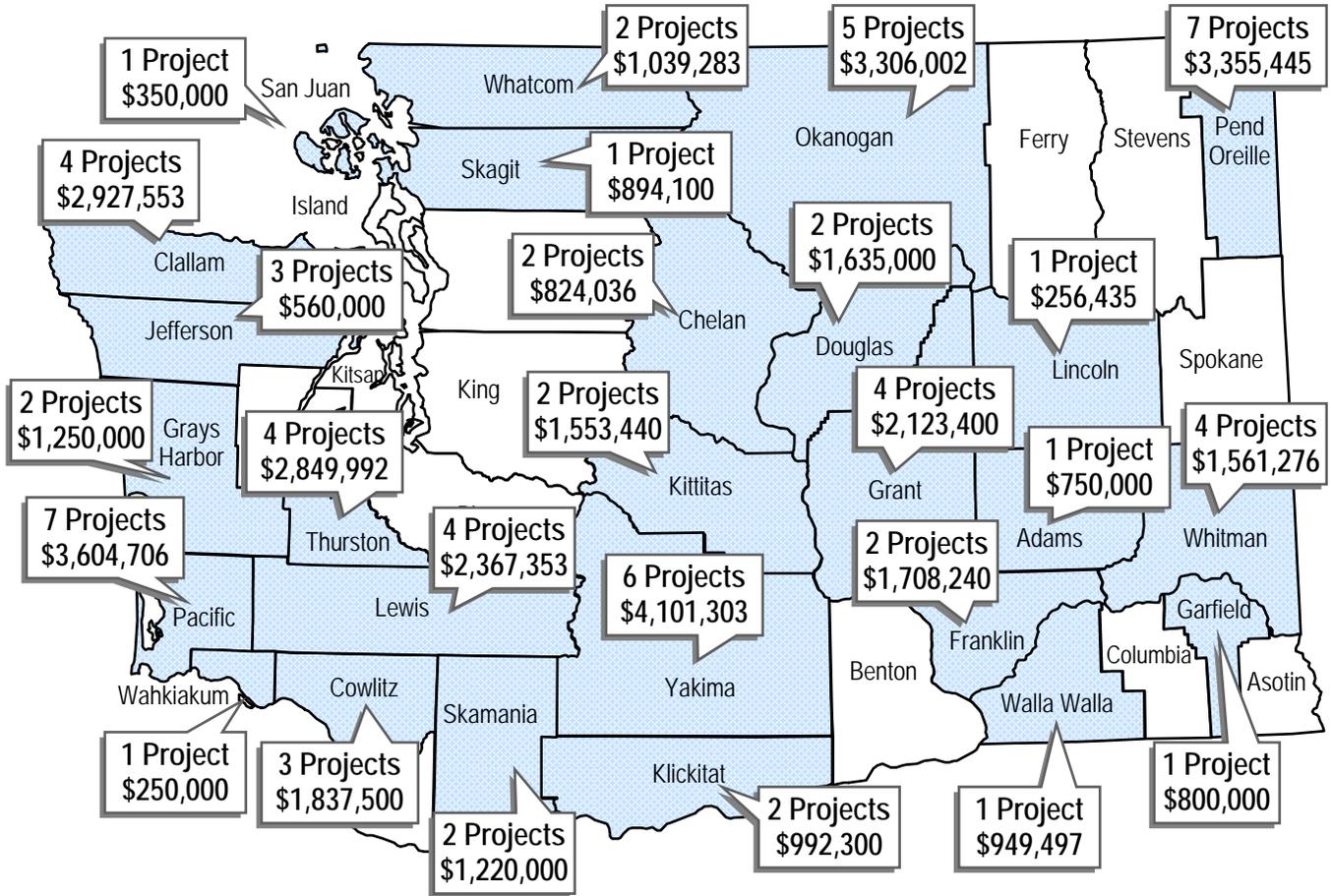
Yes No

If yes, please briefly describe:

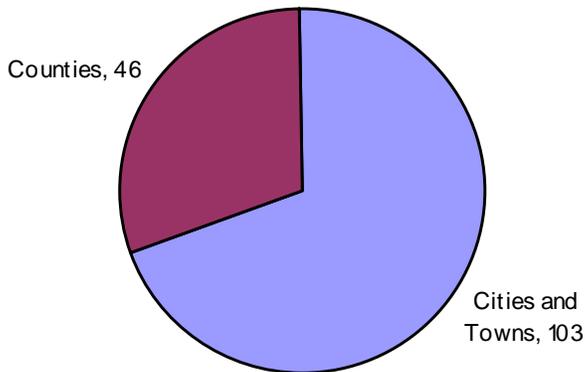
- Trend data on applications received, including types of projects, amounts of requests.
- Annual public hearing on community development and housing needs.
- Review of assessments on local government needs, including AWC, PWB, etc.

CDBG General Purpose Grant Program, 2004-08

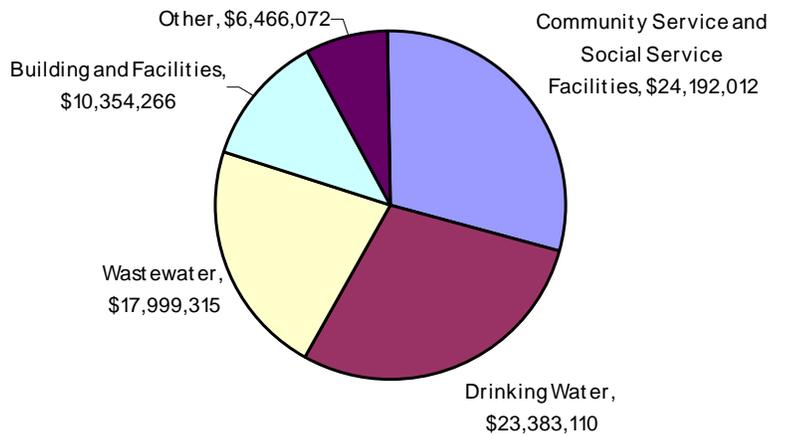
Location by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Community Development Block Grant Housing Enhancement Program

Administered By:

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

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)

Proportion of Grants and Loans, 1999-2008:
100% Grants

Recent Biennial Budgets	CY 1999-00	CY 2001-02	CY 2003-04	CY 2005-06	CY 2007-08
New Appropriation for Administration (State Match for all CDBG Programs)	\$276,762	\$318,596	\$295,044	\$292,732	\$458,240
New Appropriation for Loans/Grants	\$2,000,000	\$2,000,000	\$2,185,000	\$1,800,000	\$1,900,000
Expenditure for Administration (For all CDBG Programs / includes federal administration)	\$1,377,528	\$1,638,410	\$2,022,361	\$2,187,261	\$1,922,751
Funds Awarded for Grants/Loans	\$308,229	\$595,726	\$1,366,918	\$1,596,307	\$1,900,000

Notes:

(1) 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 six individual CDBG grant programs.

(2) 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. Also, the Action Plan allocation is based on an anticipated, not the final federal award.

[Because the CDGB programs use calendar years instead of biennial timeframes, the amounts in the categories above reflect the combination of two calendar years' amounts]

General Information

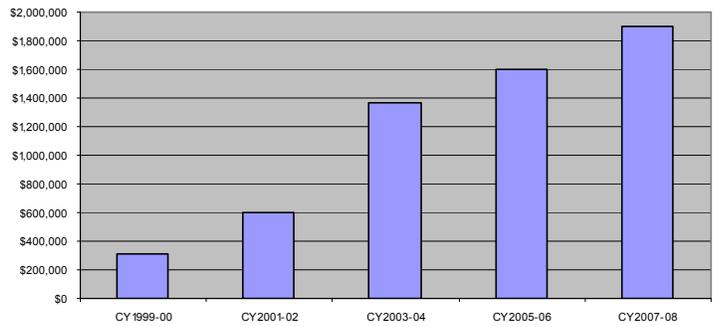
General Information

FTEs for the Program in 2007-09:
9.2 FTEs administer all six 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; and (2) At the state level, CTED program restructuring has split administrative duties and available administrative funds between two units.

Number of Applicants in 2008 Funding Year: 4

Number of Projects Selected in 2008 Funding Year: 4

Total Amount of Awards Offered in 2008 Funding Year: \$1,900,000

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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 percent of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80 percent 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.

Policy Goals that are primary considerations in determining awards:

Federal

Title 1 of the Housing and Community Development Act of 1974 (as amended), HUD's Goals:

1. Decent housing;
2. A suitable living environment; and
3. Expanded economic opportunity.

HUD's CDBG national objectives:

1. Principally benefits persons with low- to moderate-income;
2. Prevents or eliminates slums or blight;
3. Addresses an urgent community development need, which poses a serious and immediate threat to health and safety; and
4. A project's readiness to proceed to comply with HUD's timeliness standards per 24 CFR Part 570.494, that 95 percent of funds should be obligated within 12 months of the State signing its grant agreement with HUD and expended in a timely manner.

State Statute or Regulation (RCW/WAC)

Board Policies

Agency Strategic Plan

Projects support CTED's goal to build livable, vibrant communities that meet the economic, environmental and social needs of their citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

Cities and counties planning under GMA are required to define zoning and associated housing and infrastructure needs. As a result, GMA helps advance the goals of this program. GMA compliance is not a requirement of this program, but a project must be identified in the local government’s GMA plan in order to be eligible.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The state CDBG serves the non-entitlement areas, excluding most of the Puget Sound area. However, we can fund projects in these areas that benefit low- and moderate-income persons and support the health of the Puget Sound. The focus of these grants is affordable housing.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

Potentially an indirect benefit.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:

While the CDBG program can fund job creation/retention activities for low- and moderate-income persons, this fund’s focus is affordable housing.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Close contract management through project completion milestones: environmental review, procurement and construction contracting, construction start/review of payrolls, on-site monitoring, payment requests, and close out process. Outcome data linked to HUD goals are collected and input into HUD’s Integrated Disbursement Information System.

Top Five Evaluation Criteria (with weights or points, and with maximum defined):

As defined by: (Drop-down menu)

Follows the Housing Trust Fund application criteria. Maximum score is 120.

- Project Design 30 points;
- Needs of Target Population 30 points;
- Financial Feasibility 30 points; and
- Organizational Capacity 30 points.

Additional threshold criteria:

- 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.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

0

How many of the 2008 funding year awards received 75-89% of the maximum points?

4

How many of the 2008 funding year awards received 50-74% of the maximum points?

0

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

The percent of projects completed on time (within the biennium appropriated).

CTED Budget Measures:

Percent of projects completed on time, as per contracts.

Priority of Government:

Improve the economic vitality of businesses and individuals.

Projected Program Budgets and Needs**Projected Biennial Budgets for Existing Programs:**

	2009-11	2011-13	2013-15
New Appropriation for Administration	\$300,000	\$300,000	\$300,000
New Appropriation for Loans/Grants	\$2,000,000	\$2,000,000	\$2,000,000

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 individual CDBG grant programs.

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Funding levels seem to be adequate based on application trends.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.	0	0	0
2.	0	0	0
3.	0	0	0

Does your program have a method of estimating future needs?

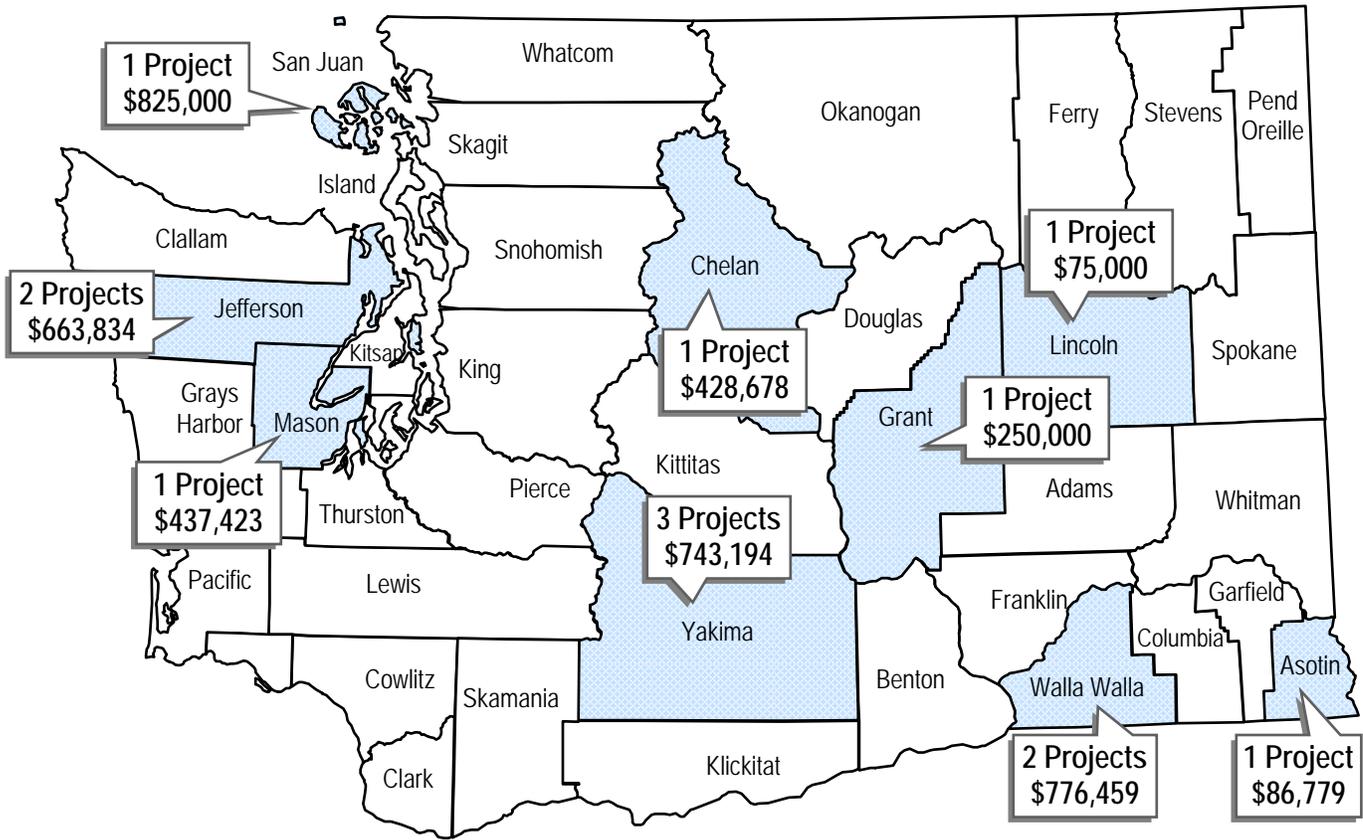
Yes No

If yes, please briefly describe:

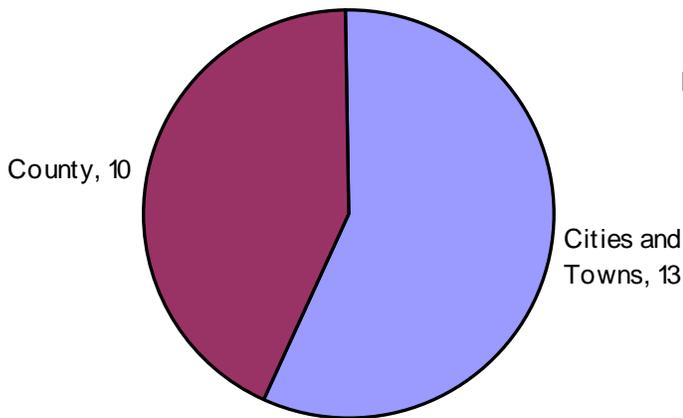
- Trend data on applications received, including types of projects and amounts of requests.
- Annual public hearing on community development and housing needs.
- Review of assessments on local government needs, including AWC, Housing Division, etc.

CDBG Housing Enhancement Program Grants, 2004-08

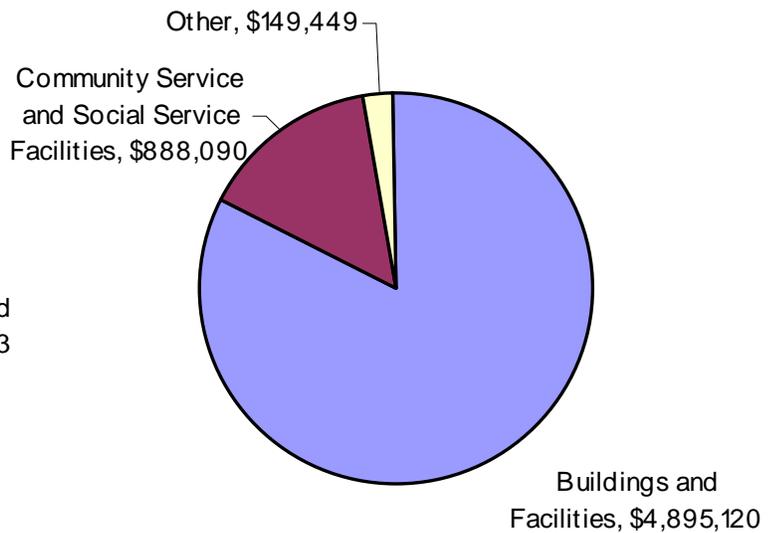
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Community Development Block Grant Imminent Threat Program

Administered By:

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

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)

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)

Proportion of Grants and Loans, 1999-2008:
100% Grants

Recent Biennial Budgets	CY 1999-00	CY 2001-02	CY 2003-04	CY 2005-06	CY 2007-08
New Appropriation for Administration (State Match for all CDBG Programs)	\$276,762	\$318,596	\$295,044	\$292,732	\$458,240
New Appropriation for Loans/Grants	400,000	400,000	800,000	466,000	400,000
Expenditure for Administration (For all CDBG Programs / includes federal administration)	\$1,377,528	\$1,638,410	\$2,022,361	\$2,187,261	\$1,922,751
Funds Awarded for Grants/Loans*	550,000	572,959	46,612	24,000	258,000

Notes:

(1) 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 six individual CDBG grant programs.

(2) 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.

General Information

General Information

FTEs for the Program in 2007-09:

9.2 FTEs administer all nine CDBG programs

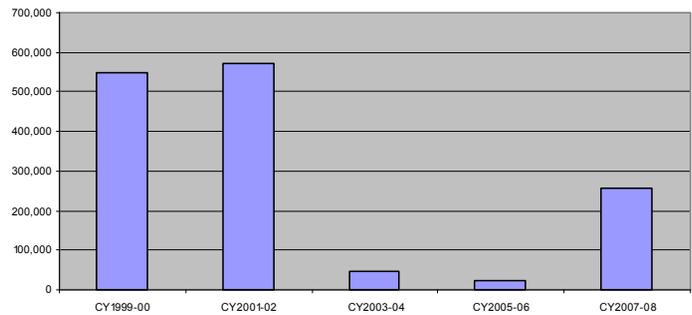
Fund Account(s):

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; and (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 the 2008 state Legislature increased the state match appropriation by \$150,000 annually.

Eligible Applicants And Projects

Number of Applicants in 2007 Funding Year: 1

Number of Projects Selected in 2007 Funding Year: 1

Total Amount of Awards Offered in 2007 Funding Year: \$258,000

Number of Qualified Applicants not funded in 2007 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2007: \$0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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.

Special Qualifications Regarding Project Eligibility: Project must be about addressing an immediate and urgent threat to public health or safety, as verified by an independent source and supported by a formal declaration of emergency. A project is not eligible for an Imminent Threat Grant until it is first determined that the jurisdiction cannot secure financing from other sources.

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

Policy Goals that are primary considerations in determining awards:

- Federal

Please briefly paraphrase primary considerations in determining awards with citation:

- All local projects must meet the national objectives of the program (Title 1 Housing and Community Development Act of 1974, as amended).
- Meet urgent needs which pose a serious and immediate threat to public health or safety. Verified by and independent source and supported by the requesting jurisdiction's formal declaration of emergency. (24 CFR Part 570(d))

- State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

- Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

- Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: N/A

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: N/A

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: N/A

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: N/A

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

After award, contract assigned to Contracts Administration Project Manager to provide technical assistance to grantee jurisdiction during project life cycle. Compliance with federal and state requirements is monitored by Project Manager at end of project using an extensive checklist. Outcomes from the project are reported in the annual Performance Evaluation Report (PER) to the funding agency HUD.

Top Five Evaluation Criteria:

As defined by:

The criteria for selection and award of funding is based on:

- Scope
- Severity
- History
- Costs
- Impact of the Imminent Threat to public health and safety.

A point system is not used.

The Imminent Threat application asks applicant to provide information about the severity, validity, history and impact of the problem; a project summary form; and evidence of an independent verification of the problem. After CDBG reviews the submissions and determines the problem is an imminent threat and verifies the PWTF Emergency Loan program is not a viable funding source, the jurisdiction is asked to complete and submit various threshold certifications, resolutions and forms required by federal regulation prior to IT grant award. Upon receipt of the certifications, award is made.

Program Awards:

How many of the 2007 funding year awards received 90% or more of the maximum points?

N/A

How many of the 2007 funding year awards received 75-89% of the maximum points?

N/A

How many of the 2007 funding year awards received 50-74% of the maximum points?

N/A

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- The percent of projects completed on time (within scope).

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: CDBG resources are used timely by funding projects ready to proceed and providing technical assistance to low-capacity jurisdictions to help them comply with federal regulations and complete projects on time within scope.
- Measured by: Percent of projects completed on time, as per contracts.

GMAP:

Percent of projects completed on time, within scope.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$300,000	\$300,000	\$300,000
New Appropriation for Loans/Grants	\$400,000	\$400,000	\$400,000

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 individual CDBG grant programs.

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Note: if additional funds are needed on a case by case basis, additional funds may be used from the CDBG Contingency Fund.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Not known if additional funds would be needed, nature of program is to address emergent and unforeseen threats to public health and safety.			
2.			
3.			

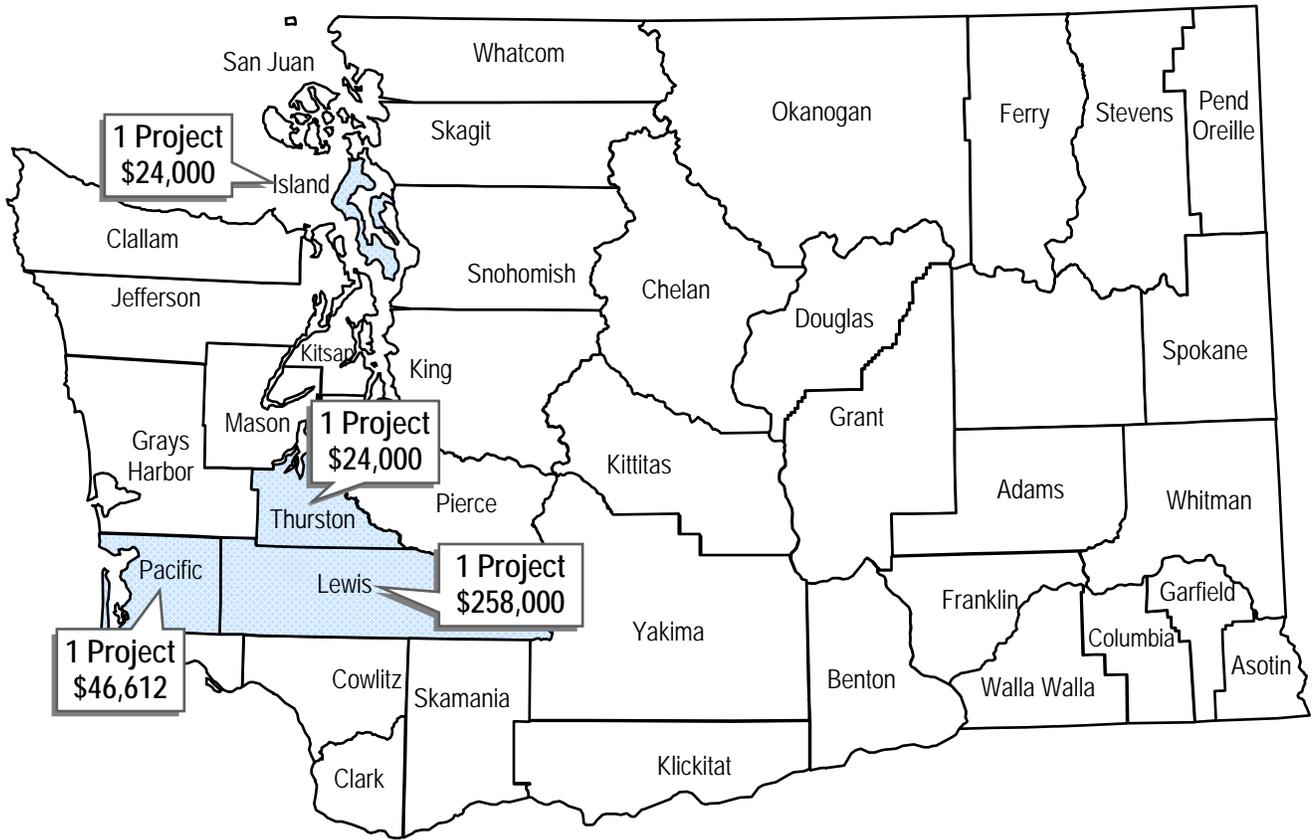
Does your program have a method of estimating future needs?

Yes No

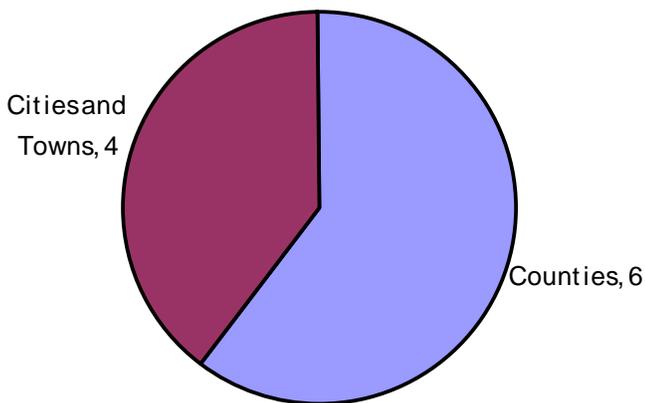
If yes, please briefly describe:

Community Development Block Grant Imminent Threat Program Grants, 2003-07

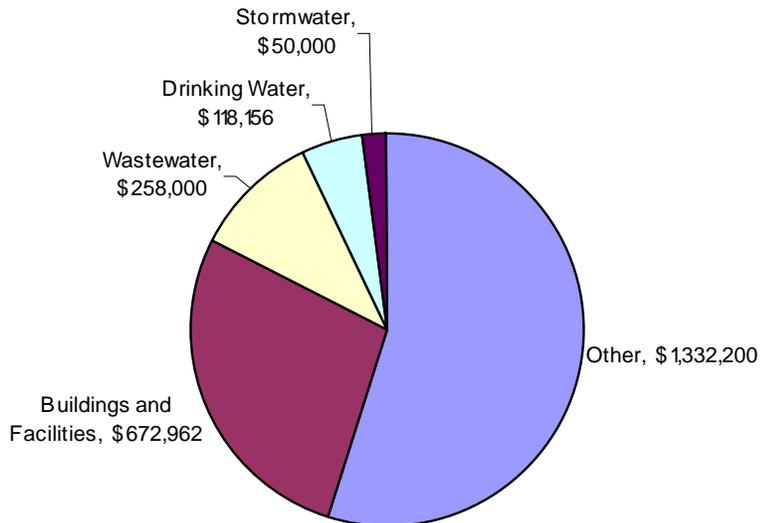
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Community Development Block Grant Interim Construction Financing Program

Administered By:

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

Program Purpose: Community Development Block Grant (CDBG) Interim Construction Financing provides short-term financing to small cities, towns, and counties implementing CDBG eligible community and economic development projects that principally benefit low- and moderate-income persons. As with all of the state's CDBG programs, the Interim Construction Financing 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 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)

Proportion of Grants and Loans, 1999-2008:
100% Grants *repaid

Recent Biennial Budgets	CY 1999-00	CY 2001-02	CY 2003-04	CY 2005-06	CY 2007-08
New Appropriation for Administration – State Match for all CDBG Programs	\$276,762	\$318,596	\$295,044	\$292,732	\$458,240
New Appropriation for Loans/Grants	\$16,400,000	\$23,000,000	\$40,000,000	\$38,000,000	\$32,000,000
Expenditure for Administration - For all CDBG Programs / includes fed admin	\$1,377,528	\$1,638,410	\$2,022,361	\$2,187,261	\$1,922,751
Funds Awarded for Loans/Grants	0	0	\$969,850	\$4,087,200	\$5,042,000

Notes:

(1) 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 six individual CDBG grant programs.

(2) The amount available (new appropriations) is to cover both economic development float loans and interim construction financing for community development activities. The allocation is based on the annual grant award from HUD and is the amount CTED feels it can "float" on a short-term basis, before grant recipients needs to draw down grant funds. Only interim construction financing assists infrastructure activities and is listed under Funds Awarded.

General Information

General Information

FTEs for the Program in 2007-09:

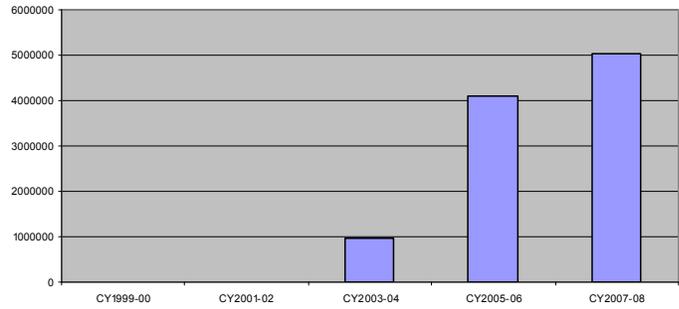
9.2 FTEs administer all six CDBG programs

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 program restructuring has split administrative duties and available administrative funds between two units; and (3) A recent HUD determination excluded USDA as an acceptable permanent source, so the future interim financing awards cannot be made until another acceptable permanent source is identified and established.

Number of Applicants in 2007 Funding Year: 2

Number of Projects Selected in 2007 Funding Year: 2

Total Amount of Awards Offered in 2007 Funding Year: \$5,042,000

Number of Qualified Applicants not funded in 2007 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2007: 0

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: While the majority of funds in this interim financing program currently go for water and sewer projects, a wide range of projects are eligible, including community centers, health care facilities, child care facilities, economic development projects, housing rehabilitation, and streets.

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:

1. Projects must principally benefit low- and moderate-income people. "Principally benefit" means that at least 51 percent of the benefit is to low- and moderate-income people. "Low- and moderate-income" is defined as 80 percent of county median income.
2. Projects must have a commitment letter from an acceptable take-out funding source.

Recent Changes in Eligible Applicants or Categories of Projects: None

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

Title 1 of the Housing and Community Development Act of 1974 (as amended), HUD's Goals:

1. Decent housing;
2. A suitable living environment; and
3. Expanded economic opportunity.

HUD's CDBG national objectives:

1. Principally benefits persons with low- to moderate-income;
2. Prevents or eliminates slums or blight; or
3. Addresses an urgent community development need, which poses a serious and immediate threat to health and safety.

A project's readiness to proceed to comply with HUD's timeliness standards per 24 CFR Part 570.494, that 95 percent of funds should be obligated within 12 months of the state signing its grant agreement with HUD and expended in a timely manner.

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Projects support CTED's goal to build livable, vibrant communities that meet the economic, environmental and social needs of their citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:
GMA compliance is not a requirement, but a project must be identified in the local government's plans.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:
The state CDBG serves the non-entitlement areas, excluding most of the Puget Sound area. However, we have funded and can fund projects in these areas that benefit low- and moderate-income persons and support the health of the Puget Sound.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:
Potentially an indirect benefit.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:
CDBG can fund job creation/retention activities for low- and moderate-income persons.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Close contract management through project completion milestones: environmental review, procurement and construction contracting, construction start/review of payrolls, on-site monitoring, payment requests, and close out process. Outcome data linked to HUD goals are collected and input into HUD's Integrated Disbursement Information System.

Top Five Evaluation Criteria:

As defined by:

- As established by the state CDBG Program:
- Need of the community (25 possible points)
 - Capacity of the jurisdiction to complete the project (25 possible points)
 - Readiness to proceed with 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.

Program Awards:

How many of the 2007 funding year awards received 90% or more of the maximum points?

0

How many of the 2007 funding year awards received 75-89% of the maximum points?

1

How many of the 2007 funding year awards received 50-74% of the maximum points?

1

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

The percent of projects completed on time (within the biennium appropriated).

CTED Budget Measures:

Percent of projects completed on time, as per contracts.

Priority of Government:

Improve the economic vitality of businesses and individuals

Projected Program Budgets and Needs
Projected Biennial Budgets for Existing Programs:

	2009-11	2011-13	2013-15
New Appropriation for Administration	\$300,000	\$300,000	\$300,000
New Appropriation for Loans/Grants	\$24,000,000	\$24,000,000	\$24,000,000

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 individual CDBG grant programs.

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

A recent HUD determination excluded USDA as an acceptable take-out source, so the future interim financing awards cannot be made until another acceptable take-out source is identified and established.

Based on trend data, our current funding levels have been sufficient for the demand of interim construction financing.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Sewer			
2. Water			
3. Community Facilities			

Does your program have a method of estimating future needs?

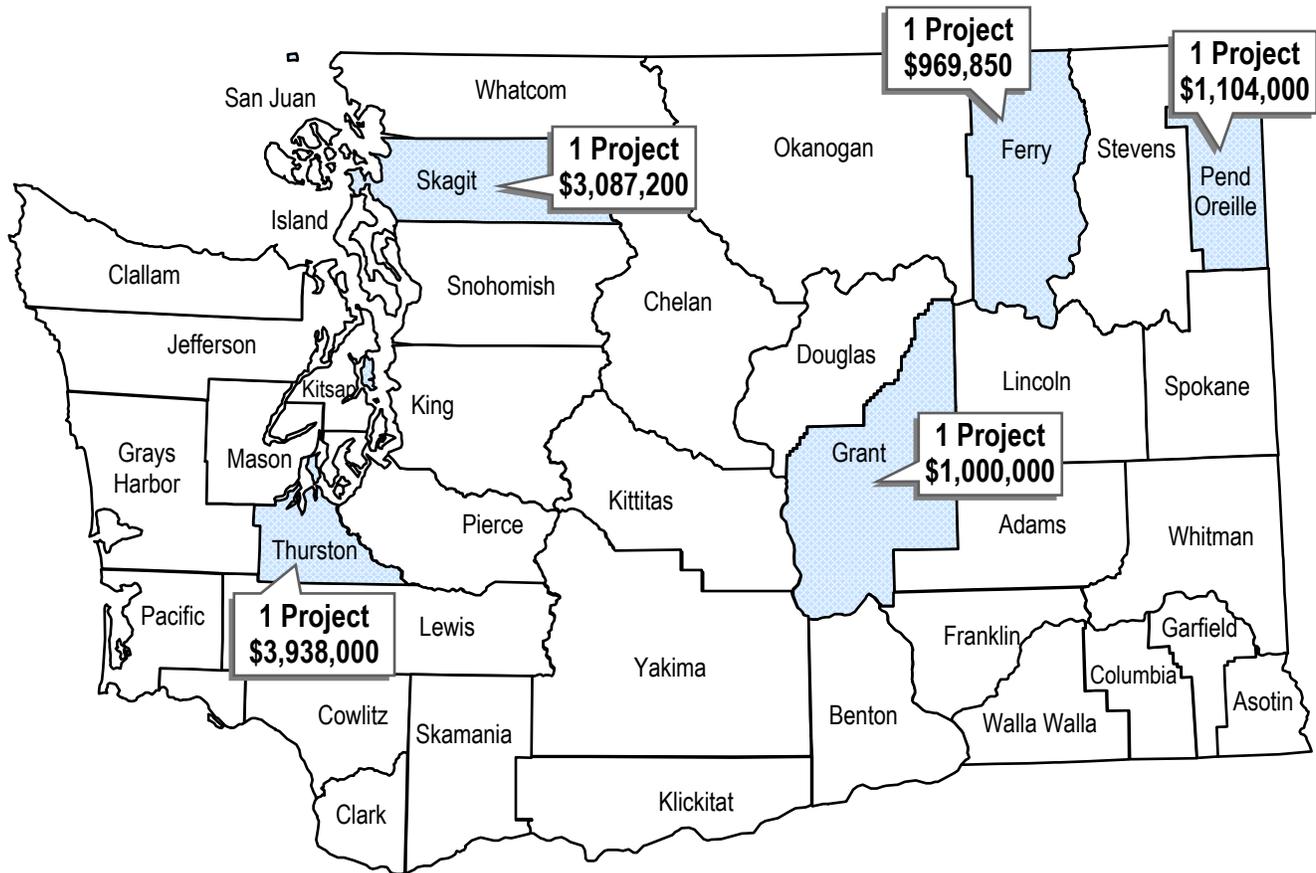
Yes No

If yes, please briefly describe:

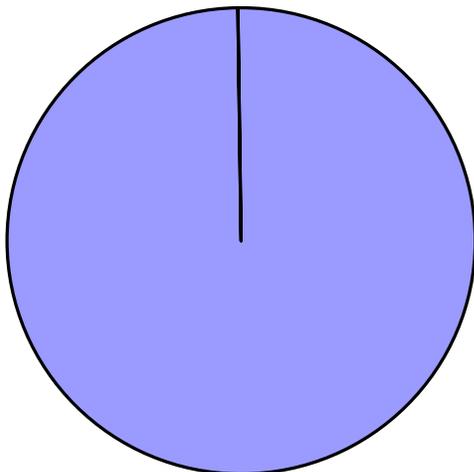
- Trend data on applications received, including types of projects and amounts of requests.
- Annual public hearing on community development and housing needs.
- Review of assessments on local government needs, including AWC, PWB, etc.

CDBG Interim Financing Program Grants (repaid), 2004-08

Location of Grants by County



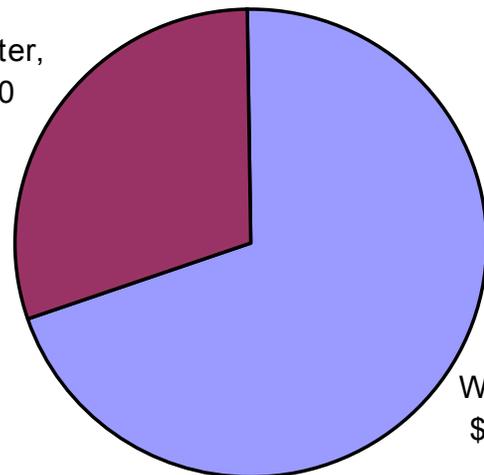
Grant (repaid) Recipients, 1999-2008



Cities and Towns, 5

Types of Projects Funded, 1999-2008

Drinking Water,
\$3,073,850



Wastewater,
\$7,025,200

Job Development Fund Program

Administered By:

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

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.

Proportion of Grants and Loans, 1999-2008:

100% Grants

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.

General Information

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration				\$430,000	\$429,000
New Appropriation for Loans/Grants					\$49,501,000
Expenditure for Administration				\$430,000	\$429,000
Funds Awarded for Grants/Loans*					\$49,501,000

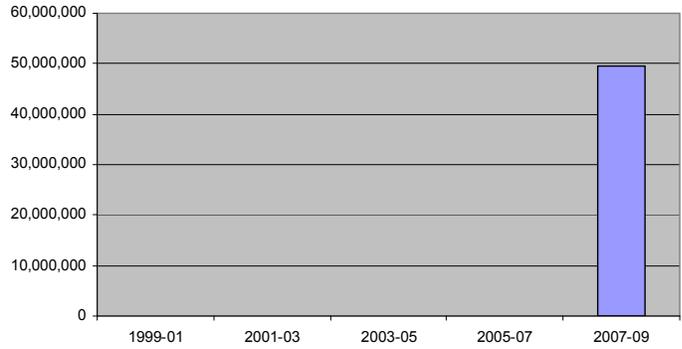
General Information

FTEs for the Program in 2007-09:
2.0

Fund Account(s):
10-H – Job Development Account

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

Funds Awarded for Grants



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

Eligible Applicants And Projects

Number of Applicants in 2007 Funding Year: 64

Number of Projects Selected in 2007 Funding Year: 12

Total Amount of Awards Offered in 2007 Funding Year: \$49.501 million

Number of Qualified Applicants not funded in 2007 Funding Year: 52

Total Dollar Amount of Qualified Applications not funded in 2007: \$179.123 million

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Applicants And Projects

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.

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.

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).

Program Policy Guidance

Policy Goals that are primary considerations in determining awards:

Federal

State Statute or Regulation (RCW/WAC)

43.160.230

- Comparative level of economic activity;
- Comparative level of existing financial capacity to increase economic activity in the community;
- Jobs;
- Return on the state's investment;
- Ability of the project to improve the viability of existing businesses in the project area;
- Local commitment; and
- Readiness to proceed.

Board Policies

Agency Strategic Plan

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: The GMA potentially helps implement CERB programs because it requires jurisdictions to define zoning and associated infrastructure and finance needs. As a result, jurisdictions are able to define their need for public facilities that could potentially be assisted by CERB.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: The partnership could potentially influence local priorities for constructing public facilities. CERB projects in Puget Sound could potentially increase stormwater and wastewater flows. Conversely, other projects could enhance drainage and other public facilities that reduce pollution.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: To the extent that the Climate Change Initiative advances more living-wage clean energy jobs, it could help implement the CERB program and associated job development and retention goals. Conversely, the Climate Change Initiative could potentially conflict with projects that create jobs but are not related to clean energy or considered to be green jobs.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: Projects may or may not implement the plan.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

As part of the biennial report, program staff collects data regarding the outcomes of the projects such as jobs created and retained and level of private investment. Effective July 1, 2009, an expanded list of requirements in the biennial report will be measured pursuant to RCW 43.160.900.

Top Five Evaluation Criteria:

As defined by:

Need

- Comparative level of economic activity – 10%
- Jobs – 25%
- Return on the state’s investment – 30%
- Local commitment – 12.5%
- Readiness to proceed – 12.5%

Program Awards:

- How many of the 2007 funding year awards received 90% or more of the maximum points?
0
- How many of the 2007 funding year awards received 75-89% of the maximum points?
1
- How many of the 2007 funding year awards received 50-74% of the maximum points?
11

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- Estimated number of jobs created and retained as a result of investments in publicly-owned economic development infrastructure projects.
- Estimated amount of private capital investment leveraged by CERB funding.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: Project outcomes are tracked for a period of five years after construction is completed. By statute, CERB reports biennially to the legislature on the number of applications for CERB assistance; number and types of projects approved; grant or loan amount awarded to each project; projected number of jobs created or retained by each project; actual number of jobs created or retained by each project; number of delinquent loans; number of project terminations; and any additional measures and recommendations for programmatic changes deemed appropriate by CERB.
- Estimated amount of private capital investment leveraged by CERB funding.
- Estimated number of jobs created and retained as a result of infrastructure investments.

GMAP

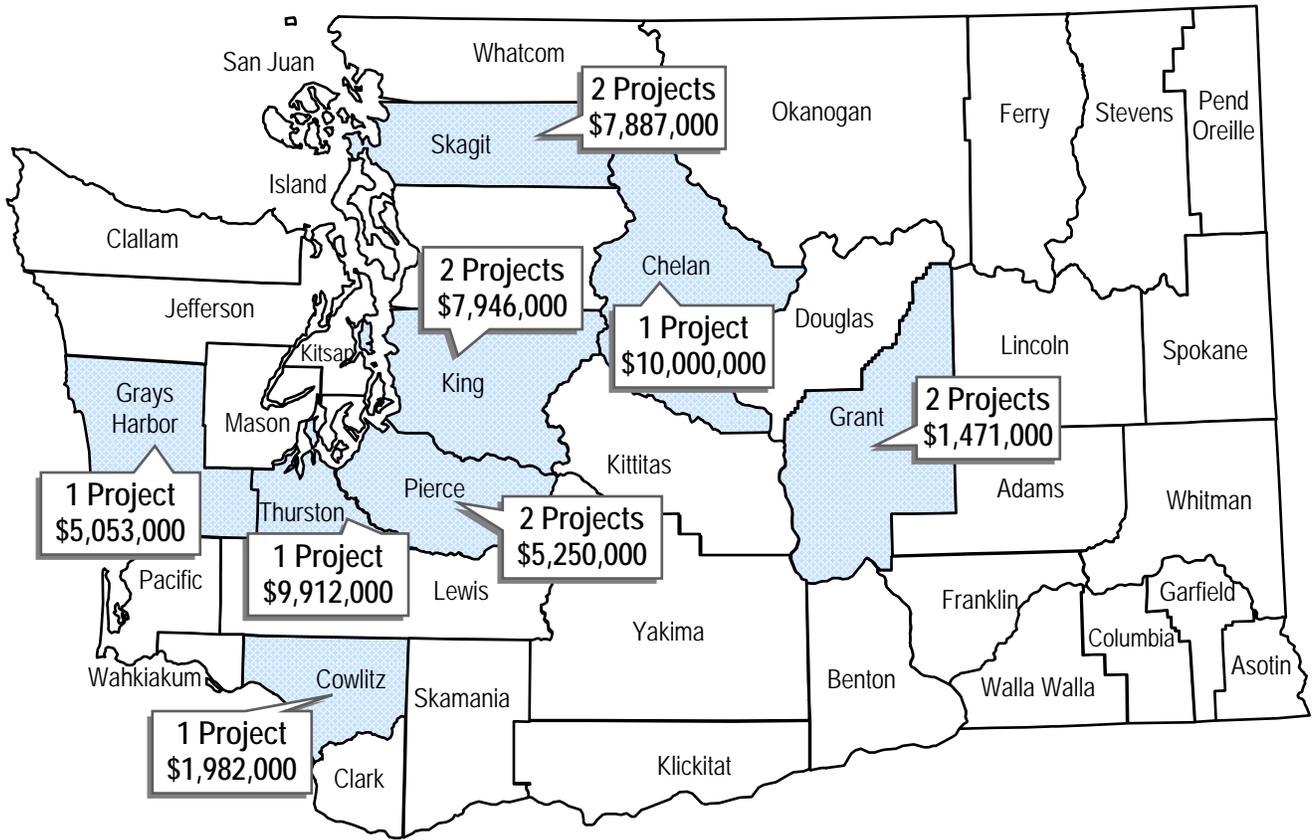
- Estimated number of jobs created or maintained.
- Private investment leveraged by CTED.
- Number of contracts received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.

Projected Program Budgets and Needs

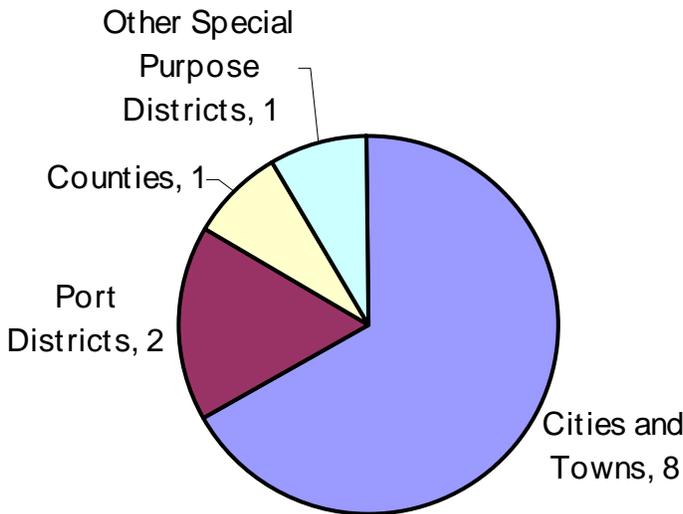
Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	0	0	0
New Appropriation for Loans/Grants	0	0	0
Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):			
Program expires July 1, 2009 per 2SSB 6855 (C231, L 2008)			
Please List Additional Program Funding Needed by Infrastructure Type:			
	2009-11	2011-13	2013-15
1.			
2.			
3.			
Does your program have a method of estimating future needs?			
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
If yes, please briefly describe:			

CERB Job Development Program Grants, 2007

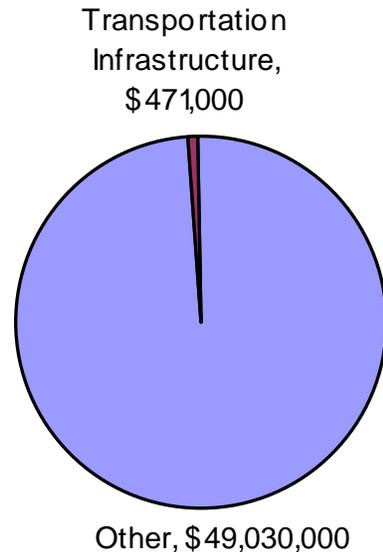
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



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						
	Proportion of Grants and Loans, 1999-2008 (For Traditional and Rural Programs): 34% Grants 66% Loans						
	Recent Biennial Budgets		1999-01	2001-03	2003-05	2005-07	2007-09
	New Appropriation for Administration						
	New Appropriation for Loans/Grants			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.							

General Information

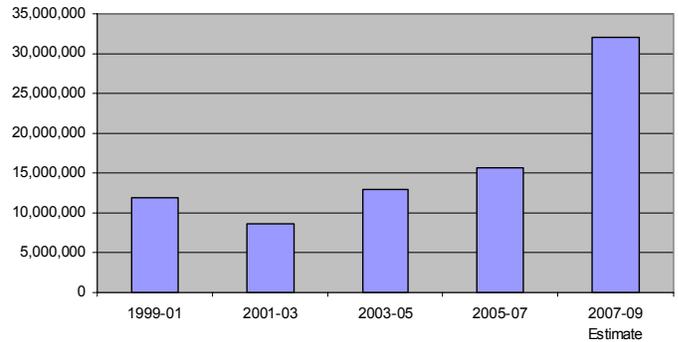
FTEs for the Program in 2007-09:
2.8 for combined Traditional and Rural

Fund Account(s):
887-1 – Public Facilities Construction Loan Revolving Account
057 – State Building Construction Account
355 – State Taxable Building Construction Account

Fund Sources:

- CERB loan repayments;
- Interest earnings on the Public Facilities Construction Loan Revolving Account and the Public Works Assistance Account
- Bond sales

Funds Awarded for Grants and Loans



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 \$6.3 million in 2009-11 for its Traditional and Rural programs, down from \$20 million in 2007-09.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 13

Number of Projects Selected in 2008 Funding Year: 13

Total Amount of Awards Offered in 2008 Funding Year: \$4,441,000

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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: Effective July 1, 2009, awards will need to result in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and be consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted.

Policy Goals that are primary considerations in determining awards:

Federal

State Statute or Regulation (RCW/WAC)

Per RCW 43.160.060, effective July 1, 2009:

- Job created;
- Unemployment rate in project area;
- Private sector investment leveraged;
- Health insurance provided for employees and families;
- Whether project will support population and job growth; and
- Whether applicant has created and abided by permitting guidelines.

Board Policies

Per CERB Policies 07-09: Whether an appropriate level of match is being provided.

Agency Strategic Plan

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: The GMA potentially helps implement CERB programs because it requires jurisdictions to define zoning and associated infrastructure and finance needs. As a result, jurisdictions are able to define their need for public facilities that could potentially be assisted by CERB. However, most local governments that are eligible for Rural CERB are not required to plan under GMA.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: The partnership could potentially influence local priorities for constructing public facilities. CERB projects in rural areas of Puget Sound could potentially increase stormwater and wastewater flows. Conversely, other projects could enhance drainage and other public facilities that reduce pollution.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: To the extent that the Climate Change Initiative advances more living-wage clean energy jobs, it could help implement the CERB program and associated job development and retention goals. Conversely, the Climate Change Initiative could potentially conflict with projects that create jobs but are not related to clean energy or considered to be green jobs.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: Effective July 1, 2009, CERB can only fund projects that are consistent with the State Economic Development Plan. This could help advance public facility projects that are consistent with the State Economic Development Plan and could potentially conflict with projects that are not.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

As part of the biennial report, program staff collects data regarding the outcomes of the projects such as jobs created and retained and level of private investment. Effective July 1, 2009, an expanded list of requirements in the biennial report will be measured pursuant to RCW 43.160.900.

Top Five Evaluation Criteria (with weights or points, and with maximum defined):

As defined by:

No weighting is assigned to criteria. Board members evaluate the projects on their own merits and make a decision based on their personal evaluation of how the project met the following criteria:

- Jobs created;
- Unemployment rate in project area;
- Private sector investment leveraged;
- Health insurance provided for employees and families;
- Whether project will support population and job growth; and
- Whether applicant has created and abided by permitting guidelines.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

N/A

How many of the 2008 funding year awards received 75-89% of the maximum points?

N/A

How many of the 2008 funding year awards received 50-74% of the maximum points?

N/A

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- Estimated number of jobs created and retained as a result of investments in publicly-owned economic development infrastructure projects.
- Estimated amount of private capital investment leveraged by CERB funding.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: Project outcomes are tracked for a period of five years after construction is completed. By statute, CERB reports biennially to the legislature on the number of applications for CERB assistance; number and types of projects approved; grant or loan amount awarded to each project; projected number of jobs created or retained by each project; actual number of jobs created or retained by each project; number of delinquent loans; number of project terminations; and any additional measures and recommendations for programmatic changes deemed appropriate by CERB.
- Estimated amount of private capital investment leveraged by CERB funding.
- Estimated number of jobs created and retained as a result of infrastructure investments.

GMAP

- Estimated number of jobs created or maintained.
- Private investment leveraged by CTED.
- Number of contracts received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs (for both Traditional and Rural programs):	2009-11	2011-13	2013-15
New Appropriation for Administration	\$1,144,254	\$1,144,254	\$1,144,254
New Appropriation for Loans/Grants	\$30,000,000	\$30,000,000	\$30,000,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Additional funding needed for awards as loans and grants:

FY 09-11: \$23,747,000

FY 11-13: \$21,498,000

FY 13-15: \$18,325,000

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.Mixed (See Note)	\$23,747,000	\$21,498,000	\$18,325,000
2.			
3.			

Note: CERB cannot determine infrastructure need by type of infrastructure because demands are driven by specific businesses' need for infrastructure to locate in a specific location.

Does your program have a method of estimating future needs?

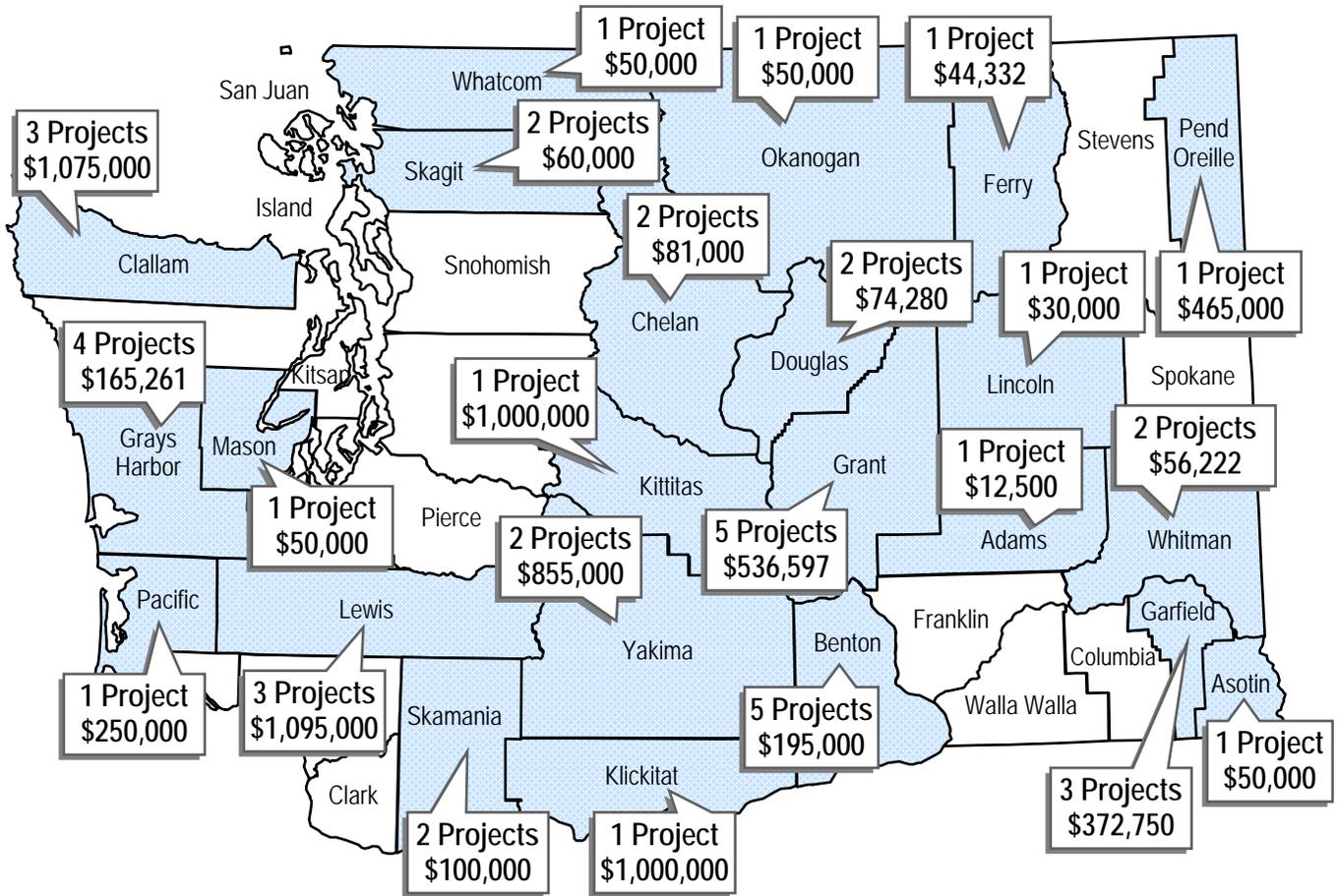
Yes No

If yes, please briefly describe:

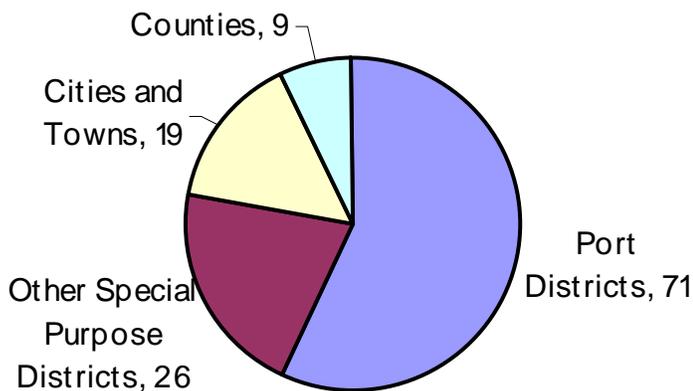
Need is estimated from the amount of funding being awarded in the current biennium and the projected numbers of projects in development by ITED Regional Services staff.

Community Economic Revitalization Board Rural Program Grants and Loans, 2003-08

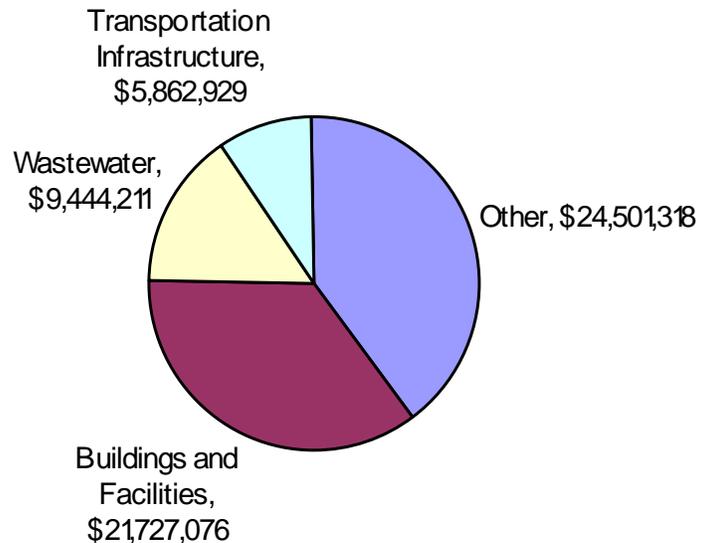
Location of Grants and Loans by County



Grant and Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



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

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.

Administrative Rules:
 Chapter 133-40 WAC

Proportion of Grants and Loans, 1999-2008: (for combined Traditional and Rural programs)
 34% Grants
 66% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$537,056	\$594,463	\$627,000	\$616,000	\$630,000
New Appropriation for Loans/Grants	\$17,000,000	\$7,475,000	\$11,380,000	\$20,448,000	\$20,000,000
Expenditure for Administration	\$537,056	\$435,972	\$570,554	\$627,141	\$630,000 (estimated)
Funds Awarded for Grants/Loans*	\$11,900,000	\$8,600,000	\$12,900,000	\$15,688,798	\$32,021,090 (estimated)

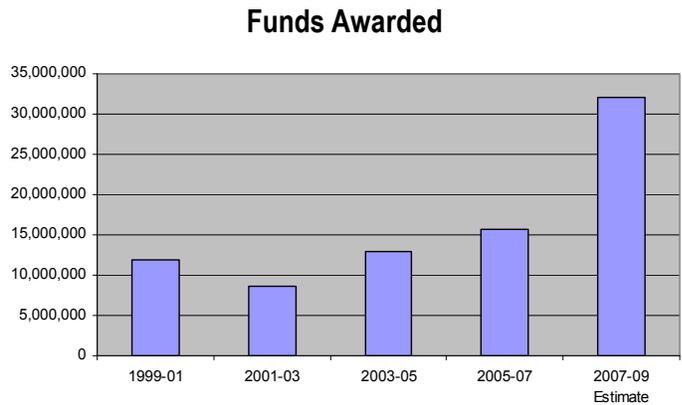
Note: The budget information above is a combined total for CERB's Traditional and Rural programs. The administrative budget information above and the FTE number below do not include the work of CTED's Business and Project Development Unit staff in support of the work of CERB.

General Information

FTEs for the Program in 2007-09:
2.8 for combined Traditional and Rural

Fund Account(s):
887-1 – Public Facilities Construction Loan Revolving Account
057 – State Building Construction Account
355 – State Taxable Building Construction Account

- Fund Sources:**
- CERB loan repayments;
 - Interest earnings on the Public Facilities Construction Loan Revolving Account and the Public Works Assistance Account
 - Bond sales



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 \$6.3 million in 2009-11 for its Traditional and Rural programs, down from \$20 million in 2007-09.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 8

Number of Projects Selected in 2008 Funding Year: 7

Total Amount of Awards Offered in 2008 Funding Year: \$7,150,256

Number of Qualified Applicants not funded in 2008 Funding Year: 0 (1 withdrew)

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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 non-distressed 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; and
- 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: Effective July 1, 2009, awards will need to result in the creation of significant private sector jobs or significant private sector capital investment as determined by the board and be consistent with the state comprehensive economic development plan developed by the Washington economic development commission pursuant to chapter 43.162 RCW, once the plan is adopted.

Policy Goals that are primary considerations in determining awards:

Federal

State Statute or Regulation (RCW/WAC)

RCW 43.160.060

Effective July 1, 2009:

- Jobs created;
- Unemployment rate in project area;
- Private sector investment leveraged;
- Health insurance provided for employees and families;
- Whether project will support population and job growth; and
- Whether applicant has created and abided by permitting guidelines.

Board Policies

CERB Policies 07-09

Whether an appropriate level of match is being provided.

Agency Strategic Plan

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts

Helps Implement

Both

Comment: The GMA potentially helps implement CERB programs because it requires jurisdictions to define zoning and associated infrastructure and finance needs. As a result, jurisdictions are able to define their need for public facilities that could potentially be assisted by CERB.

Puget Sound Partnership Initiatives

Potentially Conflicts

Helps Implement

Both

Comment: The partnership could potentially influence local priorities for constructing public facilities. CERB projects in Puget Sound could potentially increase stormwater and wastewater flows. Conversely, other projects could enhance drainage and other public facilities that reduce pollution.

Climate Change Initiatives

Potentially Conflicts

Helps Implement

Both

Comment: To the extent that the Climate Change Initiative advances more living-wage clean energy jobs, it could help implement the CERB program and associated job development and retention goals. Conversely, the Climate Change Initiative could potentially conflict with projects that create jobs but are not related to clean energy or considered to be green jobs.

State Economic Development Plan

Potentially Conflicts

Helps Implement

Both

Comment: Effective July 1, 2009, CERB can only fund projects that are consistent with the State Economic Development Plan. This could help advance public facility projects that are consistent with the State Economic Development Plan and could potentially conflict with projects that are not.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

As part of the biennial report, program staff collects data regarding the outcomes of the projects such as jobs created and retained and level of private investment. Effective July 1, 2009, an expanded list of requirements in the biennial report will be measured pursuant to RCW 43.160.900.

Top Five Evaluation Criteria:

As defined by:

No weighting is assigned to criteria. Board members evaluate the projects on their own merits and make a decision based on their personal evaluation of how the project met the following criteria:

- Jobs created;
- Unemployment rate in project area;
- Private sector investment leveraged;
- Health insurance provided for employees and families;
- Whether project will support population and job growth; and
- Whether applicant has abided by permitting guidelines.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?
n/a

How many of the 2008 funding year awards received 75-89% of the maximum points?
n/a

How many of the 2008 funding year awards received 50-74% of the maximum points?
n/a

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- Estimated number of jobs created and retained as a result of investments in publicly-owned economic development infrastructure projects.
- Estimated amount of private capital investment leveraged by CERB funding.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.

- Expected Results: Project outcomes are tracked for a period of five years after construction is completed. By statute, CERB reports biennially to the legislature on the number of applications for CERB assistance; number and types of projects approved; grant or loan amount awarded to each project; projected number of jobs created or retained by each project; actual number of jobs created or retained by each project; number of delinquent loans; number of project terminations; and any additional measures and recommendations for programmatic changes deemed appropriate by CERB.
- Estimated amount of private capital investment leveraged by CERB funding.
- Estimated number of jobs created and retained as a result of infrastructure investments.

GMAP:

- Estimated number of jobs created or maintained.
- Private investment leveraged by CTED.
- Number of contracts received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs (for both Traditional and Rural programs):	2009-11	2011-13	2013-15
New Appropriation for Administration	\$1,144,254	\$1,144,254	\$1,144,254
New Appropriation for Loans/Grants	\$30,000,000	\$30,000,000	\$30,000,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Additional funding needed for awards as loans and grants:

FY 09-11: \$23,747,000

FY 11-13: \$21,498,000

FY 13-15: \$18,325,000

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.Mixed (see note)	\$23,747,000	\$21,498,000	\$18,325,000
2.			
3.			

Note: CERB cannot determine infrastructure need by type of infrastructure because demands are driven by specific businesses' need for infrastructure to locate in a specific location. Does your program have a method of estimating future needs?

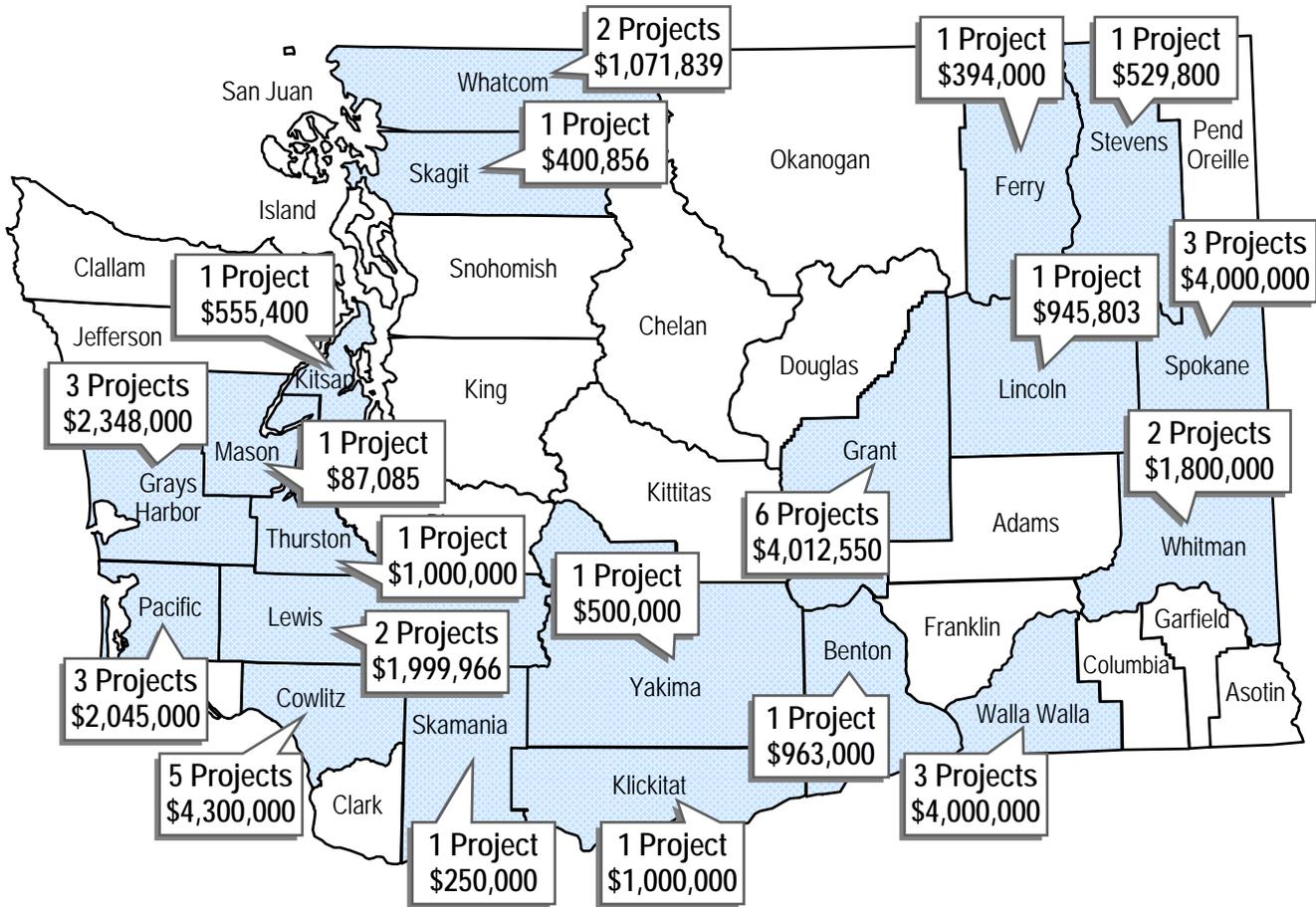
Yes No

If yes, please briefly describe:

Need is estimated from the amount of funding being awarded in the current biennium and the projected numbers of projects in development by ITED Regional Services staff.

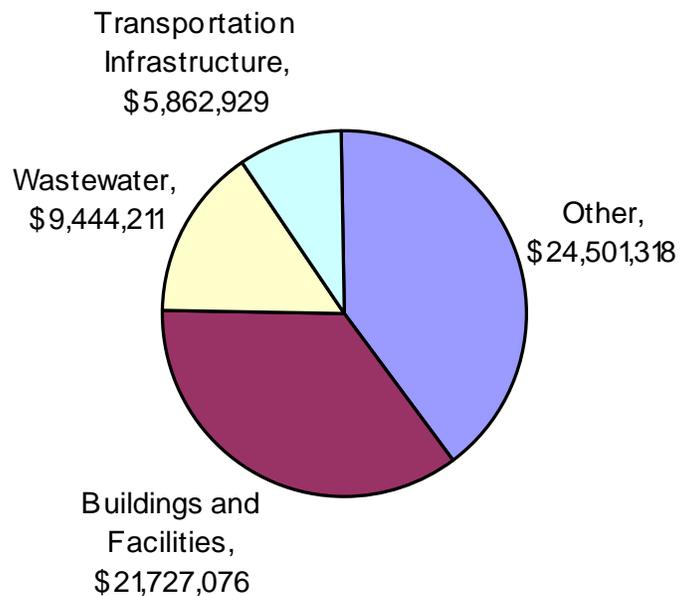
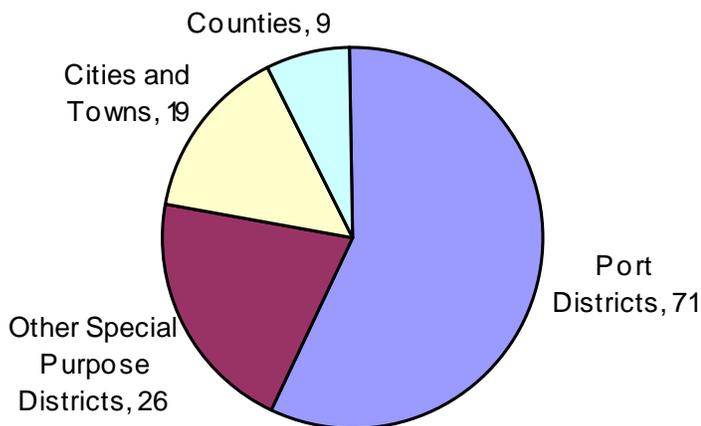
CERB Traditional Program Grants and Loans, 2003-08

Location of Grants and Loans by County



Grant and Loan Recipients, 1999-2008

Types of Projects Funded, 1999-2008



Community Services Facilities Program

Administered By:

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

Program Purpose: The Community Services Facilities Program awarded state grants to nonprofit, community-based organizations to defray up to 25 percent 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. Pursuant to 2SSB 685, the program was eliminated in 2008 and a new program, with an emphasis on distressed communities and co-located facilities, was created.

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.

General Information

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

Enabling State Statutes: RCW 43.63A.125

Administrative Rules: None.

Proportion of Grants and Loans, 1999-2008: 100% Grants

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.

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$79,486	\$88,220	\$118,620	\$106,900	\$115,584
New Appropriation for Loans/Grants	\$4,462,575	\$4,322,780	\$5,812,380	\$5,238,100	\$10,031,416
Expenditure for Administration	\$30,202	\$97,391	\$65,502	\$181,900	(estimated) \$115,584
Funds Awarded for Grants/Loans	\$4,462,575	\$4,322,780	\$5,812,380	\$5,238,100	(estimated) \$10,031,416

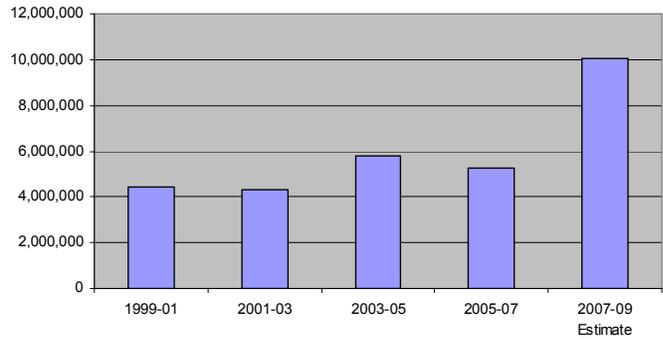
General Information

FTEs for the Program in 2007-09:
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 percent 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 contained a provision to increase this amount to \$10 million, beginning in the 2007-09 Biennium. Pursuant to 2SSB 685, the program was eliminated in 2008 and a new program, with an emphasis on distressed communities and co-located facilities, was created (“Building Communities”).

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: N/A (program terminated)

Number of Projects Selected in 2008 Funding Year: N/A

Total Amount of Awards Offered in 2008 Funding Year: N/A

Number of Qualified Applicants not funded in 2008 Funding Year: N/A

Total Dollar Amount of Qualified Applications not funded in 2008: N/A

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

Eligible Applicants And Projects

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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.

Program Policy Guidance

Policy Goals that are primary considerations in determining awards:

- Federal

Please briefly paraphrase primary considerations in determining awards with citation:

- State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

- Board Policies

See evaluation criteria below.

- Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Goal 1: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts
 Helps Implement
 Both

Comment: This program funded community service facilities and was not a traditional "infrastructure" type program of pipes in the ground or transportation. Applicants were non-profit organizations and aren't part of any local government comprehensive plans.

Puget Sound Partnership Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment: Depending on the location and type of project, it may generate increased sewage flows and stormwater in the Puget Sound region.

Climate Change Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment: Starting with the 2009-11 Biennium, all projects are required to meet the LEED silver standards or higher. Exemptions are allowed for facilities less than 5,000 square feet.

State Economic Development Plan

- Potentially Conflicts
 Helps Implement
 Both

Comment: These projects were intended to assist with the delivery of community services and are not economic development type projects.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awarded?

- Yes
 No

If yes, please briefly describe the method or process used:

Top Five Evaluation Criteria:

As defined by:

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 pts. out of a total of 100 pts.):

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

Points Assigned by Board Reviewers (up to 60 pts. out of a total of 100 pts.):

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

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

N/A (program terminated)

How many of the 2008 funding year awards received 75-89% of the maximum points?

N/A (program terminated)

How many of the 2008 funding year awards received 50-74% of the maximum points?

N/A (program terminated)

Performance Measures and Program Performance:

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: To provide funding to local governments, nonprofit organizations, and private enterprise to address a variety of community, environmental, economic enhancement, and recreational needs throughout the state.

Projected Biennial Budgets for Existing Programs:**2009-11****2011-13****2013-15**

New Appropriation for Administration

N/A

N/A

N/A

New Appropriation for Loans/Grants

N/A

N/A

N/A

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized): N/A

Not Applicable. Pursuant to 2SSB 685, the program was eliminated in 2008 and a new program, with an emphasis on distressed communities and co-located facilities, was created.

Please List Additional Program Funding Needed by Infrastructure Type:

2009-11**2011-13****2013-15**

1.

N/A

N/A

N/A

2.

N/A

N/A

N/A

3.

N/A

N/A

N/A

Does your program have a method of estimating future needs? Program no longer exists.

 Yes

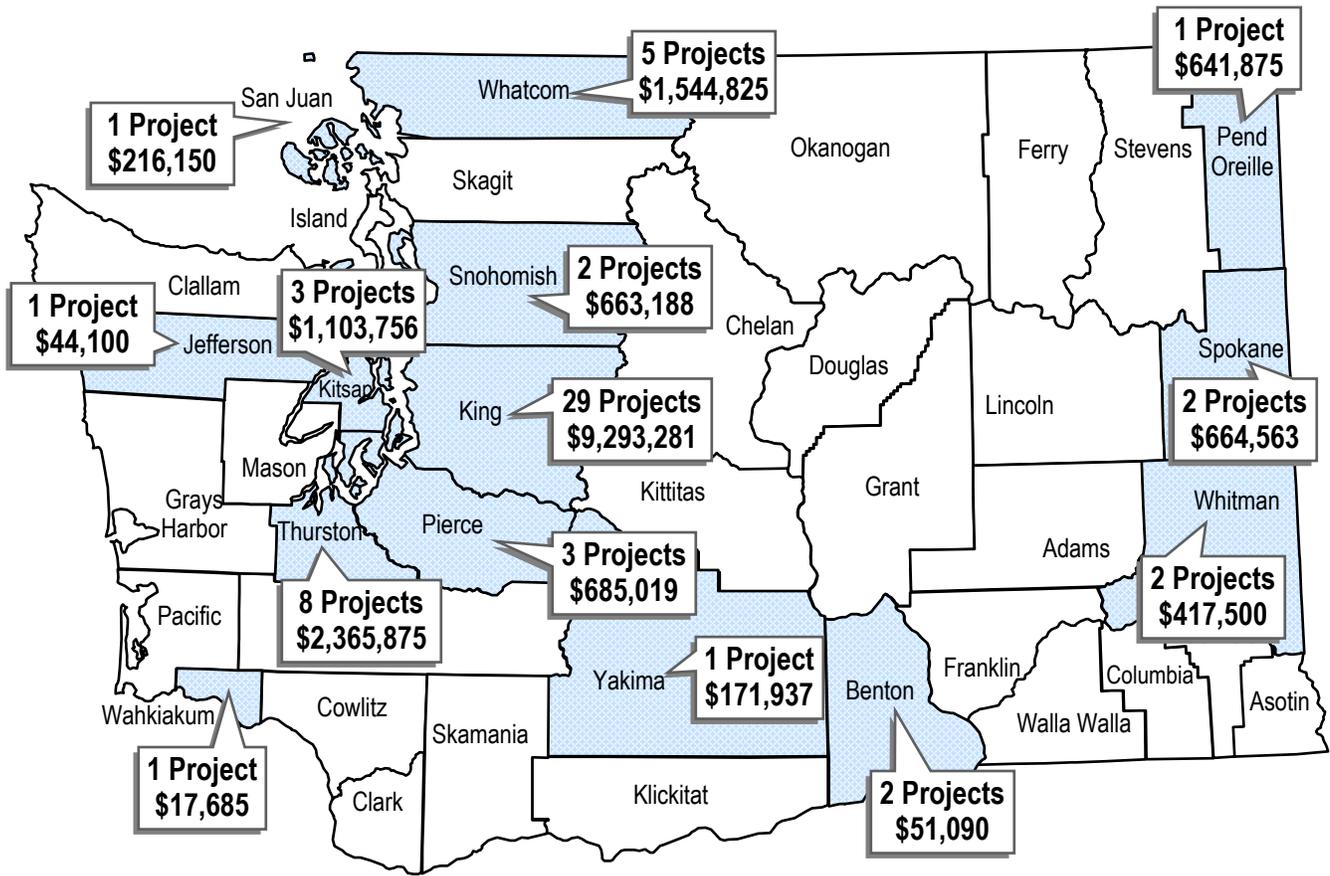
 No

If yes, please briefly describe:

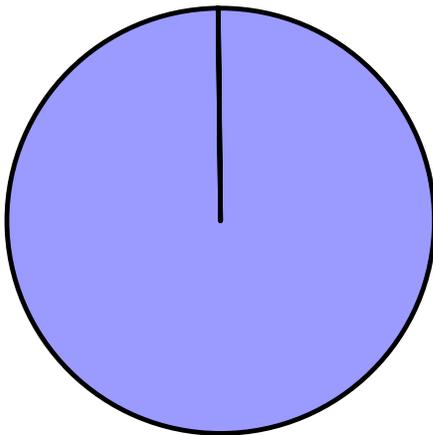
Projected Program Budgets and Needs

Community Service Facilities Grants, 2004-08

Location of Grants by County

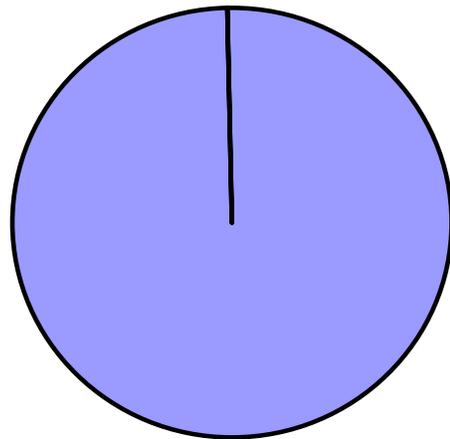


Grant Recipients, 1999-2008



Nonprofit Organizations, 109

Types of Projects Funded, 1999-2008



Community Service/Social Service Facilities,
\$30,376,341

Energy Freedom Program

Administered By:

Department of Community, Trade & Economic Development

Program Purpose: The purpose of the Energy Freedom Program is to promote bioenergy development in Washington state by stimulating construction of facilities to generate power and produce fuels from farm sources or other organic matter. The program provides loans and grants to political subdivisions of the state, tribes and research institutions, which then contract with private partners. Competitively awarded funds require a 50 percent or higher match. The program also provides technical assistance to fund recipients. In 2007, the Green Energy Incentive subaccount was established to stimulate alternative fuel refueling infrastructure. However, no funds were appropriated for this purpose.

Mission Statement: The Department of Community, Trade & Economic Development invests in Washington's communities, businesses and families to build a healthy and prosperous future.

Year Established: 2006

Legislative Intent: See RCW 43.325.001 and 43.325.005:

Enabling State Statutes:
Chapter 15.110 RCW

...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

Proportion of Grants and Loans, 1999-2008:
11.5% Grants
88.5% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration				Up to \$510,000	\$28,000
New Appropriation for Loans/Grants				\$22,999,960	(-\$2,499,584)
Expenditure for Administration				0	\$23,000
Funds Awarded for Grants/Loans*				\$22,999,960	(-\$2,499,584)

Notes:

1. The 2006 Supplemental Capital Budget contained two loan appropriations that totaled \$10,250,000 for five targeted projects and \$6,750,000 for six competitive awards.
2. The 2007 Capital Budget defunded two projects, reappropriated \$2.5 million as a loan through CTED Local & Community Projects, and reallocated some funds amongst the remaining projects.
3. The 2008 Supplemental Capital Budget reappropriated \$1.5 million in loan funds from a third defunded project to two specific grants.
4. There has been no new appropriation of funds since 2006 and the total amount of funds in circulation as loans has dropped to roughly \$13,000,000.
5. With regard to program administration, the competitive loan appropriation authorized the initial administrator, Department of Agriculture, to expend no more than \$202,000 for administrative costs. The policy bill included a provision that the administrative costs could not exceed 3 percent of the total funds available (3 percent of \$17 million = \$510,000). WSDA opted to not tap the program for administrative costs.
6. The 2007 Legislature transferred future administration to CTED, established and funded a Bioenergy Coordinator position, and struck the 3 percent administrative cost language. Currently, one-fifth of the Bioenergy Coordinator position is dedicated to program administration.

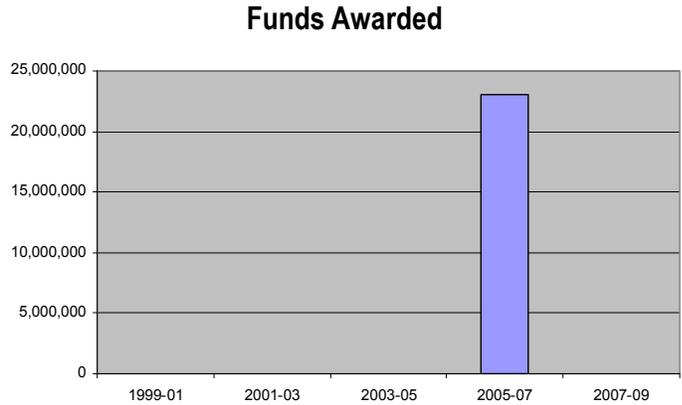
General Information

General Information

FTEs for the Program in 2007-09:
0.2 (as of October 2007)

Fund Account(s):
10R – Energy Freedom Account (new)

Fund Sources:
10R - Energy Freedom Account. This new account will also receive loan repayments and interest.



Recent Changes to Funding Pattern: This program was established in 2006. See page 1 for a summary of funding patterns to date.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: N/A (no competitive round)

Number of Projects Selected in 2008 Funding Year: 2 (grants targeted by Legislature)

Total Amount of Awards Offered in 2008 Funding Year: 2

Number of Qualified Applicants not funded in 2008 Funding Year: N/A

Total Dollar Amount of Qualified Applications not funded in 2008: N/A

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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, and research and development relating to bioenergy sources and development of markets for bioenergy co-products. Awards can be loans, leases, product purchases, or other forms of financial or technical assistance.

Special Qualifications Regarding Who Can Apply: This program is limited to 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 are also 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 of Agriculture reported that the primary responsibility for due-diligence was placed on the applying public entities, particularly for the five awards made by proviso.

Special Qualifications Regarding Project Eligibility: See *RCW 43.325.020(3)*:
When reviewing applications, the director shall consult with those agencies and other public entities having expertise and knowledge to assess the technical and business feasibility of the project and probability of success. These agencies may include, but are not limited to, WSU, UW, Ecology, DNR, WSDA, GA, local clean air authorities, and the Washington State Conservation Commission.

The director, in cooperation with WSDA, may approve an application only if they find:

- (a) The project will convert farm products, wastes, cellulose, or biogas directly into electricity or biofuel or other coproducts associated with such conversion;
- (b) The project demonstrates technical feasibility and directly assists in moving a commercially viable project into the marketplace for use by state citizens;
- (c) The facility will produce long-term economic benefits to the state, a region of the state, or a particular community in the state;
- (d) The project does not require continuing state support;
- (e) The assistance will result in new jobs, job retention, or higher incomes for citizens of the state;
- (f) 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;
- (g) The project will increase energy independence or diversity for the state;
- (h) 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;
- (i) 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;
- (j) 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
- (k) For research and development projects, the application has been independently reviewed by a peer review committee.

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

Policy Goals that are primary considerations in determining awards:

- Federal
- State Statute or Regulation (RCW/WAC)
 See RCW 43.325.070(1):
 - (a) Reduced dependence on petroleum fuels and imported energy;
 - (b) Reduced air and water pollution;
 - (c) Establishment of a viable bioenergy or biofuel production capacity in Washington;
 - (d) Benefits to Washington's agricultural producers;
 - (e) Benefits to the health of Washington's forests;
 - (f) Beneficial uses of biogas; and
 - (g) Number and quality of jobs and economic benefits.
- Board Policies
- Agency Strategic Plan

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts
 Helps Implement
 Both

Comment: N/A

Puget Sound Partnership Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment: N/A

Climate Change Initiatives

- Potentially Conflicts
 Helps Implement
 Both

Comment: Biofuels and biopower offer the most direct means of displacing fossil fuel use within current transportation and electricity platforms. Bioenergy is also a primary focus of organic waste stream utilization, providing a wide variety of carbon offset projects to reduce greenhouse gas emissions. The role of the Energy Freedom Program in stimulating bioenergy facility development is often cited in Climate Action Team discussions and publications.

State Economic Development Plan

- Potentially Conflicts
 Helps Implement
 Both

Comment: Bioenergy production is inherently local and distributed due to feedstock costs. By promoting use of instate crops and organic waste streams, bioenergy provides construction and O&M employment, as well as new, ongoing revenue sources for rural economies. The importance of public sector stimulation of private sector investment in bioenergy is mentioned numerous times in "Washington's Workforce and Economic Development Strategy." Two examples directly reference the Energy Freedom Program:

The public sector should lay the foundation for private sector success: "Washington's biofuel strategy, particularly the recently created loan fund, is another key example of leveraging significant private activity with relatively modest public investment."

Government should actively support vital sectors of our economy: "Agricultural crop research may hold the key to Washington's agricultural future. The state Energy Freedom Fund, the Alternative Fuel Standards relating to biodiesel and ethanol and the national interest in reducing our dependence on foreign oil are creating significant opportunities to link agricultural innovation and energy options."

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used: Although there are no routine criteria for assessing progress, a report on program implementation is due to the legislature by December 1 of each year.

Top Five Evaluation Criteria (with weights or points, and with maximum defined):

As defined by:

No funds awarded in 2008.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?
N/A

How many of the 2008 funding year awards received 75-89% of the maximum points?
N/A

How many of the 2008 funding year awards received 50-74% of the maximum points?
N/A

Performance Measures and Program Performance:

Funding under the Energy Freedom Program is subject to legislative appropriation. CTED does not have fiscal authority for competitive awards, and therefore the issue of performance measures relative to other agency goals has yet to be addressed.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$56,000	\$750,000	\$750,000
New Appropriation for Loans/Grants	0	\$25,000,000	\$25,000,000

Additional Program Funding Needed for the Next Six Years: There is substantial interest and need for additional funding. However, no new appropriation is anticipated for 2009-11 given current macroeconomic conditions. Appropriations beyond the next biennium will be driven in part by future policy decisions regarding utilization of public waste streams (e.g. municipal solid waste, wastewater treatment facilities) for bioenergy, and the role of bioenergy in carbon offset projects.

The original intent of legislators advocating for the program was to provide \$25 million a year over four years into a revolving loan fund. During the 2006 legislative session, a total of \$23 million was appropriated for bioenergy capital facilities projects (\$17 million for Energy Freedom, and \$6 million for a biomass energy project in Grays Harbor County). This number is shown here as an indication of both legislative intent and as a reasonable reflection of interest and need.

Regarding administrative costs, the 3 percent ceiling on overhead will likely be restored. CTED is only responsible for administering the most recent \$1.5 million in grants, and contract agreements for these projects will likely be in place prior to the next biennium. Presuming no new appropriation in project funds and continued funding of the Bioenergy Coordinator position (with 20 percent time allocation and an annual FTE cost of \$140,000), the staff time available for program administration would be valued at \$56,000 for the biennium. Future administrative funding would depend upon new appropriations for the program and/or staff.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

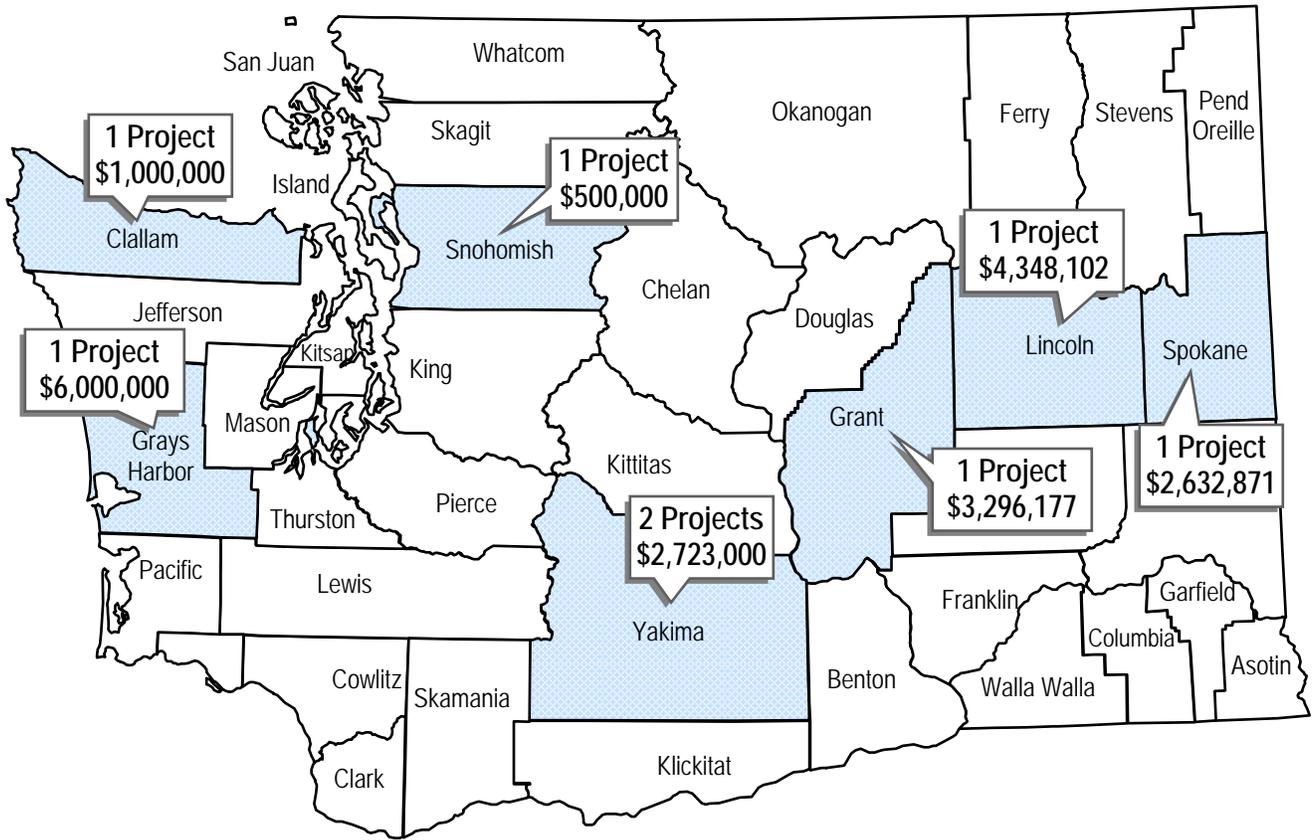
Does your program have a method of estimating future needs?

Yes No

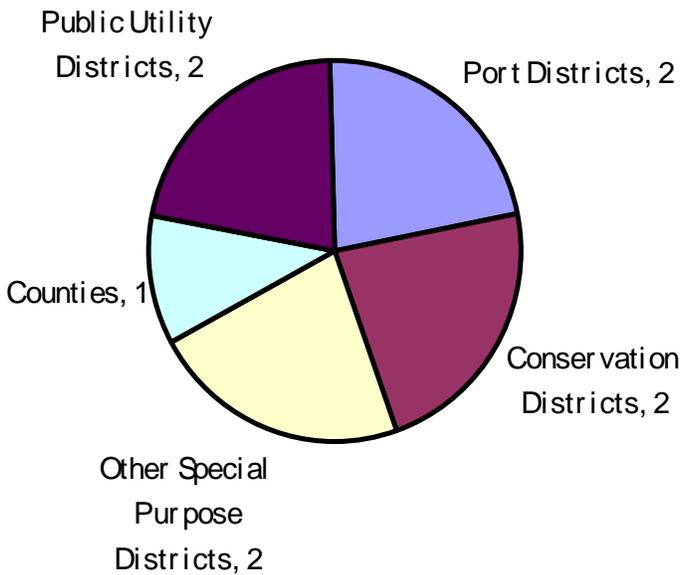
If yes, please briefly describe:

Energy Freedom Grants and Loans, 2003-07

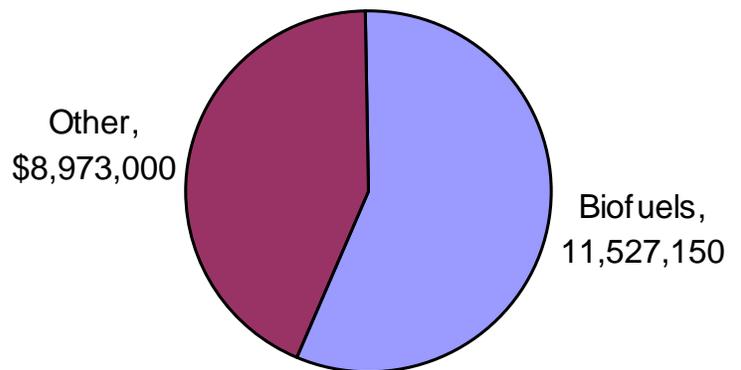
Location of Awards by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Local Infrastructure Financing Tool (LIFT)

Administered By:

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

Program Purpose: The purpose of this program is to create a new funding tool for local governments to develop and redevelop land in a manner that promotes efficient land use through mixed use and transit oriented development and to foster economic growth as measured by jobs created and new tax revenue generated. The intent is that permanent jobs created through LIFT infrastructure investments will be well paying jobs.

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: 2006

Legislative Intent:

Enabling State Statutes:
RCW 39.102, pursuant to Engrossed Second Substitute House Bill 2673 (C 181, L 2006)

Administrative Rules:
N/A

Proportion of Grants and Loans, 1999-2008:
100% Granted Taxing Authority – there are no grants or loans associated with this program.

The legislature recognizes that the state as a whole benefits from investment in public infrastructure because it promotes community and economic development. Public investment stimulates business activity and helps create jobs; stimulates the redevelopment of brownfields and blighted areas in the inner city; lowers the cost of housing; and promotes efficient land use. The legislature finds that these activities generate revenue for the state and that it is in the public interest to invest in these projects through a credit against the state sales and use tax and an allocation of property tax revenue to those sponsoring local governments that can demonstrate the expected returns to the state.

General Information

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration				0	0
New Appropriation for Loans/Grants				0	0
New Taxing Authority to award				\$5,000,000	\$2,500,000
Expenditure for Administration				Not tracked	\$30,356 (estimate)
Funds Awarded for Loans/Grants				0	0
New Taxing Authority awarded				\$1,000,000	\$6,500,000 (estimate)

Note: Pursuant to RCW 39.102.050, LIFT solicitations end September 18, 2008.

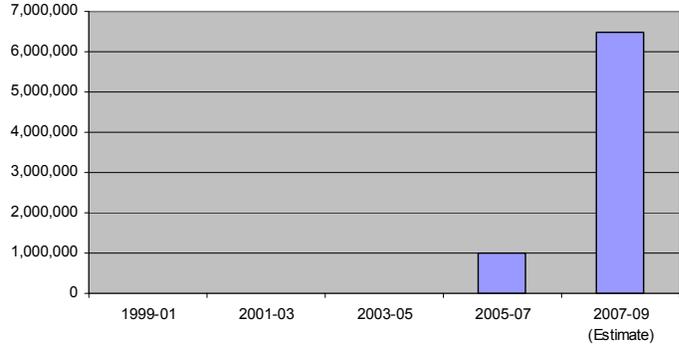
General Information

FTEs for the Program in 2007-09:
0.03

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

- Fund Sources:**
- CERB loan repayments;
 - Interest earnings on the Public Facilities Construction Loan Revolving Account and the Public Works Assistance Account Bond sales

Taxing Authority



Recent Changes to Funding Pattern: In 2006, the program was authorized with \$5 million in annual taxing authority to award. Program requirements were amended in 2007 by Second Substitute House Bill 1277 (C 229, L 2007). In 2007, an additional selection round and \$2.5 million in annual taxing authority were given to the program.

Number of Applicants in 2008 Funding Year: 7

Number of Projects Selected in 2008 Funding Year: 5

Total Amount of Awards Offered in 2008 Funding Year: \$4,000,000

Number of Qualified Applicants not funded in 2008 Funding Year: 2

Total Dollar Amount of Qualified Applications not funded in 2008: \$1,400,000 in annual taxing authority

Eligible Applicants And Projects

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Infrastructure improvements within the revenue development area that include:

- Street, bridge, and road construction and maintenance, including highway interchange construction;
- Water and sewer system construction and improvements, including wastewater reuse facilities;
- Sidewalks, traffic controls, and streetlights;
- Parking, terminal, and dock facilities;
- Park and ride facilities of a transit authority;
- Park facilities and recreational areas, including trails;
- Stormwater and drainage management systems; and
- Expenditures for facilities and improvements that support affordable housing as defined in RCW 43.63A.510.

Special Qualifications Regarding Who Can Apply: Only cities, towns, counties, and federally recognized Indian tribes may apply.

Special Qualifications Regarding Project Eligibility: Projects must be located within a locally designated revenue development area.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

RCW 39.102.040: The project's potential to enhance the sponsoring local government's regional and/or international competitiveness; the project's ability to encourage mixed-use and transit-oriented development and the redevelopment of a geographic area; achieving an overall distribution of projects statewide that reflect geographic diversity; the estimated wages and benefits for the project is greater than the average labor market area; the estimated state and local net employment change over the life of the project; the current economic health and vitality of the proposed revenue development area and the contiguous community and the estimated impact of the proposed project on the proposed revenue development area and contiguous community; the estimated state and local net property tax change over the life of the project; the estimated state and local sales and use tax increase over the life of the project; an analysis that shows that, over the life of the project, neither the local excise tax allocation revenues nor the local property tax allocation revenues will constitute more than eighty percent of the total local funds as described in RCW 39.102.020(29)(c); and if a project is located within an urban growth area, evidence that the project utilizes existing urban infrastructure and that the transportation needs of the project will be adequately met through the use of local infrastructure financing or other sources.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: The GMA potentially helps implement LIFT because it requires jurisdictions to define zoning and associated infrastructure and finance needs. As a result, jurisdictions are able to define their need for public facilities that could potentially be assisted by LIFT.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: The Partnership could potentially influence local priorities for constructing public facilities. LIFT projects in Puget Sound could potentially increase storm water and wastewater flows. Conversely, other projects could enhance drainage and other public facilities that reduce pollution.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: To the extent that the Climate Change Initiative advances more living-wage clean energy jobs, it could help implement the LIFT program and associated job development and retention goals. Conversely, the Climate Change Initiative could potentially conflict with projects that create jobs but are not related to clean energy or considered to be green jobs.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: Projects may or may not implement the plan.

Does your program have a routine process or method for determining the progress that has been made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Recipients are required to file annual reports documenting the tax revenues and jobs generated as a result of the award.

Top Five Evaluation Criteria:

As defined by:

The current economic health and vitality of the proposed revenue development area and the contiguous community and the estimated impact of the proposed project on the proposed revenue development area and contiguous community (30 percent).

The estimated state and local net employment change over the life of the project (15 percent).

The project's ability to encourage mixed use and transit-oriented development and the redevelopment of a geographic area (15 percent).

The project's potential to enhance the sponsoring local government's regional and/or international competitiveness (10 percent).

The estimated wages and benefits for the project are greater than the average labor market area (10 percent).

The estimated state and local net property tax change over the life of the project (10 percent).
The estimated state and local sales and use tax increase over the life of the project (10 percent).

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
0
- How many of the 2008 funding year awards received 75-89% of the maximum points?
0
- How many of the 2008 funding year awards received 50-74% of the maximum points?
4

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- Estimated number of jobs created and retained as a result of investments in publicly owned economic development infrastructure projects.
- Estimated amount of private capital investment leveraged by CERB funding.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: Project outcomes are tracked for a period of five years after construction is completed. By statute, CERB reports biennially to the legislature on the number of applications for CERB assistance; number and types of projects approved; grant or loan amount awarded to each project; projected number of jobs created or retained by each project; actual number of jobs created or retained by each project; number of delinquent loans; number of project terminations; and any additional measures and recommendations for programmatic changes deemed appropriate by CERB.
- Estimated amount of private capital investment leveraged by CERB funding.
- Estimated number of jobs created and retained as a result of infrastructure investments.

GMAP:

- Estimated number of jobs created or maintained.
- Private investment leveraged by CTED.
- Number of contracts received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.

Other program specific performance measures:

- (a) The amount of local excise tax allocation revenues, local property tax allocation revenues, other revenues from local public sources, and taxes under RCW 82.14.475 received by the sponsoring local government during the preceding calendar year that were dedicated to pay the public improvements financed in whole or in part with local infrastructure financing;
- (b) The number of businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing;
- (c) The total number of permanent jobs created in the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing; and
- (d) The average wages and benefits received by all employees of businesses locating within the revenue development area as a result of the public improvements undertaken by the sponsoring local government and financed in whole or in part with local infrastructure financing.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	0	0	0
New Appropriation for Loans/Grants	0	0	0

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

Note: Pursuant to RCW 39.102.050, LIFT solicitations end September 18, 2008, thus no projected biennial budgets or additional program funding has been identified.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

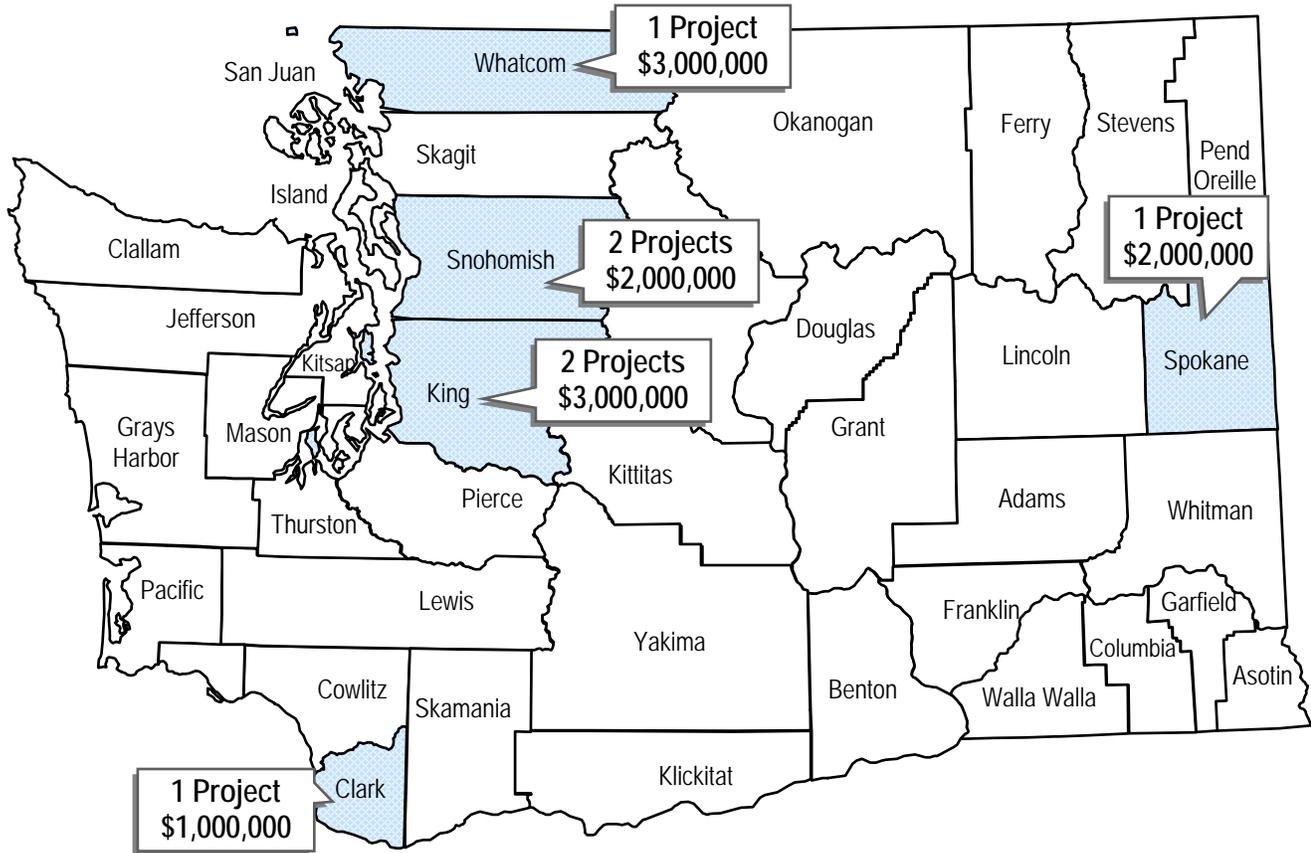
Does your program have a method of estimating future needs?

Yes No

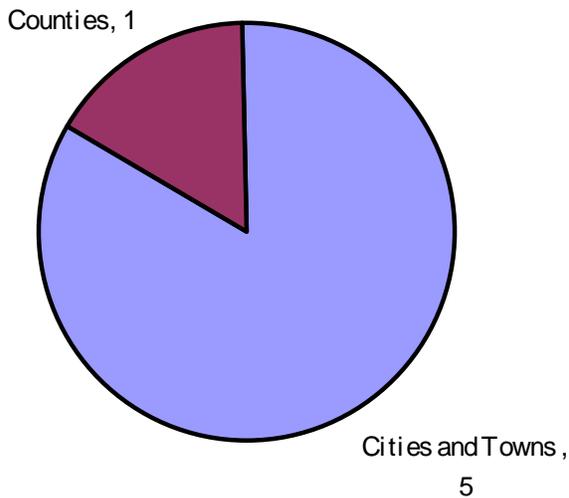
If yes, please briefly describe:

Local Infrastructure Financing Tool Program Projects, 2006-07

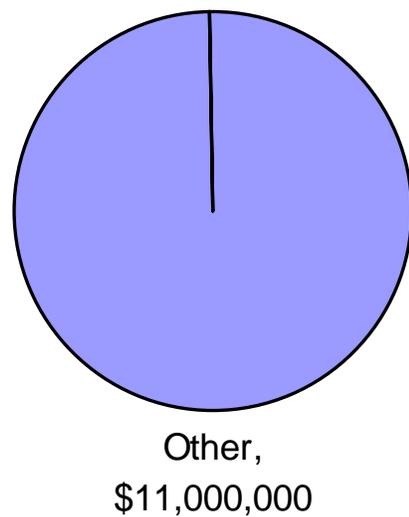
Location of Projects by County



Projects, 1999-2008



Types of Projects Funded, 1999-2008



* Taxing authority granted for 25 years. \$11,000,000 represents taxing authority during the 10-year study period ending in 2008

Public Works Assistance Account Construction Loan Program

Administered By:

Dept of Community, Trade and Economic
Development, Public Works Board

Program Purpose: The Public Works Assistance Account (PWAA) Construction Loan Program is a revolving low- or no-interest loan fund that helps eligible jurisdictions finance critical public works needs. Eligible activities include repair, replacement, rehabilitation, new construction, reconstruction, or improvement of drinking water, wastewater, stormwater, road, bridge, and solid waste/recycling public works systems to meet current standards for existing users and to meet needs for reasonable 20-year population growth.

Mission Statement: The mission of the Public Works Board is to provide financial and technical assistance to Washington communities for critical public health, safety, and environmental infrastructure that supports community and economic vitality.

Year Established: 1985

Legislative Intent: RCW 43.155.010

Enabling State Statutes:
Chapter 43.155 RCW

It is the policy of the state of Washington to encourage self-reliance by local governments in meeting their public works needs and to assist in the financing of critical public works projects by making loans, financing guarantees, and technical assistance available to local governments for these projects.

Administrative Rules:
Chapter 399-30 WAC

Proportion of Grants and Loans, 1999-2008:
100% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$2,124,000	\$1,911,000	\$2,103,100	\$2,128,444	\$2,696,242
New Appropriation for Loans/Grants	\$296,743,000	\$308,373,000	\$416,200,000	\$288,900,000	\$327,000,000
Expenditure for Administration	\$1,979,992	\$1,565,400	\$2,103,100	\$2,128,444	\$2,696,242
Funds Awarded for Loans/Grants	\$290,520,707	\$277,685,000	\$394,800,473	\$252,781,253	\$277,950,000

Notes:

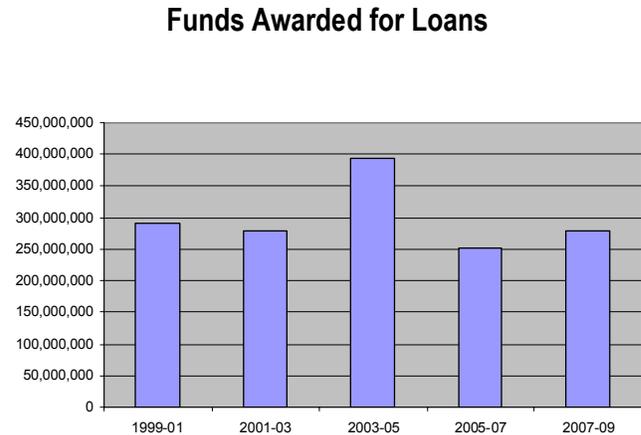
1. The information regarding administration in the table above represents the combined figures for all four of the Public Works Assistance Account programs described in this and the next three program profiles.
2. The new appropriation for loans amount is the amount available to the board for all four PWAA loan programs in that biennium. The funds awarded for loans amount is the amount awarded for construction loans only. The balance between the two amounts is the amount the board put toward the other three loan programs and can be found in the following loan program profiles.

General Information

FTEs for the Program in 2007-09:
 8.8 FTEs administer all four of the Public Works Assistance Account loan programs

Fund Account(s):
 058-1-Public Works Assistance Account (also known as Public Works Trust Fund)

- Fund Sources:**
- Initially established with bond proceeds
 - Loan repayments and interest
 - RCW 82.18.040: 100% of the Solid Waste Collection Tax
 - RCW 82.16.020: 60% of the Public Utility Tax on sewerage collection and 20% of the Public Utility Tax on water distribution
 - RCW 82.45.060: 6.1% of the state portion of the Real Estate Excise Tax
 - Use of the Accelerated Loan Commitment Model



Recent Changes to Funding Pattern:
 In 2008, the legislature approved Section 1004 of the Supplemental Capital budget, setting aside \$10 million of PWAA funds to create a pilot grant program. The grant program offsets higher interest rates on debt acquired by jurisdictions with projects in the PWAA 2008 construction loan list that were not recommended for funding. Despite receiving high scores, these jurisdictions were not recommended for funding due to lack of resources. The board is currently in the process of working with jurisdictions to implement this pilot program.

- Three new elements were added to the board's selection criteria [RCW 43.155.070(4)]:
- RCW 43.155.070(4)(b), and RCW 43.155.070(4)(c): Address the Puget Sound Partnership and their action agenda;
 - RCW 43.155.070(4)(e): Ensures that jurisdictions are adhering to section 1(2), chapter 231, Laws of 2007, regarding permitting process; and
 - RCW 43.155.070(4) (j): Whether the jurisdiction receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 103

Number of Projects Selected in 2008 Funding Year: 52

Total Amount of Awards Offered in 2008 Funding Year: \$277,950,000

Number of Qualified Applicants not funded in 2008 Funding Year: 34 Applicants received the minimum threshold score but were not funded due to lack of resources.

Total Dollar Amount of Qualified Applications not funded in 2008: \$176,064,122

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture

- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects:

Eligible projects include repair, replacement, rehabilitation, new construction, reconstruction, or improvements of drinking water, wastewater, stormwater, road, bridge, and solid waste/recycling public works systems to meet current standards for existing users and to meet needs for reasonable 20-year population growth.

Special Qualifications Regarding Who Can Apply:

To qualify for loans from this program, statute requires that a local government meet all the following conditions: (a) the city or county must be imposing a real estate excise tax at a rate of at least ¼ of 1%; (b) the local government must have developed a capital facility plan; and (c) the local government must be using all local revenue sources which are reasonably available for funding public works, taking into account local employment and economic factors.

Additionally, except where necessary to address a public health need or substantial environmental degradation, statute requires a city, town, or county planning under the Growth Management Act to have adopted a comprehensive plan, including a capital facilities plan and development regulations.

Per rule, applicants must be in full compliance with the Growth Management Act. Full compliance includes adoption of the required planning components, no invalidity orders, and no unresolved findings by a growth management hearings board that the local government is out of compliance.

Special Qualifications Regarding Project Eligibility: WAC 399-30-030(3) provides detail on which project costs are eligible for public works loans.

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

Policy Goals that are primary considerations in determining awards:

Federal

State Statute or Regulation (RCW/WAC)

To encourage self-reliance by local governments in meeting their public works needs and to assist in the financing of critical public works projects (RCW 43.155.010). The board is required to take into consideration eleven elements when awarding funds (RCW 43.155.070(4)). These range from:

- projects that are critical in nature, and would affect the health and safety of a great number of citizens,
- unemployment rate,
- geographical balance,
- applicants experiencing severe fiscal distress.

The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter (WAC 399).

Board Policies

Board policies interpret and implement RCW 43.155 and WAC 399.

Agency Strategic Plan

The board's programs and policy goals fit into two major categories on a macro level within the agency strategic plan: improve the health and safety of communities and families, and provide bold leadership and exceptional service.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts Helps Implement Both

Comment: Applicants who are not in conformance with the Growth Management Act (GMA) are ineligible for PWAA funding. Applicants who are not in conformance with GMA, but can demonstrate that the project (which the proposed loan's proceeds will fund) will address public health need or substantial environmental degradation are eligible for PWAA. WAC 399-30-033 details how a client can receive a waiver from complying with the GMA thus becoming eligible for PWAA.

Puget Sound Partnership Initiatives

- Potentially Conflicts Helps Implement Both

Comment: The Puget Sound Partnership has yet to finalize the Puget Sound Action Agenda. Therefore, we do not know to what extent this will impact the program, projects, and the clients. The Public Works Board's core funding priorities are Public Health and Safety, Environmental Health, and System Performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with board statutory direction.

Climate Change Initiatives

- Potentially Conflicts Helps Implement Both

Comment: Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance in that order. Any action that would change these priorities or the order of these priorities would conflict with board statutory direction.

State Economic Development Plan

- Potentially Conflicts Helps Implement Both

Comment: Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance in that order. Any action that would change these priorities or the order of these priorities would conflict with board statutory direction.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Loan recipients are required to submit quarterly progress reports describing the project's progress and whether or not project benchmarks (as outlined in the contract) are being met. At project closeout, loan recipients are required to report on the project's performance measure(s) as agreed to within the contract. Due to the nature of some projects, some performance measures are not measurable for several years. After the agreed upon reporting period is reached, loan recipients are contacted to determine the status of the performance measures. This information is reported to the legislature in the Public Works Board's Annual Legislative Report.

Top Five Evaluation Criteria:

As defined by: 

The point structure is developed by interpreting the RCW, WAC, and Board Policy.

- Project Scale: 12 points.
- Project Need/Solution: 48 points.
- Project Ready to Proceed Status: 20 points.
- Applicant Fiscal Capacity: 15 points.
- Local Management Effort: 5 Points.
- Total points: 100 Points.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
13 of 52 projects
- How many of the 2008 funding year awards received 75-89% of the maximum points?
39 of 52 projects
- How many of the 2008 funding year awards received 50-74% of the maximum points?
0 projects.

The board has a minimum threshold score of 75 out of 100. Projects receiving a score lower than this will not be funded. Twelve projects did not receive funding because they did not meet the threshold score.

Performance Measures

Performance Measures and Program Performance:

From CTED Strategic Plan and Budget Measures:

- The percent of project funding provided by the Public Works Assistance Account (remaining funding is from other sources such as local, other state, and federal).
- The number of construction-related jobs sustained through CTED and Public Works capital and infrastructure investments.
- The percent of projects completed on time, as per contract.

The Public Works Board goals and priorities are clearly laid out in statute (RCW 43.155.070(4) The Board shall consider... (d) Whether a project is critical in nature and would affect the health and safety of a great number of citizens), and are linked with the Governor’s priority of “Protecting public health and safety”.

The Public Works Board is currently developing standardized performance measures for our clients’ projects. These measures may be valuable to the legislature (for the purposes of this report) at a later date.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$2,994,000	\$3,084,000	\$3,176,000
New Appropriation for Loans/Grants	\$421,000,000	\$456,000,000	\$494,000,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

The projections listed below for the next three biennia funding requests by system type are in addition to the anticipated funding levels listed above. The assumptions are based on applications received during 2000-2008 (past five biennia). The amounts identified are derived by extrapolating projected data based on the past five biennia data.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1. Sanitary/Storm Sewer	\$233,618,878	\$ 256,816,331	\$280,013,784
2. Domestic Water	\$120,780,170	\$132,773,175	\$144,766,180
3. Transportation	\$ 61,895,804	\$ 68,041,819	\$74,187,833

Does your program have a method of estimating future needs?

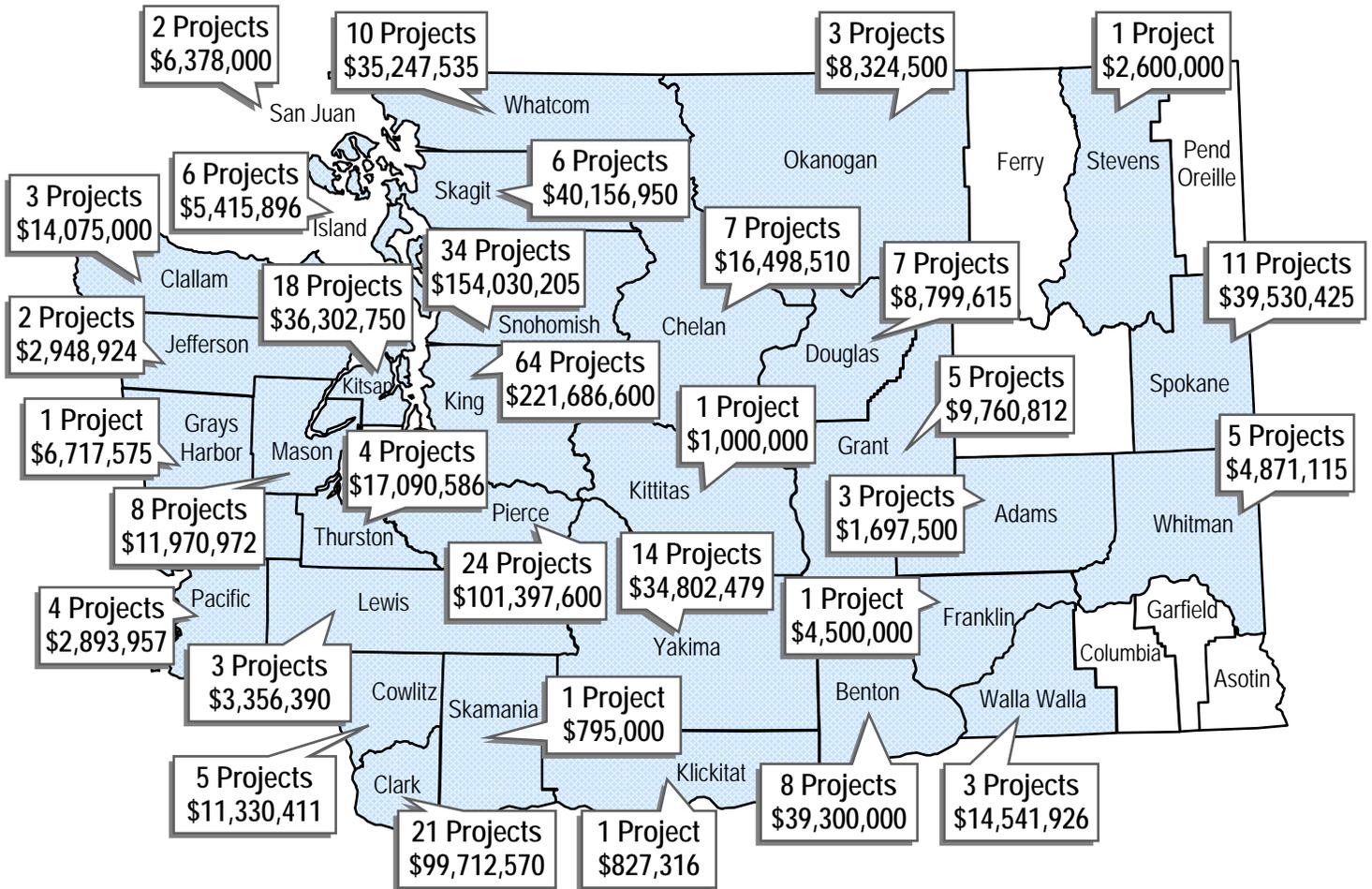
- Yes No

If yes, please briefly describe:

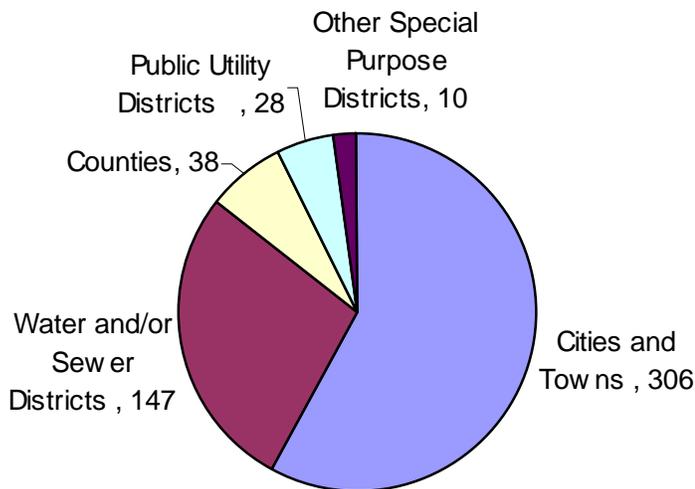
The Public Works Assistance Account does not currently have the capacity to identify need at the local level. Because all applications are based on local decisions, the method of estimating future needs must come from that level. The PWAA can only measure program demand based on historical application submission volume.

PWAA Construction Loan Program, 2003-08

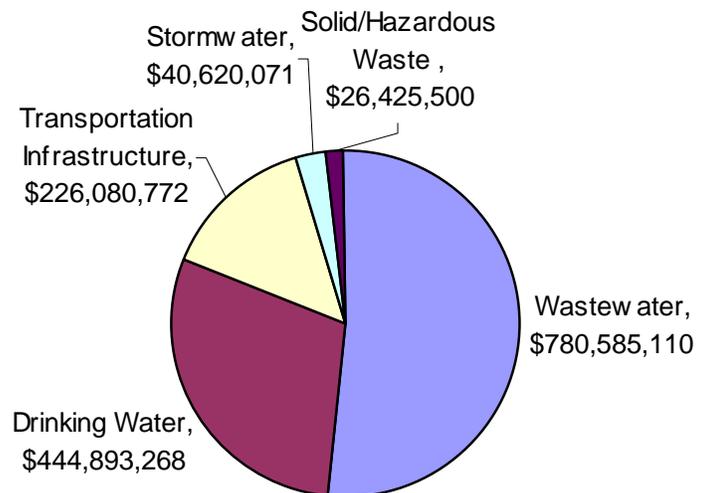
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Public Works Board Pre-Construction Loan Program

Administered By:
Department of Community, Trade and
Economic Development, Public Works Board

General Information

Program Purpose: The Public Works Board Pre-Construction Loan Program is a revolving low-interest loan fund that helps eligible jurisdictions pay for pre-construction activities on public works projects. Pre-construction activities are activities such as project design, engineering, bid-document preparation, environmental studies, right of way acquisition, and other preliminary phases of public works projects. Projects may address drinking water, wastewater, stormwater, road, bridge, or solid waste/recycling public works systems.

Mission Statement: The mission of the Public Works Board is to provide financial and technical assistance to Washington communities for critical public health, safety, and environmental infrastructure that support community and economic vitality.

Year Established: 1995

Legislative Intent: RCW 43.155.068(1)

Enabling State Statutes:
RCW 43.155.068

Administrative Rules:
Chapter 399-30 WAC

Proportion of Grants and Loans, 1999-2008:
100% Loans

The Board may make low-interest or interest-free loans to local governments for preconstruction activities on public works projects before the Legislature approves the construction phase of the project . . . The purpose of the loans authorized in this section is to accelerate the completion of public works projects by allowing preconstruction activities to be performed before the approval of the construction phase of the project by the Legislature.

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	*Note: See Construction Loan Program profile for more information				
New Appropriation for Loans/Grants	Up to 15 percent of the total Capital Budget biennial appropriation may be spent on Non-Construction (Pre-Construction, Planning, and Emergency) loans.				
Expenditure for Administration	*Note: See Construction Loan Program profile for more information				
Funds Awarded for Grants/Loans*	\$18,044,925	\$30,540,621	\$29,929,848	\$37,977,507	\$29,240,000 estimated

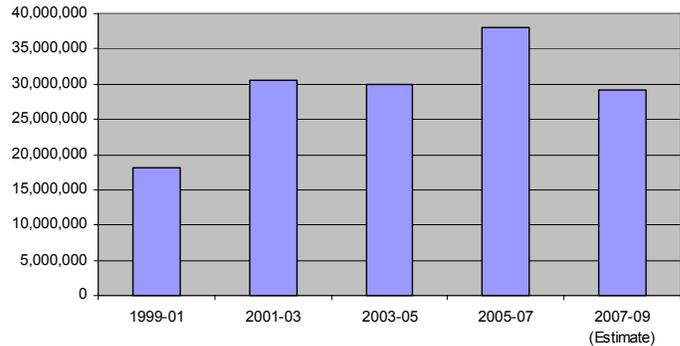
General Information

FTEs for the Program in 2005-07:
8.8 FTEs administer all four of the Public Works Board loan programs

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

- Fund Sources:**
- Initially established with bond proceeds
 - Loan repayments and interest
 - RCW 82.18.040: 100% of the Solid Waste Collection Tax
 - RCW 82.16.020: 60% of the Public Utility Tax on sewerage collection and 20% of the Public Utility Tax on water distribution
 - RCW 82.45.060: 6.1% of the state portion of the Real Estate Excise Tax
 - Use of the Accelerated Loan Commitment Model

Funds Awarded for Loans



Recent Changes to Funding Pattern: In 2005, the legislature earmarked dollars in the Public Works Assistance Account for purposes other than trust fund loans: \$50 million for specific Job/Economic Development Grants projects in 2005-07; up to \$50 million for the 2007-09 Biennium for a new Job Development Fund Program; and a percentage (1 and 6/10 percent) of the Real Estate Excise Tax previously deposited into the Public Works Assistance Account was redirected to a new City-County Assistance Account. The Public Works Board estimates that the transfer to the City-County Assistance Account averages about \$25 million per biennium that is no longer available for funding through the Public Works Board programs.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 27 eligible applicants

Number of Projects Selected in 2008 Funding Year: 24

Total Amount of Awards Offered in 2008 Funding Year: \$26,260,083

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: \$0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities

- Non-Profit Organizations
- For-Profit Organizations
- Other

- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Eligible preconstruction activities include project design, engineering, bid document preparation, environmental studies, and right of way acquisition. Projects may address drinking water, wastewater, stormwater, road, bridge, or solid waste/recycling public works systems.

Special Qualifications Regarding Who Can Apply:

To qualify for loans from this program, statute requires that a local government meet all the following conditions: (a) the city or county must be imposing a real estate excise tax at a rate of at least ¼ of 1 percent; (b) the local government must have developed a capital facility plan; and (c) the local government must be using all local revenue sources which are reasonably available for funding public works, taking into account local employment and economic factors. Additionally, except where necessary to address a public health need or substantial environmental degradation, statute requires a city, town, or county planning under the Growth Management Act to have adopted a comprehensive plan, including a capital facilities plan and development regulations.

Per rule, applicants must be in full compliance with the Growth Management Act. Full compliance includes adoption of the required planning components, no invalidity orders, and no unresolved findings by a growth management hearings board that the local government is out of compliance.

Special Qualifications Regarding Project Eligibility: WAC 399-30-030(3) provides detail on which project costs are eligible for public works loans.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:
RCW 43.155.068

(1) The Board may make low-interest or interest-free loans to local governments for preconstruction activities on public works projects before the legislature approves the construction phase of the project. Preconstruction activities include design, engineering, bid-document preparation, environmental studies, right-of-way acquisition, and other preliminary phases of public works projects as determined by the board. The purpose of the loans authorized in this section is to accelerate the completion of public works projects by allowing preconstruction activities to be performed before the approval of the construction phase of the project by the legislature.

(2) Projects receiving loans for preconstruction activities under this section must be evaluated using the priority process and factors in *RCW 43.155.070(4). The receipt of a loan for preconstruction activities does not ensure the receipt of a construction loan for the project under this chapter. Construction loans for projects receiving a loan for preconstruction activities under this section are subject to legislative approval under *RCW 43.155.070(6) and (7). The board shall adopt a single application process for local governments seeking both a loan for preconstruction activities under this section and a construction loan for the project.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:
Eligible preconstruction activities include design, engineering, bid-document preparation, environmental studies, right-of-way acquisition, and other preliminary phases of public works projects.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

Applicants that are not in conformance with the Growth Management Act (GMA) are considered ineligible for PWAA funding. Applicants who are not in conformance with GMA, but can demonstrate that the project (which the proposed loan’s proceeds will fund) will address public health need or substantial environmental degradation can still be eligible for PWAA. WAC 399-30-033 details the how a client can receive a waiver from complying with the GMA and be eligible for PWAA.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The Puget Sound Partnership has yet to finalize the Puget Sound Action Agenda, therefore, we do not know to what extend this will impact the program, projects, and the clients. The Public Works Board’s core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board’s core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board’s core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Loan recipients are required to submit quarterly progress reports describing the project’s progress and whether or not project benchmarks (as outlined in the contract) are being met.

Top Five Evaluation Criteria:

As defined by:

The point structure is developed by interpreting the RCW, WAC, and Board Policy

Project Scale: 12 points.

Project Need/Solution: 48 points.

Project Ready to Proceed Status: 20 points.

Applicant Fiscal Capacity: 15 points.

Local Management Effort: 5 Points.

Total points: 100 Points.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

6 applications

How many of the 2008 funding year awards received 75-89% of the maximum points?

18 applications

How many of the 2008 funding year awards received 50-74% of the maximum points?

The Board has a minimum threshold score of 75 out of 100. Projects receiving a score lower than this will not be funded.

Performance Measures and Program Performance:

CTED Strategic Plan:

- The percent of project funding provided by the Public Works Assistance Account.
- The number of construction-related jobs sustained through Community, Trade, and Economic Development/Public Works capital and infrastructure investments.
- The percent of projects completed on time as per contract (within scope of work).

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: The successful execution of 80 contracts will assist local governments implement their capital facility plans and ensure that their systems comply with regulations, meet standards, and respond to the demands of local residents. The Board's investment will be matched by an equal amount of local funds, bringing the total annual investment to approximately \$350 million. That will generate approximately \$820 billion in economic activity and sustain 8,000 construction jobs each year.

GMAP:

- Number of applications received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.
- Percent of project funding provided by the Public Works Board.
- Program specific performance measures (add if applicable).

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	See Construction Loan Program profile for more information		
New Appropriation for Loans/Grants	\$63,150,000*	\$68,400,000*	\$74,100,000*

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):
 RCW 43.155.050 Not more than 15 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than 10 percent of the biennial capital budget appropriation may be expended for emergency loans and not more than 1 percent of the biennial capital budget appropriation may be expended for capital facility planning loans.

The amounts shown in the above table represent 15 percent of the anticipated biennial appropriation from the capital budget. The Board has historically used all non-construction resources, and this 2007-09 Biennium, the will utilize all resources at least 6 months prior to the end of the biennium.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

Does your program have a method of estimating future needs?

Yes No

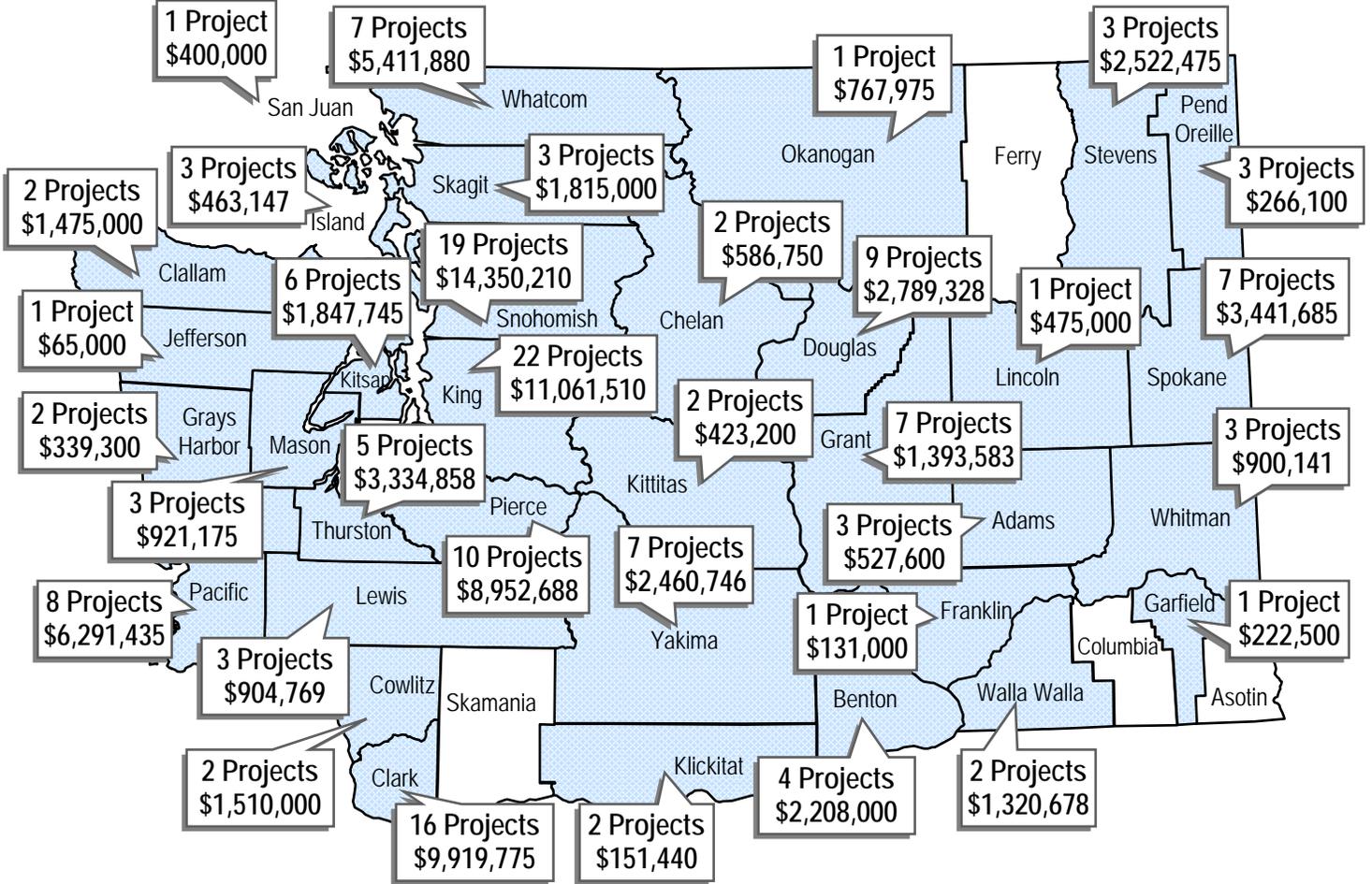
If yes, please briefly describe:

Public Works Assistance Account does not currently have the capacity to identify need at the local level. Because all applications are based on local decisions, the method of estimating future needs must come from that level. The PWAA can only measure program demand based on historical application submission volume.

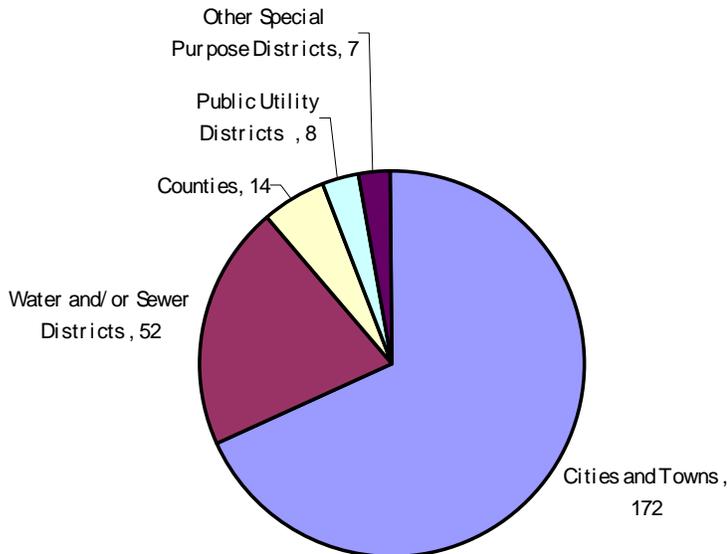
The resources available have historically kept pace with the demand for pre-construction loans. This biennium (2007-09), that has not been the case. The Board will have obligated all its resources at least six months prior to the end of the biennium, and won't be accepting any applications after that. It is hard to anticipate future need, when this is the first biennium we will have not had enough resource to fund all applications for pre-construction activities.

PWAA Pre-Construction Loans, 2003-07

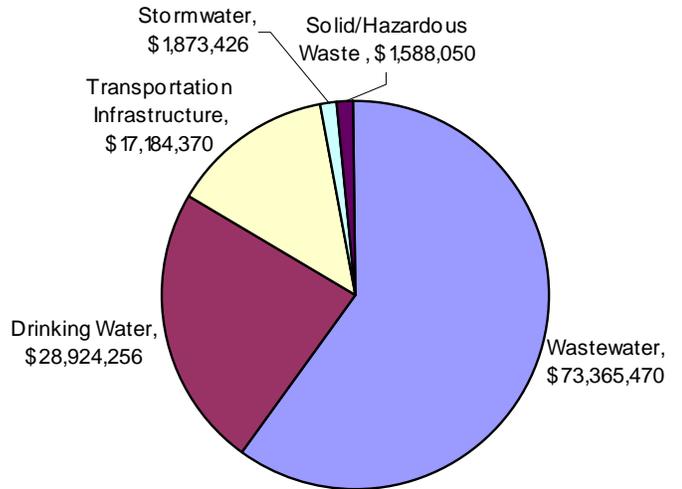
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Public Works Board Planning Loan Program

Administered By:

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

Program Purpose: The Public Works Board Planning Loan Program is a revolving, no-interest loan program that provides funds to eligible jurisdictions for updating their long-term Capital Facilities Plans or Comprehensive Systems Plans. Planning may address drinking water, wastewater, stormwater, road, bridge, or solid waste/recycling systems, and the planning funds may be used for either a single system or multiple systems. A brand new jurisdiction could apply to this program to help pay for a first-time planning effort; however, the vast majority of program loans are for the updating of plans.

Mission Statement: The mission of the Public Works Board is to provide financial and technical assistance to Washington communities for critical public health, safety, and environmental infrastructure that support economic vitality.

Year Established: 1989

Legislative Intent: RCW 43.155.050(1)

Enabling State Statutes:
RCW 43.155.020(6) and RCW 43.155.050(1)

Money in the Public Works Assistance Account shall be used to make loans and to give financial guarantees to local governments for public works projects. . . . not more than 1% of the biennial capital budget appropriation may be expended for capital facility planning loans.

Administrative Rules:
Chapter 399-30 WAC

Proportion of Grants and Loans, 1999-2008:
100% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	See Construction Loan Program profile for more information				
New Appropriation for Loans/Grants	Up to 1% of the total Capital Budget biennial appropriation				
Expenditure for Administration	See Construction Loan Program profile for more information				
Funds Awarded for Grants/Loans*	\$602,422	\$735,504	\$2,033,378	\$1,417,469	\$747,350

Notes:

1. The Public Works Board provided information on administration appropriations and expenditures for all four Public Works Board programs combined. These aggregated figures appear on the profile for the Construction Loan Program.
2. Per statute, not more than 1 percent of the biennial Capital Budget appropriation may be used for these planning loans.
3. The Board has allocated \$3,200,000 for planning loans for the 2007-09 Biennium. To date, the Board has approved \$747,350 in planning loans.

General Information

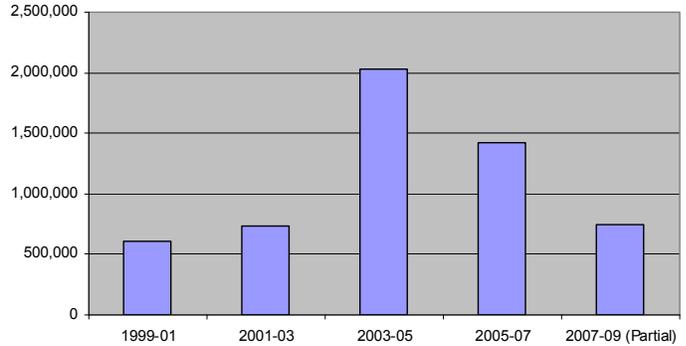
General Information

FTEs for the Program in 2005-07:
8.8 FTEs administer all four of the Public Works Board loan programs.

Fund Account(s):
058-1 – Public Works Assistance Account (also known as Public Works Trust Fund).

- Fund Sources:**
- Initially established with bond proceeds.
 - Loan repayments and interest.
 - RCW 82.18.040: 100% of the Solid Waste Collection Tax.
 - RCW 82.16.020: 60% of the Public Utility Tax on sewerage collection and 20% of the Public Utility Tax on water distribution.
 - RCW 82.45.060: 6.1% of the state portion of the Real Estate Excise Tax
 - Use of the Accelerated Loan Commitment Model.

Funds Awarded for Loans



Recent Changes to Funding Pattern: In 2005, the legislature earmarked dollars in the Public Works Assistance Account for purposes other than trust fund loans: \$50 million for specific Job/Economic Development Grants projects in 2005-07; up to \$50 million for the 2007-09 Biennium for a new Job Development Fund Program; and a percentage (1 and 6/10 percent) of the Real Estate Excise Tax previously deposited into the Public Works Assistance Account was redirected to a new City-County Assistance Account. The Public Works Board estimates that the transfer to the new account averages about \$25 million per biennium that is no longer available for funding through the Public Works Board programs.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 7

Number of Projects Selected in 2008 Funding Year: 7

Total Amount of Awards Offered in 2008 Funding Year: \$547,350

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Planning loans may be used for projects such as updates to Capital Facilities Plans, work on Comprehensive Systems Plans, and environmental assessments.

Special Qualifications Regarding Who Can Apply: Per statute, applicant cities or counties must be imposing a real estate excise tax at a rate of at least $\frac{1}{4}$ of 1 percent, and the local government must be using all local revenue sources which are reasonably available for funding public works, taking into account local employment and economic factors. Applicants must also be in compliance with the statutory and rule requirements with regard to the Growth Management Act. This includes the requirement to have already completed capital facility plans, and the majority of planning loans are for updates of existing plans. Board staff report that a brand new jurisdiction seeking funding to do its first capital facility plan could still apply to this program without having to meet the requirement to already have a completed plan.

Special Qualifications Regarding Project Eligibility: None beyond those above.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

WAC 399-30-042

- Staff will perform an evaluation of applications which meet the requirements of WAC 399-30-030(2) (This consists of: Is the applicant eligible; and has the applicant [cities and counties only] adopted the ¼ of 1 percent of the optional Real Estate Excise Tax, and does the applicant have a minimum plan in place).
- Those applications found to be consistent with board policies may be recommended to the Board for funding. The Board will approve projects based on the information provided to it by the staff and the applications.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Since the inception of the PWAA, emphasis has been placed on the importance of advance planning as an effective management tool. Over time, the PWAA gradually phased in the current requirement that each applying jurisdiction have a Capital Facilities Plan for all PWAA eligible systems they own and operate. To help clients meet this requirement, the PWAA developed the planning loan program.

For simplicity for clients, the Board developed eight planning standards for Capital Facility Plans that are consistent with growth management plans. This means that all clients are meeting the same standards:

- a. The jurisdiction has adopted plans for all of the systems it owns.
- b. The plans provide an inventory of major system components, show their locations and capabilities, and assess the overall capital needs for the systems.
- c. The plans identify, prioritize, and coordinate major capital improvement projects over a six-year period.
- d. The plans estimate capital project costs and/or identify financing alternatives for each project identified.
- e. The plans have been updated in the last six years. (The Board recommends at least once every two years.)
- f. The planning process provides opportunity for early and continuous public participation.
- g. The plans must be consistent with and be elements of the Comprehensive Plan formally adopted by the governing body of the local jurisdiction.
- h. The plans must be consistent with the Comprehensive Plans of neighboring jurisdictions.
- i. The plans must forecast future needs for the capital facilities, and show location and capabilities of expanded or new capital facilities.

The Public Works Board requires all loan applicants to have CFPs, which meet these requirements.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment:

Applicants that are not in conformance with the Growth Management Act (GMA) are considered ineligible for PWAA funding. Applicants who are not in conformance with GMA, but can demonstrate that the project (which the proposed loan's proceeds will fund) will address public health need or substantial environmental degradation can still be eligible for PWAA. WAC 399-30-033 details the how a client can receive a waiver from complying with the GMA thus becoming eligible for PWAA.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment:

The Puget Sound Partnership has yet to finalize the Puget Sound Action Agenda, therefore, we do not know to what extent this will impact the program, projects, and the clients. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

- Yes No

If yes, please briefly describe the method or process used:

Loan recipients are required to submit quarterly progress reports describing the project’s progress and whether or not project benchmark’s (as outlined in the contract) are being met.

Top Five Evaluation Criteria:

As defined by: 

The planning program is not competitive, and the application is not scored. The application is a pass/fail threshold process. Applicants must meet the following criteria:

- Applicant must be in conformance with GMA if planning under GMA;
- If not planning under GMA, applicant must meet Board planning requirements;
- Applicant must have adopted the optional ¼ of 1 percent of the Real Estate Excise Tax (REET); and
- Applicant must have a minimum plan in place.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

All applications submitted met the selection criteria and the Board policies and goals, and the Board approved all loans.

How many of the 2008 funding year awards received 75-89% of the maximum points?

How many of the 2008 funding year awards received 50-74% of the maximum points?

Performance Measures and Program Performance:

CTED Strategic Plan:

- The percent of project funding provided by the Public Works Assistance Account.
- The number of construction-related jobs sustained through Community, Trade, and Economic Development/Public Works capital and infrastructure investments.
- The percent of projects completed on time as per contract (within scope of work)

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: The successful execution of 80 contracts will assist local governments implement their capital facility plans and ensure that their systems comply with regulations, meet standards, and respond to the demands of local residents. The Board’s investment will be matched by an equal amount of local funds, bringing the total annual investment to approximately \$350 million. That will generate approximately 820 billion in economic activity and sustain 8,000 construction jobs each year.

GMAP:

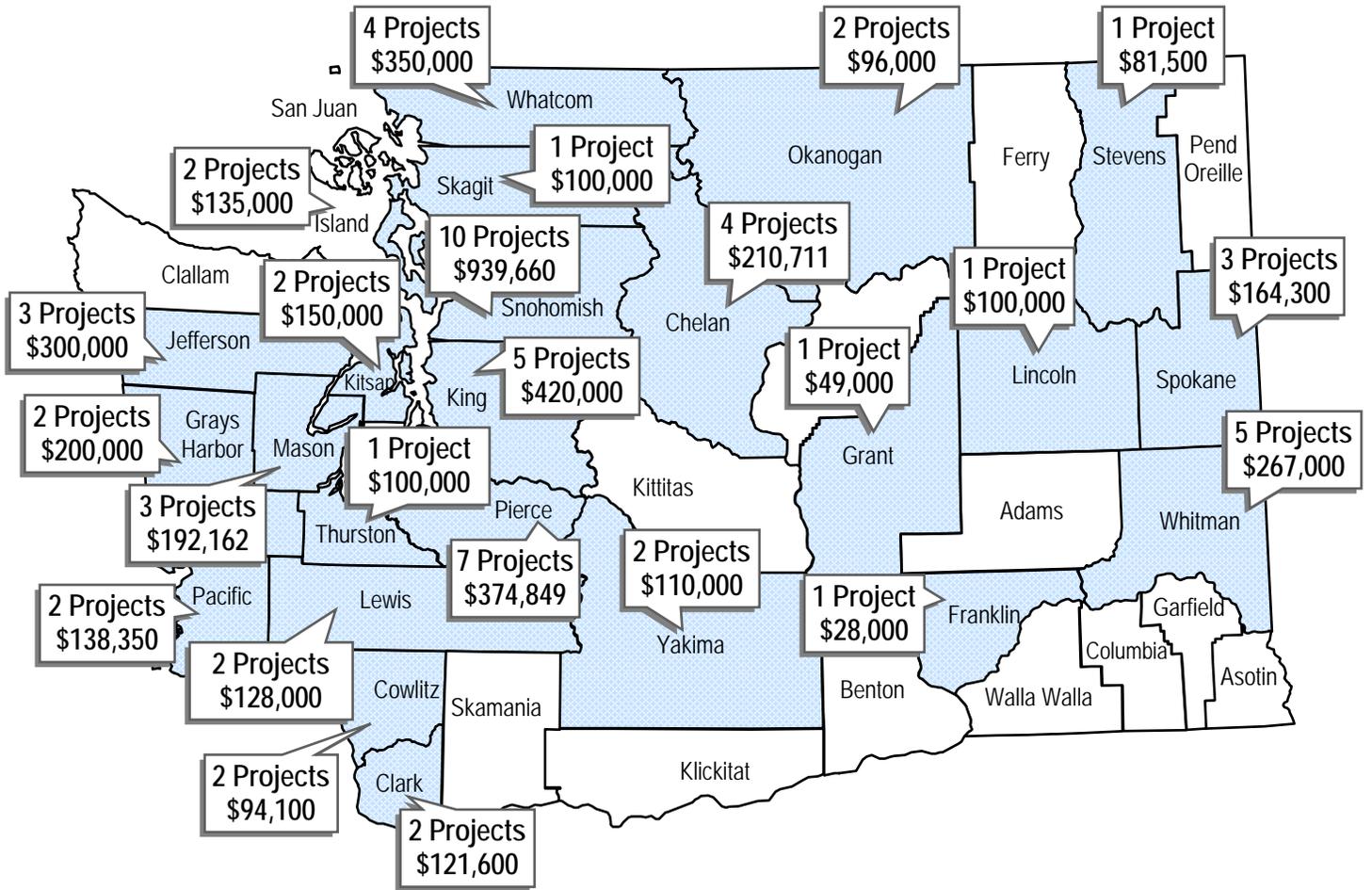
- Number of applications received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.
- Percent of project funding provided by the Public Works.
- Program specific performance measures (add if applicable).

Projected Program Budgets and Needs

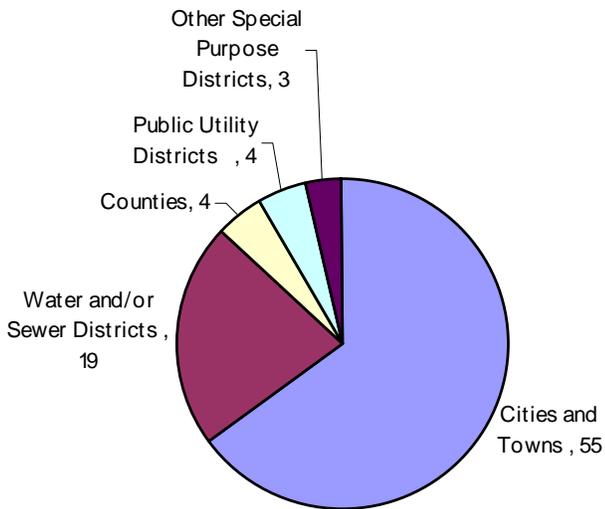
Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	See Construction Loan Program profile for more information		
New Appropriation for Loans/Grants	See Construction Loan Program profile for more information		
Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):			
<p>RCW 43.155.050 Not more than 15 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than 10 percent of the biennial capital budget appropriation may be expended for emergency loans and <u>not more than 1 percent of the biennial capital budget appropriation may be expended for capital facility planning loans.</u></p>			
<p>The Board has never used the full 1 percent of the biennial appropriation authority allowed for the planning loan program. Historically, the Board uses approximately less than \$1 million per biennium.</p>			
Please List Additional Program Funding Needed by Infrastructure Type:			
	2009-11	2011-13	2013-15
1.			
2.			
3.			
<p>Does your program have a method of estimating future needs?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please briefly describe:</p> <p>The Board has never used the full 1 percent of the biennial appropriation authority allowed for the planning loan program. Historically, the Board uses approximately less than \$1 million per biennium.</p> <p>Do not anticipate needing additional resources for planning loans.</p>			

PWAA Planning Loan Program, 2003-07

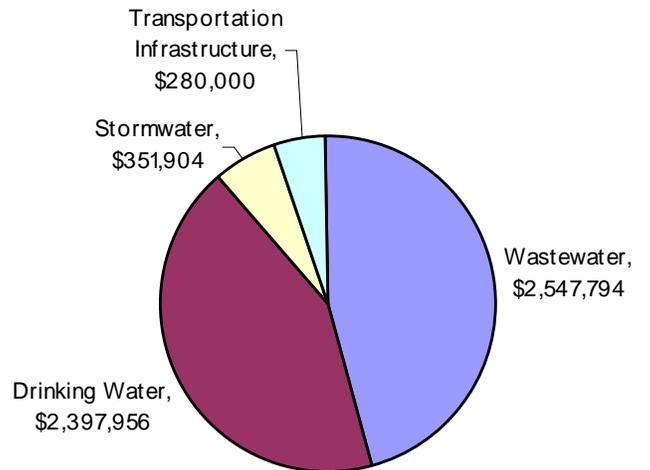
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Public Works Assistance Account Emergency Loan Program

Administered By:

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

General Information

Program Purpose: The Public Works Assistance Account Emergency Loan Program provides eligible jurisdictions with funds for immediate repair and restoration of public works services and facilities that have been damaged by natural disaster or determined to be a threat to public health or safety through unforeseen or unavoidable circumstances. Emergency loan projects may be for drinking water, wastewater, stormwater, road, bridge, and solid waste/recycling public works systems.

Mission Statement: The mission of the Public Works Board is to provide financial and technical assistance to Washington communities for critical public health, safety, and environmental infrastructure that support community and economic vitality.

Year Established: 1985

Legislative Intent: RCW 43.155.010

Enabling State Statutes:
Chapter 43.155 RCW

It is the policy of the state of Washington to encourage self-reliance by local governments in meeting their public works needs and to assist in the financing of critical public works projects by making loans, financing guarantees, and technical assistance available to local governments for these projects.

Administrative Rules:
Chapter 399-30 WAC

Proportion of Grants and Loans, 1999-2008:
100% Loans

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	The Public Works Board provided information on administration appropriations and expenditures for all four Public Works Assistance Account programs combined. These aggregated figures appear in the profile for the Construction Loan Program.				
New Appropriation for Loans/Grants	\$2,477,480	\$2,300,871	\$3,061,890	\$3,335,292	\$3,823,251
Expenditure for Administration	See Construction Loan Program profile for more information				
Funds Awarded for Grants/Loans	\$2,477,480	\$2,300,817	\$3,061,890	\$3,335,292	\$6,540,000

Notes:

1. RCW 43.155.050: Not more than 15 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for reconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than 10 percent of the biennial capital budget appropriation may be expended for emergency loans and not more than 1 percent of the biennial capital budget appropriation may be expended for capital facility planning loans.
2. Per statute, no more than 10 percent of the biennial Capital Budget appropriation may be for emergency loans.
3. The board has allocated up to \$6,540,000 for emergency loans for the 2007-09 Biennium. To date, the board has approved \$3,823,251 in emergency loans.

FTEs for the Program in 2005-07:

8.8 FTEs administer all four of the Public Works Assistance Account loan programs

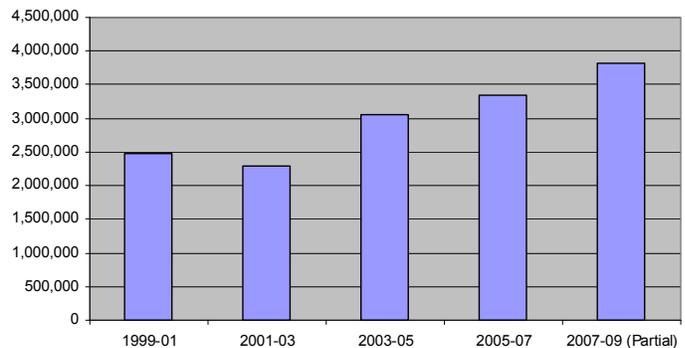
Fund Account(s):

058-1 – Public Works Assistance Account
(also known as Public Works Trust Fund)

Fund Sources:

- Initially established with bond proceeds
- Loan repayments and interest
- RCW 82.18.040: 100% of the Solid Waste Collection Tax
- RCW 82.16.020: 60% of the Public Utility Tax on sewerage collection and 20% of the Public Utility Tax on water distribution
- RCW 82.45.060: 6.1% of the state portion of the Real Estate Excise Tax
- Use of the Accelerated Loan Commitment Model

Funds Awarded for Loans



Recent Changes to Funding Pattern:

In 2005, the legislature earmarked dollars in the Public Works Assistance Account for purposes other than trust fund loans: \$50 million for specific Job/Economic Development Grants projects in 2005-07; up to \$50 million for the 2007-09 Biennium for a new Job Development Fund Program; and a percentage (1 and 6/10 percent) of the Real Estate Excise Tax previously deposited into the Public Works Assistance Account was redirected to a new City-County Assistance Account. The Public Works Board estimates that the transfer to the City-County Assistance Account averages about \$25 million per biennium that is no longer available for funding through the Public Works Assistance Account programs.

In 2008, the Board approved new policy regarding the Emergency Loan Program. The policy establishes an exception to the current loan terms. The PWAA (Exception) Emergency Loan Terms: Jurisdictions may receive an emergency loan with the interest rate reduced from 3 to 0.5 percent for applications in distressed counties directly related to a Governor, federal, or other locally declared natural disaster, for 20 years, at the Public Works Board discretion. Maximum loan amount available per jurisdiction per biennium is \$1,000,000 cumulatively.

Number of Applicants in 2008 Funding Year: 3

Number of Projects Selected in 2008 Funding Year: 3

Total Amount of Awards Offered in 2008 Funding Year: \$650,200

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: \$0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Repair and restoration of public works services and facilities that have been damaged by natural disaster or determined to be a threat to public health or safety through unforeseen or unavoidable circumstances.

Special Qualifications Regarding Who Can Apply: The local government must officially declare an emergency. The statutory special qualifications for eligibility to other trust fund programs also apply: (a) the city or county must be imposing a real estate excise tax at a rate of at least ¼ of 1 percent; (b) the local government must have developed a capital facility plan; and (c) the local government must be using all local revenue sources which are reasonably available for funding public works, taking into account local employment and economic factors.

Per rule, applicants must be in full compliance with the Growth Management Act. Full compliance includes adoption of the required planning components, no invalidity orders, and no unresolved findings by a growth management hearings board that the local government is out of compliance.

There may be exceptions to address a public health need or substantial environmental degradation.

Special Qualifications Regarding Project Eligibility: WAC 399-30-030(3) provides detail on which project costs are eligible for public works loans.

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

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

RCW 43.155.065 The Board may make low-interest or interest-free loans to local governments for emergency public works projects. The loans may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following sources: (1) federal disaster or emergency funds, including funds from the federal emergency management agency; (2) state disaster or emergency funds; (3) insurance settlements; or (4) litigation.

This program is designed to financially assist eligible communities experiencing the loss of critical public works services or facilities due to an emergency, and that can demonstrate a substantial fiscal need.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

The purpose of the program is to enable eligible communities experiencing the loss of critical public works services or facilities due to an emergency to apply for resources to repair, replace, rehabilitate, or reconstruct critical infrastructure to ensure public health and safety.

The Board defines an emergency as: "A public works project made necessary by a natural disaster, or an immediate and emergent threat to the public health or safety due to unforeseen or unavoidable circumstances."

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

- Potentially Conflicts Helps Implement Both

Comment:

Applicants that are not in conformance with the Growth Management Act (GMA) are considered ineligible for PWAA funding. Applicants who are not in conformance with GMA, but can demonstrate that the project (which the proposed loan's proceeds will fund) will address public health need or substantial environmental degradation can still be eligible for PWAA. WAC 399-30-033 details the how a client can receive a waiver from complying with the GMA and be eligible for PWAA.

Puget Sound Partnership Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

The Puget Sound Partnership has yet to finalize the Puget Sound Action Agenda, therefore, we do not know to what extend this will impact the program, projects, and the clients. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance, in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Climate Change Initiatives

- Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

State Economic Development Plan

- Potentially Conflicts Helps Implement Both

Comment:

Unknown at this time. The Public Works Board's core funding priorities are public health and safety, environmental health, and system performance - in that order. Any action that would change these priorities or the order of these priorities, would conflict with Board statutory direction.

Does your program have a routine process or method for determining the progress made toward meeting the program's identified policy goals as a result of aid awards?

- Yes No

If yes, please briefly describe the method or process used:

Loan recipients are required to submit quarterly progress reports to describe the progress of the project, and if they are meeting the benchmarks established in the project schedule in the contract.

Top Five Evaluation Criteria:

As defined by: 

The emergency program is not competitive, and the application is not scored. The application is a pass/fail threshold process. Applicants must meet the following criteria:

- Applicant must be in conformance with GMA if planning under GMA;
- If not planning under GMA, applicant must meet Board planning requirements;
- Applicant must have adopted the optional ¼ of 1 percent of the Real Estate Excise Tax (REET);
- Applicant must have formally declared an emergency at the local level (resolution); and
- Project must meet Board definition of an emergency. "A public works project made necessary by a natural disaster, or an immediate and emergent threat to the public health or safety due to unforeseen or unavoidable circumstances."

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

All applications submitted passed threshold, and the Board approved all loans.

How many of the 2008 funding year awards received 75-89% of the maximum points?

How many of the 2008 funding year awards received 50-74% of the maximum points?

Performance Measures and Program Performance:

CTED Strategic Plan:

- The percent of project funding provided by the Public Works Assistance Account.
- The number of construction-related jobs sustained through Community, Trade, and Economic Development/Public Works capital and infrastructure investments.
- The percent of projects completed on time as per contract (within scope of work).

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: The successful execution of 80 contracts will assist local governments implement their capital facility plans and ensure that their systems comply with regulations, meet standards, and respond to the demands of local residents. The Assistance Account's investment will be matched by an equal amount of local funds, bringing the total annual investment to approximately \$350 million. That will generate approximately 820 billion in economic activity and sustain 8,000 construction jobs each year.

GMAP:

- Number of applications received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.
- Percent of project funding provided by the Public Works.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
--	----------------	----------------	----------------

New Appropriation for Administration	See Construction Loan Program profile for more information		
New Appropriation for Loans/Grants	See Construction Loan Program profile for more information		

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):

RCW 43.155.050 Not more than 15 percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than 10 percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans.

The Board has never used the full 10 percent of the biennial appropriation authority allowed for the Emergency loan program. Historically, the Board uses approximately 1 percent or less of the biennial appropriation.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

Does your program have a method of estimating future needs?

Yes No

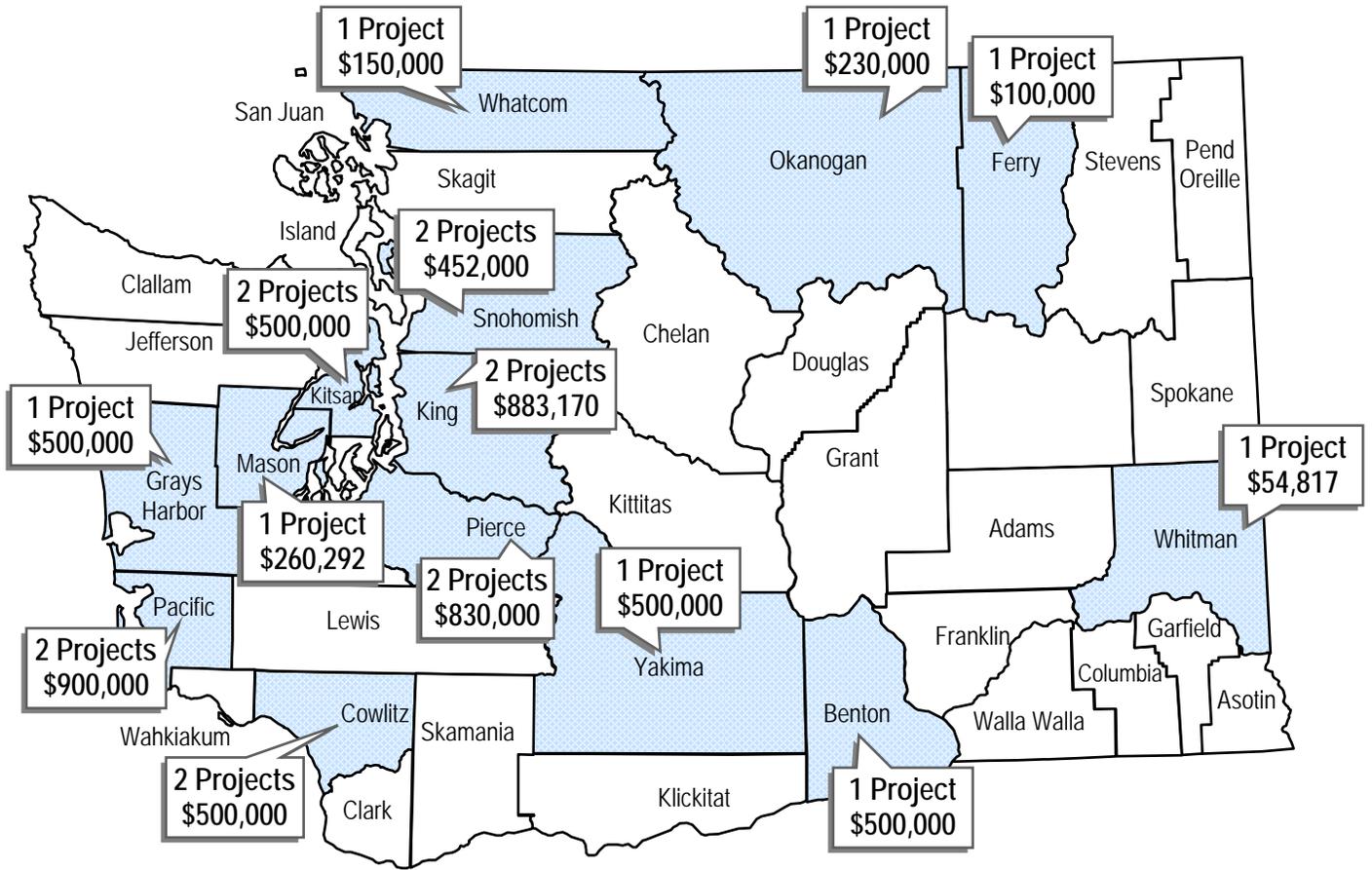
If yes, please briefly describe:

Public Works Assistance Account does not currently have the capacity to identify need at the local level. Because all applications are based on local decisions, the method of estimating future needs must come from that level. The PWAA can only measure program demand based on historical application submission volume.

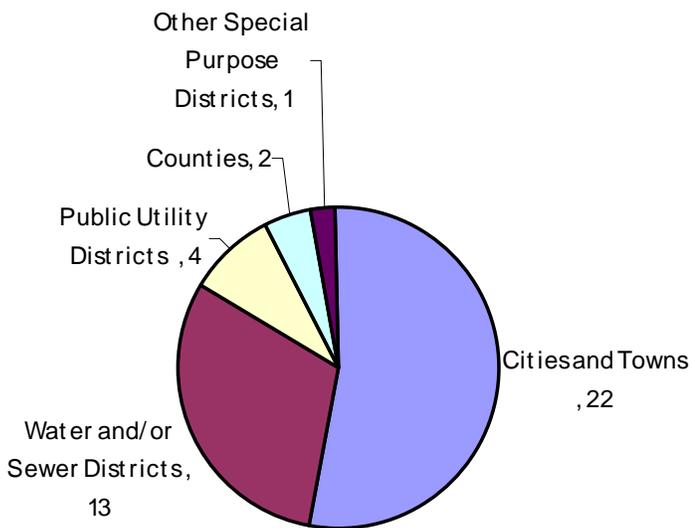
The Board has never used the full 10 percent of the biennial appropriation authority allowed for the Emergency loan program. Historically, the Board uses approximately 1 percent or less of the biennial appropriation. Do not anticipate needing additional resources for emergency loans.

PWAA Emergency Loan Program, 2003-07

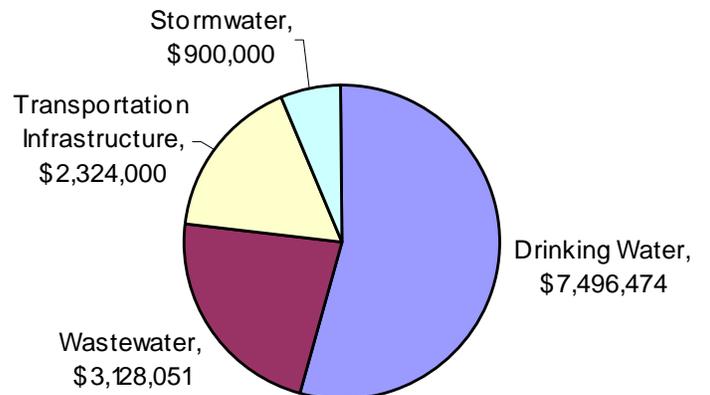
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



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 International Trade and Economic Development Division's Grant and Loan Services 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

Administrative Rules: Chapter 365 -150 WAC

Proportion of Grants and Loans, 1999-2008: 100% Loans

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.

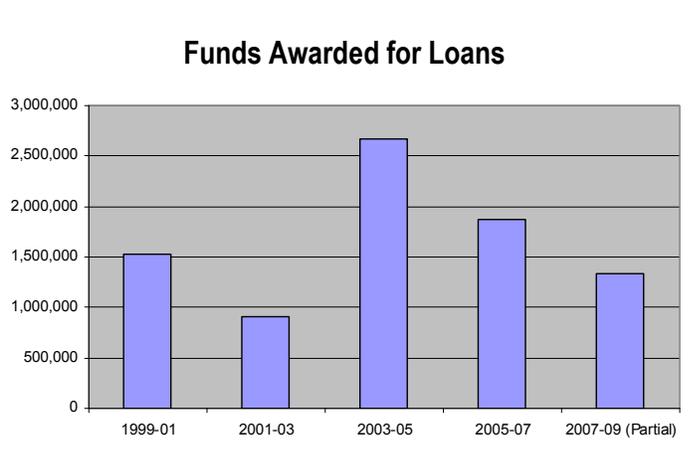
Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$150,018	\$204,209	\$227,260	\$195,494	\$322,503
New Appropriation for Loans/Grants	\$6,348,630	\$6,445,554	\$8,354,709	\$8,011,646	\$8,079,002
Expenditure for Administration	\$94,717	\$139,538	\$97,063	\$272,128	(projected) \$221,492
Funds Awarded for Grants/Loans*	\$1,529,387	\$904,100	\$2,674,000	\$1,872,196	(to date) \$1,341,000

Notes:

1. 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.
2. Includes Coastal Loan program awards because their funds are comingled with RWLF.

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

Fund Account(s):
 689 – Rural Washington Loan Fund
 *This account includes funds from the Coastal Loan program which was originally funded by the U.S. Dept. of Commerce.



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: In the past, the CDBG Float Loan interest flowed 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.

Number of Applicants in 2008 Funding Year: 4

Number of Projects Selected in 2008 Funding Year: 4

Total Amount of Awards Offered in 2008 Funding Year: 1,341,000

Number of Qualified Applicants not funded in 2008 Funding Year: 0

Total Dollar Amount of Qualified Applications not funded in 2008: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

Most of the loans fund the working capital needs and equipment purchases of commercial businesses. The conduit for the loans is grants that CTED provides to local governments who in turn provide loans to businesses.

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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 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. These rules out most urban areas in the state.

Special Qualifications Regarding Project Eligibility: In compliance with federal CDBG requirements, at least 51 percent 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 percent 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.

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:
Must create or retain 1 job per \$35,000 of loan funds, and 51 percent of jobs must be made available to people for "low and moderate" income families - 24 CFR Part 570.

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:
Shopping malls are ineligible. Also, 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 portion or to replace owner's equity - RCW 43.168.

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: Neutral

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neutral

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neutral

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment:
Creates employment and additional tax base.

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

For each project, the program completes a Job Monitoring Report that includes an assessment of the project's contribution to the federal Housing and Urban Development (HUD) objectives associated with job retention and economic development.

Top Five Evaluation Criteria:

As defined by:

We don't use a point system. We evaluate customer's historical cash flow and projections to determine eligibility. Collateral is also a consideration.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?
We do not use a point system. Projects deemed eligible historically have received funding.

How many of the 2008 funding year awards received 75-89% of the maximum points?
N/A

How many of the 2008 funding year awards received 50-74% of the maximum points?
N/A

Performance Measures and Program Performance:

CTED Strategic Plan (2009-2015):

- Estimated number of jobs created or retained.

CTED Budget Measures:

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: Provide funding resources to support and enhance local economic development planning and site-specific predevelopment activities.
- Estimated amount of private capital investment leveraged with CTED funding.

GMAP:

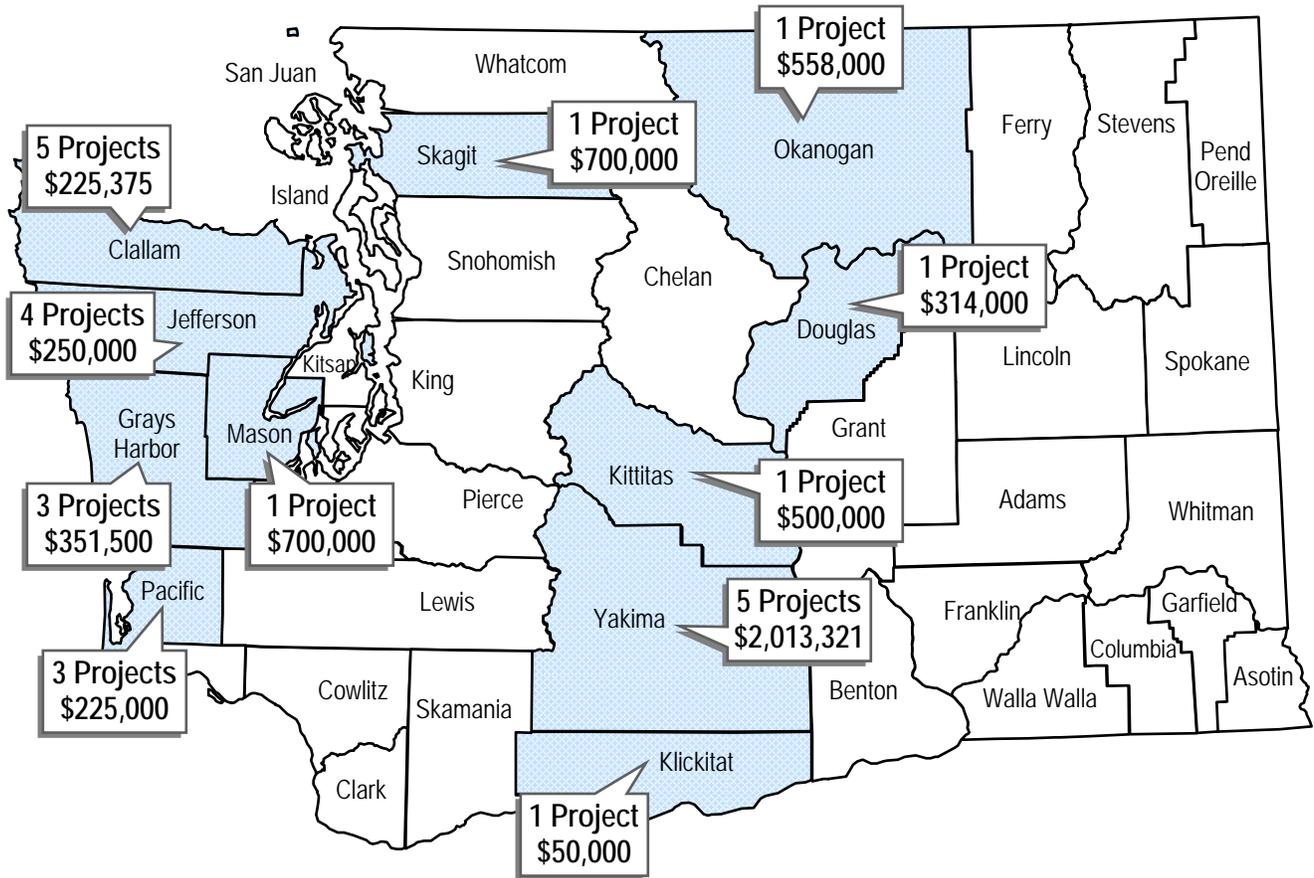
- Amount of private capital investment leveraged by CTED.
- Number of applications received and number of contracts managed.
- Value of contracts managed and estimated state taxes generated.

Projected Program Budgets and Needs

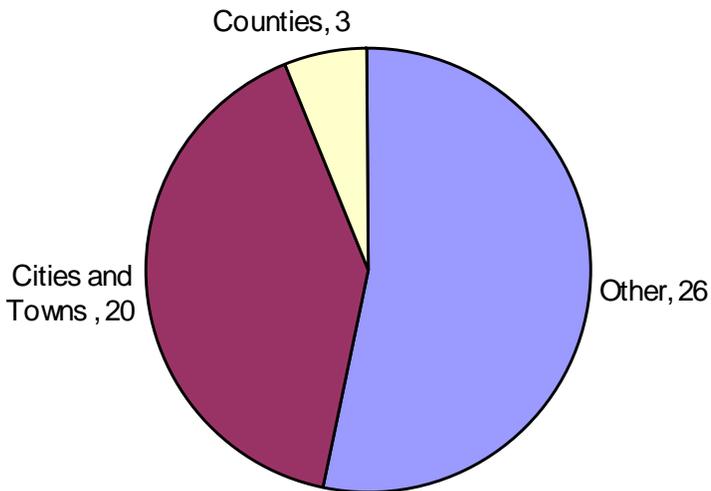
Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	0	\$225,000	\$225,000
New Appropriation for Loans/Grants	0	\$4,000,000	\$4,000,000
<p>Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):</p> <p>Expenditures estimated at \$4,000,000 in loans and \$225,000 in administration and loan servicing costs. No new appropriation was requested in 2009-11. Loans and administration charges will come from the funding requested as reappropriation.</p>			
Please List Additional Program Funding Needed by Infrastructure Type:			
	2009-11	2011-13	2013-15
1.			
2.			
3.			
<p>Does your program have a method of estimating future needs?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, please briefly describe:</p> <p>Demand is assessed by the Regional Service Managers. Based on the current demand, at this time we do not foresee the need for additional funds beyond those listed above.</p>			

Rural Washington Loan Fund Loans, 2003-07

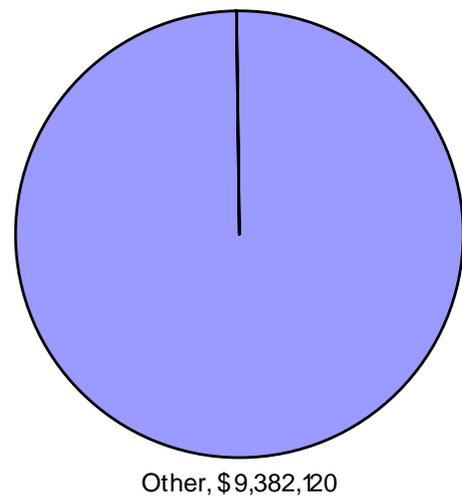
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Youth Recreational Facilities Program

Administered By:

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

Program Purpose: The Youth Recreational Facilities Program awards state grants to nonprofit, community-based organizations to defray up to 25 percent 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.

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.

Proportion of Grants and Loans, 1999-2008:

100% Grants

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.

General Information

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration				\$66,000	\$113,123
New Appropriation for Loans/Grants				\$3,234,000	\$8,936,877
Expenditure for Administration				\$66,000	(estimated) \$113,123
Funds Awarded for Grants/Loans*				\$3,234,000	(estimated) \$8,936,877

General Information

FTEs for the Program in 2005-07:

8.0 FTEs administer four capital programs, including this one

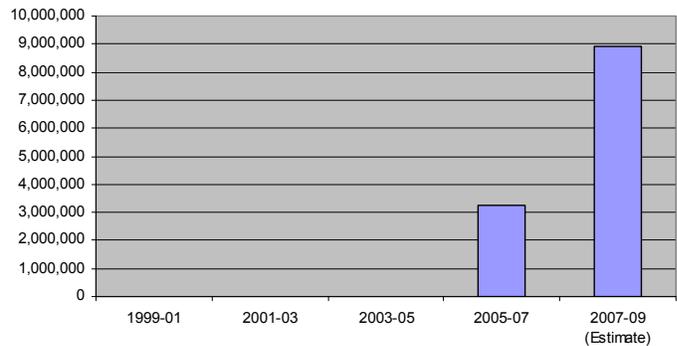
Fund Account(s):

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 percent 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 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.

Eligible Applicants And Projects

Number of Applicants in 2007-09 Biennium: 20

Number of Projects Selected in 2007-09 Biennium: 17

Total Amount of Awards Offered in 2007-09 Biennium: \$9,050,000

Number of Qualified Applicants not funded in 2007-09 Biennium: 0

Total Dollar Amount of Qualified Applications not funded in 2007-09 Biennium: 0

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction Projects
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

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).

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:
See evaluation criteria below.

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:
Goal 1: Build livable, vibrant communities that meet the economic, environmental, and social needs of citizens.

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement Both

Comment: Neither

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neither

Climate Change Initiatives

Potentially Conflicts Helps Implement Both

Comment: Neither

State Economic Development Plan

Potentially Conflicts Helps Implement Both

Comment: Neither

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

- Yes No

If yes, please briefly describe the method or process used:

Top Five Evaluation Criteria:

As defined by:

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.

Program Awards:

How many of the 2008 funding year awards received 90% or more of the maximum points?

1

How many of the 2008 funding year awards received 75-89% of the maximum points?

8

How many of the 2008 funding year awards received 50-74% of the maximum points?

4 (Note - the remaining 4 awards received less than 50% of the maximum points)

Performance Measures and Program Performance:

From JLARC 2006 Inventory:

- How quickly funds are fully disbursed from the date of the award letter to the final payment date.
- Where funds are awarded by county.

CTED Strategic Plan (2009-2015)

- The estimated amount of private capital investment leveraged with CTED funding.

CTED Budget Measures (As of 7/8/2008) – A166

- Statewide Result Area: Improve the economic vitality of businesses and individuals.
- Statewide Strategy: Remove economic development barriers through targeted infrastructure and assistance.
- Expected Results: To provide funding to local governments, nonprofit organizations, and private enterprise to address a variety of community, environmental, economic enhancement, and recreational needs throughout the state.

GMAP

- Number of applications received and number of contracts managed.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:

	2009-11	2011-13	2013-15
New Appropriation for Administration	\$100,000	\$100,000	\$100,000
New Appropriation for Loans/Grants	\$7,900,000	\$7,900,000	\$7,900,000

Additional Program Funding Needed for the Next Six Years (Funding needs may be included that are not currently authorized):
None.

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.			
2.			
3.			

Does your program have a method of estimating future needs?

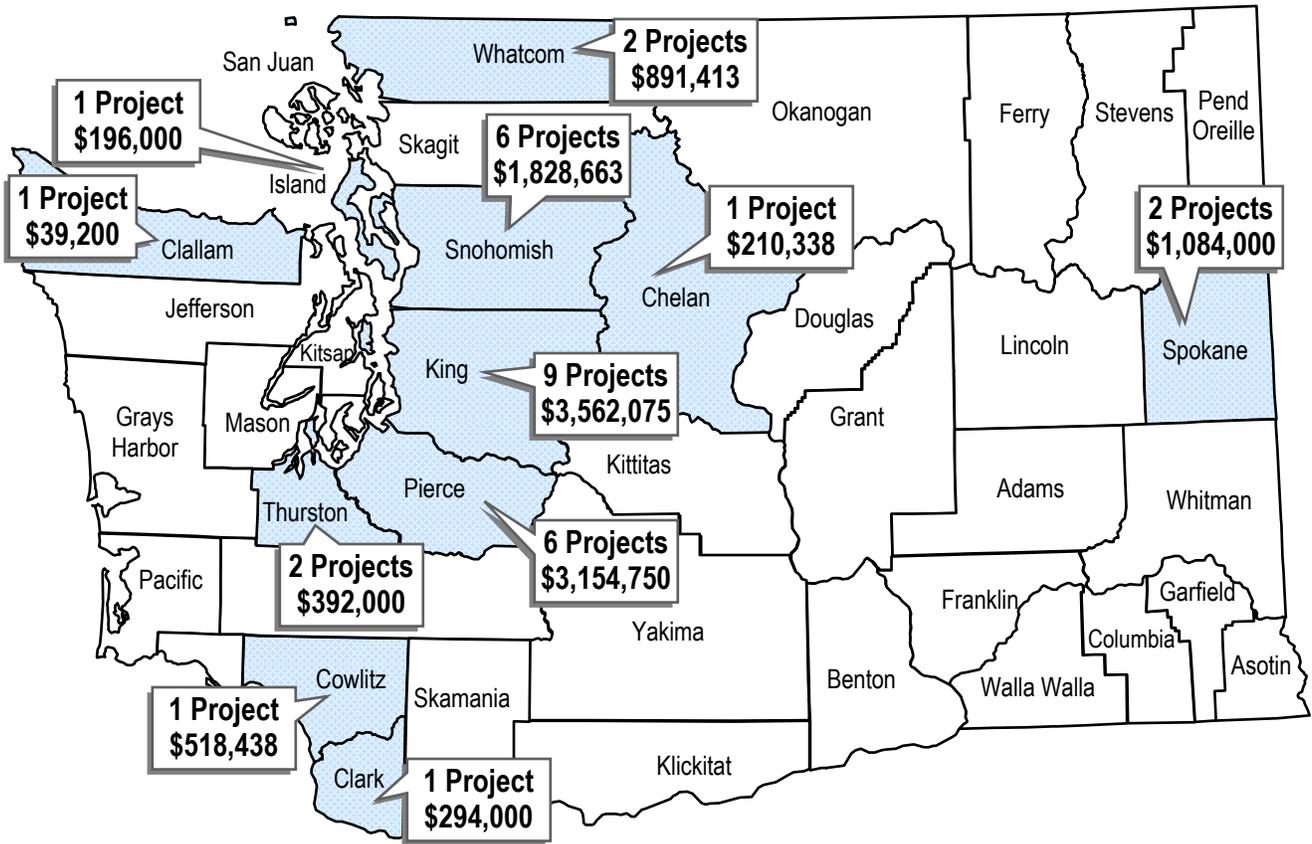
- Yes No

If yes, please briefly describe:

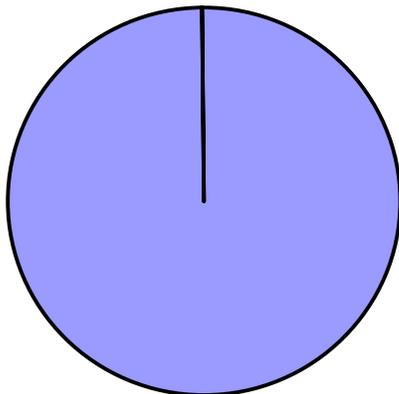
Demand from previous funding cycles.

Youth Recreation Facilities Program Grants, 2005-09

Location of Grants by County

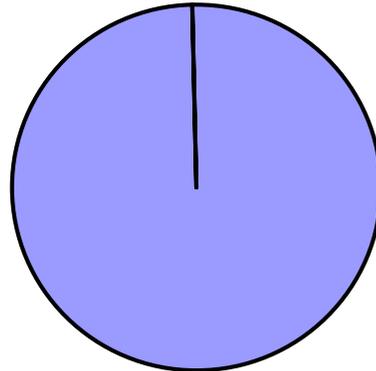


Grant Recipients, 1999-2008



Nonprofit Organizations, 32

Types of Projects Funded, 1999-2008



Buildings and Facilities, \$12,170,877

Drinking Water State Revolving Fund Loan Program

Administered By:

Department of Health, Office of Drinking Water and Department of Community, Trade and Economic Development, Public Works Board

Program Purpose: The Drinking Water State Revolving Fund Program provides loans to eligible water systems for capital improvements that increase public health protection and compliance with drinking water regulations. Eligible water systems are public and private systems that are regulated under the federal Safe Drinking Water Act. The program is administered as a partnership between the Department of Health, the Department of Community, Trade and Economic Development, and the Public Works Board (PWB). Major funding for the program comes from a yearly grant from the federal Environmental Protection Agency (EPA).

Mission Statement: The mission of the program is to assist water systems to provide safe and reliable drinking water.

Year Established: 1996

Legislative Intent: RCW 70.119A.170(1)

Enabling State Statutes: RCW 70.119A.170

Administrative Rules: Chapter 246-296 WAC

Proportion of Grants and Loans, 1999-2008: 100% Loans

The purpose of the account is to allow the state to use any federal funds that become available to states from Congress to fund a state revolving loan fund program as part of the reauthorization of the federal Safe Drinking Water Act . . . Moneys in the account may only be used, consistent with federal law, to assist water systems to provide safe drinking water through a program administered through the Department of Health, the Public Works Board, and the Department of Community, Trade and Economic Development and for other activities authorized under federal law.

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration	\$1,520,736	\$1,783,459	\$1,759,950	\$1,758,721	\$1,977,362
New Appropriation for Loans/Grants	\$40,819,497	\$36,700,000	\$77,355,883	\$58,463,077	\$107,378,035
Expenditure for Administration	\$1,520,736	\$1,783,459	\$1,609,724	\$1,523,596	\$1,977,362
Funds Awarded for Loans/Grants (1)	\$51,193,270	\$47,245,502	\$70,536,747	\$43,017,461	\$107,378,035

Notes:

(1) The figures listed in the above table are for funds that were awarded by the program.

General Information

General Information

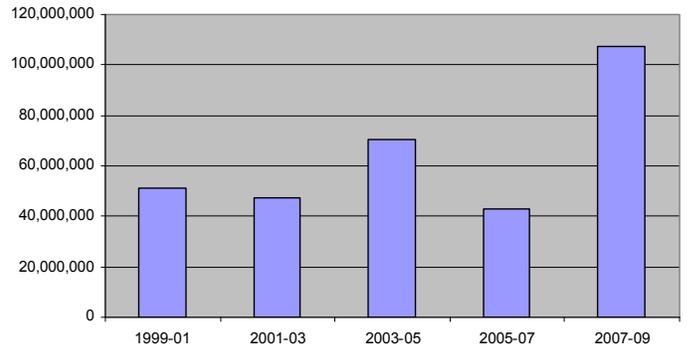
FTEs for the Program in 2007-09:
3.0 for Health; 5.4 for Public Works Board

Fund Account(s):
04-R – Drinking Water Assistance Account
07-R – Drinking Water Assistance Repayment Account
05-R – Drinking Water Assistance Administration Account

Fund Sources:

- Federal capitalization grant from EPA
- 058-1 Public Works Assistance Account for the required 20% state match
- Loan repayments and interest earnings

Funds Awarded for Loans



Recent Changes to Funding Pattern:

Agency staff report that: (1) There has been a gradual decline in the amount of the federal capitalization grant, and there may be additional reductions to the grant amount in the future; and (2) Washington’s share of the national total is based on a needs assessment conducted every four years, and Washington’s share declined as a result of the state’s last need assessment relative to the results for other states.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: 38

Number of Projects Selected in 2008 Funding Year: We are in the middle of our loan cycle and have not selected funded projects yet. Award decisions are expected to be made by April 2009.

Total Amount of Awards Offered in 2008 Funding Year: Not yet determined (see above)

Number of Qualified Applicants not funded in 2008 Funding Year: Not yet determined.

Total Dollar Amount of Qualified Applications not funded in 2008: Not yet determined.

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects
- Third Party Financing, Financing Guarantees or Interest Write Downs
- Other Activities

Eligible Projects: Eligible projects include projects to address violations of drinking water standards or to prevent future violations. These may include projects for water treatment, transmission, distribution, source, and storage.

Special Qualifications Regarding Who Can Apply: Eligible applicants operate Group A systems and are subject to regulation under the federal Safe Drinking Water Act. Group A systems are water systems that regularly serve 15 or more residential connections, or 25 or more people per day for 60 or more days per year. Unlike the majority of the programs in the infrastructure program inventory, the program is available to *private*, as well as local government applicants.

Special Qualifications Regarding Project Eligibility: Per rule, projects needed primarily to serve future population growth are not eligible for funding. However, if a project is deemed eligible because of an *existing* health issue, the project can be sized to address reasonable 20-year growth.

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

Policy Goals that are primary considerations in determining awards:

- Federal

Please briefly paraphrase primary considerations in determining awards with citation: Federal Policy is Safe Drinking Water Act (42 U.S.C. 300j-12, section 1452) and Drinking Water State Revolving Fund Interim Final Rule (40 CFR Parts 9 and 35).

- State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation: State Policy is RCW 70.119A.170 and Chapter 246-296 WAC - Drinking Water State Revolving Fund Loan Program.

The purpose of both the federal and state policies is to provide financial assistance (loans) to water systems to correct compliance and public health problems in order to provide safe and reliable drinking water.

- Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

- Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts Helps Implement

Comment: The GMA could be considered to both help implement and potentially conflict with the DWSRLF as described below.

Potentially conflicts - DWSRF loan program does not fund projects primarily for future growth. For jurisdictions seeking to build drinking water infrastructure to support growth within a UGA, the DWSRF loan program would not be a viable funding source.

Helps implement – The program uses the GMA in two ways; (1) GMA Hearings Board decisions are reviewed to define projects that are primarily for growth and this information is used, in part, to assess whether or not the project should be considered; and (2) Program applicants that are out of compliance with GMA receive a one point deduction on their applications.

Puget Sound Partnership Initiatives

Potentially Conflicts Helps Implement

Comment: Neutral

Climate Change Initiatives

Potentially Conflicts Helps Implement

Comment: Neutral

State Economic Development Plan

Potentially Conflicts Helps Implement

Comment: Neutral

Does your program have a routine process or method for determining the progress that has been made toward meeting the program’s identified policy goals as a result of aid awards?

Yes No

If yes, please briefly describe the method or process used:

Our database tracks and reports information that enables us to determine the progress that has been made on the following:

- Does the project address a compliance problem or microbial risk?
- Will completion of the project eliminate a primary inorganic chemical risk (e.g.: arsenic, copper, lead, nitrate)?
- Will completion of the project increase water use efficiency through such means as installation of source and/or service meters, replacement of leaking distribution lines, or other infrastructure improvements?

Top Five Evaluation Criteria:

Defined by RCW, WAC, and other (federal rule).

Top five evaluation criteria with points are:

- Risk Category 1 – Project eliminates microbial risk (max. 120 points).
- Risk Category 2 – Project eliminates a primary inorganic chemical risk (max. 115 points).
- Risk Category 3 – Project eliminates other primary chemical risk (max. 105 points).
- Risk Category 4 – Project eliminates secondary chemical or sea water intrusion risk (max. 85 points).
- Risk Category 5 – Project provides infrastructure replacement or other distribution improvements (max. 65 points).

Note: These categories are mutually exclusive – applicants can only be scored in one category. However, if their project addresses more than one risk category, they may receive up to four bonus points, one per each additional category.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
N/A
- How many of the 2008 funding year awards received 75-89% of the maximum points?
N/A
- How many of the 2008 funding year awards received 50-74% of the maximum points?
N/A

Performance Measures and Program Performance:

From DOH Budget Measures:

- People using public water systems have safe and reliable drinking water.

From DOH Office of Drinking Water:

- Does the project address a compliance problem or microbial risk?
- Will completion of the project eliminate a primary inorganic chemical risk (e.g.: arsenic, copper, lead, nitrate)?
- Will completion of the project increase water use efficiency through such means as installation of source and/or service meters, replacement of leaking distribution lines, or other infrastructure improvements?

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
New Appropriation for Administration	\$2,060,776	\$2,060,776	\$2,060,776
New Appropriation for Loans/Grants	\$63,201,000	\$69,118,000	\$75,035,000
Expenditure for Administration	\$2,060,776	\$2,060,776	\$2,060,776
Funds Awarded for Loans/Grants	\$63,201,000	\$69,118,000	\$75,035,000

Additional Funding Needed for the Next Six Years : See note below

Please List Additional Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
1.	See note below	See note below	See note below
2.			
3.			

Does your program have a standard method of estimating future needs?

Yes No

Partial – see note below.

Every four years the Environmental Protection Agency (EPA), with Washington state's participation, conducts a nationwide needs assessment that identifies water system needs

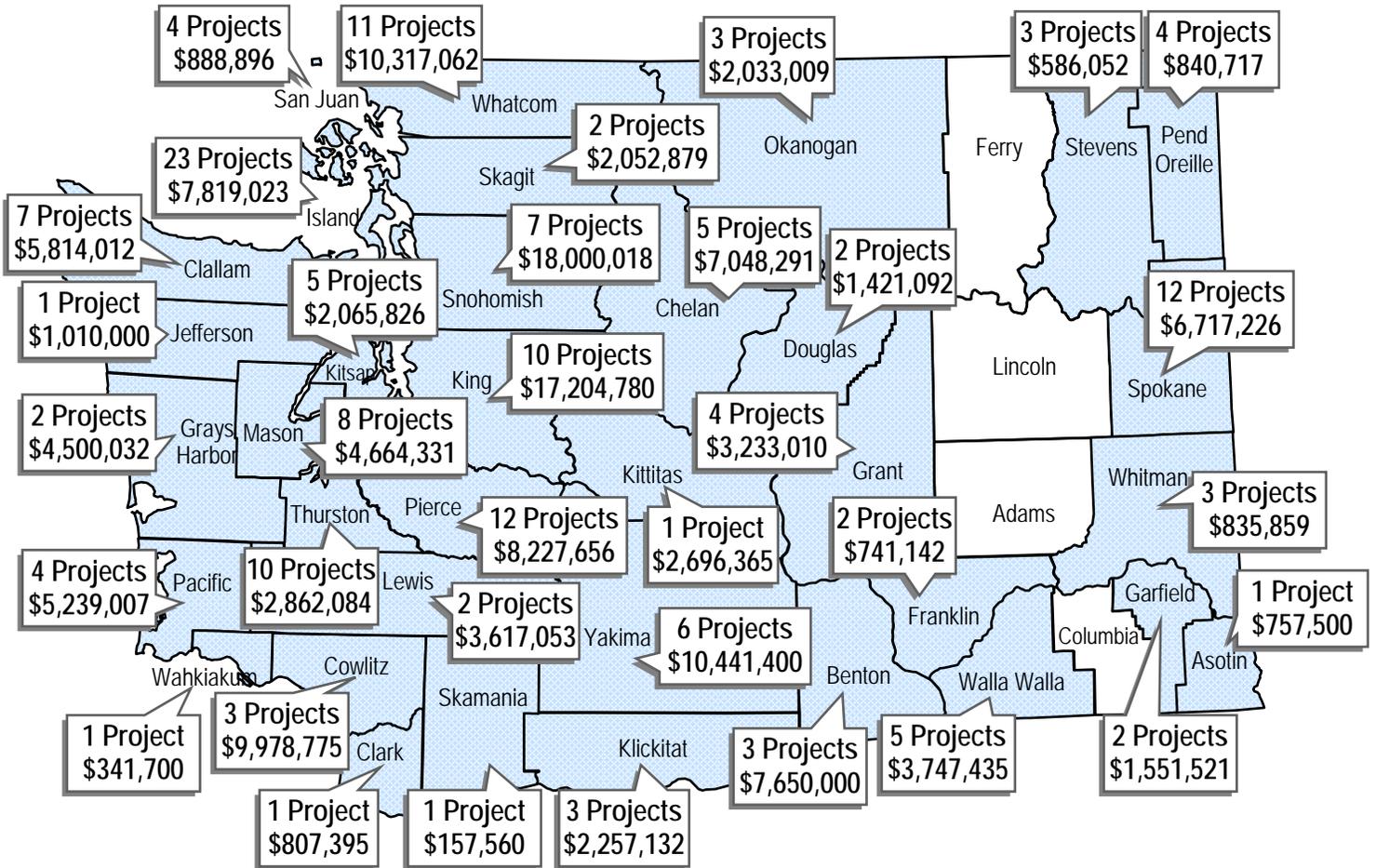
There are approximately 17,000 water systems in Washington state. Of these, an estimated 15,000 are considered to be small water systems. Information from two legislatively mandated studies will help define the needs of some water systems that have been identified as failing or at risk. The scope does not address the needs of all water systems, only those that are currently failing or at risk.

The studies are:

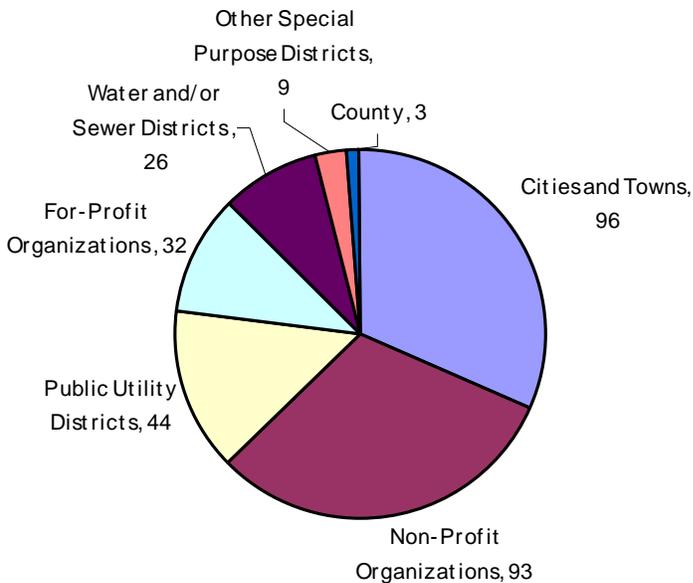
- 1) Small Water System Study, as required by section 2009 of the Capital Budget ESHB 2765 and due June 30, 2009; and
- 2) Water System Acquisition and Rehabilitation Grant Program (WSARP) Study, pursuant to SSB 6340, due January 1, 2009, which will potentially address several hundred systems.

Drinking Water State Revolving Fund Loans, 2003-07

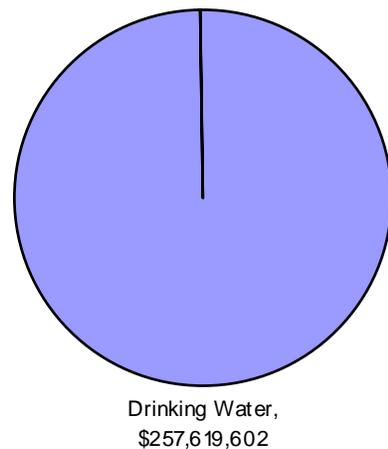
Location of Loans by County



Loan Recipients, 1999-2008



Types of Projects Funded, 1999-2008



Water System Acquisition and Rehabilitation Program

Administered By:

Department of Health, Office of Drinking Water and Department of Community, Trade and Economic Development, Public Works Board

Program Purpose: The Water System Acquisition and Rehabilitation Program assists municipal water systems in acquiring and rehabilitating water systems that have water quality problems or deteriorated infrastructure.

Mission Statement: The mission of the program is to finance the transfer of ownership and rehabilitation of failing drinking water systems to municipal water systems.

Year Established: 2003

Legislative Intent: C 26 L 2003, Section 130 (Capital Budget)

Enabling State Statutes: RCW 70.119A.190 - Water System Acquisition & Rehabilitation Grant Program Created.

The State Building Construction Account appropriation is provided solely to provide assistance to counties, cities, and special purpose districts to identify, acquire, and rehabilitate public water systems that have water quality problems or have been allowed to deteriorate to a point where public health is an issue.

Administrative Rules: No rules yet.

Proportion of Grants and Loans, 1999-2008: 100% Grants

Recent Biennial Budgets	1999-01	2001-03	2003-05	2005-07	2007-09
New Appropriation for Administration			0	0	
New Appropriation for Loans/Grants			\$4,000,000	\$2,000,000	\$2,750,000
Expenditure for Administration			See note below	See note below	See note below
Funds Awarded for Grants/Loans*			\$3,991,000	\$2,005,784	\$2,750,000

Notes:

- Neither agency received funding to administer this program nor are they currently using other resources to cover administrative expenses. Administrative expenditures are being analyzed as part of legislatively mandated studies as required by RCW 70.119A.190.
- The figures listed in the table above are for funds that were awarded by the program.

General Information

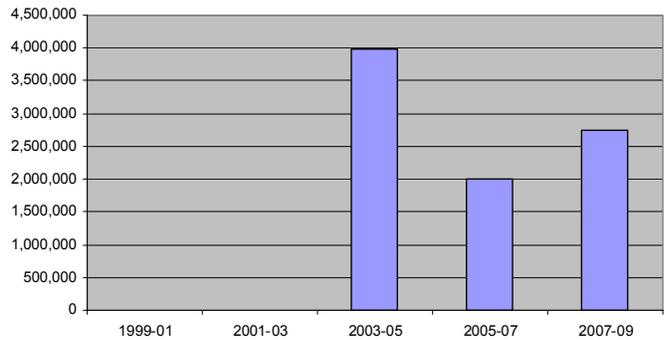
General Information

FTEs for the Program in 2005-07:
0 for Health; 0 for Public Works Board

Fund Account(s):
057-1 – State Building Construction Account

Fund Sources:
057-1 – State Building Construction Account

Funds Awarded for Grants



Recent Changes to Funding Pattern: The legislature has provided funding for this program three times to date - in 2003, 2005, and 2007.

Eligible Applicants And Projects

Number of Applicants in 2008 Funding Year: None. While the WSARP program was codified by the legislature as a permanent funding program in 2008, no grant funding was provided at that time. Instead, the legislature requested that DOH and PWB study the history of the WSARP program and potential funding sources and report back the results of this study by January 1, 2009.

Number of Projects Selected in 2008 Funding Year: None – see above.

Total Amount of Awards Offered in 2008 Funding Year: None – see above.

Number of Qualified Applicants not funded in 2008 Funding Year: None – see above.

Total Dollar Amount of Qualified Applications not funded in 2008: None – see above.

Who Is Eligible To Apply?

- Cities and Towns
- Counties
- Water and/or Sewer Districts
- Port Districts
- Public Utility Districts
- Conservation Districts
- Other Special Purpose Districts
- Tribes
- State Agencies
- Non-Profit Organizations
- For-Profit Organizations
- Other

What Categories of Infrastructure Are Eligible?

- Drinking Water
- Wastewater
- Stormwater
- Solid/Hazardous Waste
- Irrigation/Agriculture
- Transportation Infrastructure
- Buildings and Facilities (Recreation, Art, etc.)
- Community and Social Service Facilities
- Biofuel Facilities
- Other

What Types of Projects Are Eligible?

- Construction
- Planning or Design of Individual Construction Projects
- Multi-Year Planning of Infrastructure Systems or Facilities
- Programs That Reduce the Need for, or Size of, Future Infrastructure Projects

Third Party Financing, Financing Guarantees or Interest Write Downs

Other Activities

Eligible Projects: Eligible projects include pre-acquisition, acquisition, connection charges, pre-construction and construction activities.

Special Qualifications Regarding Who Can Apply: Current eligibility is confined to public entities that already manage a municipal Group A water system and that demonstrate a five-year track record of sound drinking water utility management. A Group A water system is a system that regularly serves 15 or more residential connections, or 25 or more people per day for 60 or more days per year.

Special Qualifications Regarding Project Eligibility: The existing grant program guidelines provide examples of eligible and ineligible projects. Ineligible projects include projects primarily intended to serve future growth and projects needed mainly for fire protection.

Recent Changes in Eligible Applicants or Categories of Projects: Eligibility provisions have remained the same in the two rounds of funding.

Program Policy Guidance, Award Criteria and Performance Measures

Policy Goals that are primary considerations in determining awards:

Federal

Please briefly paraphrase primary considerations in determining awards with citation:

State Statute or Regulation (RCW/WAC)

Please briefly paraphrase primary considerations in determining awards with citation:

To assist municipal water systems with acquiring and rehabilitating other water systems having water quality problems or deteriorating infrastructure. The program is intended to maintain safe and reliable drinking water throughout the state. (Substitute Senate Bill 6340, Chapter 214, Laws of 2008 – Water System Acquisition & Rehabilitation Program)

Board Policies

Please briefly paraphrase primary considerations in determining awards with citation:

Agency Strategic Plan

Please briefly paraphrase primary considerations in determining awards with citation:

Potentially Supporting or Conflicting Statewide Policies:

Growth Management Act

Potentially Conflicts
 Helps Implement
 Both

Comment: The GMA could be considered to both help implement and potentially conflict as described below.

Potentially conflicts - WSARP loan program does not fund projects primarily for future growth. For jurisdictions seeking to build drinking water infrastructure to support growth within a UGA, the WSARP loan program would not be a viable funding source.

Helps implement - The program uses the GMA in two ways: 1) GMA Hearings Board decisions are reviewed to define projects that are primarily for growth and this information is used, in part, to assess whether or not the project should be considered; and 2) Program applicants that are out of compliance with GMA receive a one point deduction on their applications.

Puget Sound Partnership Initiatives

Potentially Conflicts
 Helps Implement
 Both

Comment: Neutral

Climate Change Initiatives

Potentially Conflicts
 Helps Implement
 Both

Comment: Neutral

State Economic Development Plan

Potentially Conflicts
 Helps Implement
 Both

Comment: Neutral

Does your program have a routine process or method for determining the progress made toward meeting the program’s identified policy goals as a result of aid awards?

- Yes No

If yes, please briefly describe the method or process used:

Our database tracks and reports information that enables us to determine the progress that has been made on the following:

- Does the project address a compliance problem or microbial risk?
- Will completion of the project eliminate a primary inorganic chemical risk (e.g. arsenic, copper, lead, nitrate)?
- Will completion of the project increase water use efficiency through such means as installation of source and/or service meters, replacement of leaking distribution lines, or other infrastructure improvements?
- The number of failing water systems that have been successfully restructured.

Top Five Evaluation Criteria:

As defined by RCW, WAC, and other (federal rule)

Top five evaluation criteria with points are:

- Risk Category 1 – Project eliminates microbial risk (max. 120 points).
- Risk Category 2 – Project eliminates a primary inorganic chemical risk (max. 115 points).
- Risk Category 3 – Project eliminates other primary chemical risk (max. 105 points).
- Risk Category 4 – Project eliminates secondary chemical or sea water intrusion risk (max. 85 points).
- Risk Category 5 – Project provides infrastructure replacement or other distribution improvements (max. 65 points).

Note: These categories are mutually exclusive – applicants can only be scored in one category. However, if their project addresses more than one Risk Category, they may receive up to four bonus points, one per each additional category.

Program Awards:

- How many of the 2008 funding year awards received 90% or more of the maximum points?
N/A. The program was not funded by the legislature for 2008, thus there were no awards or associated data regarding these questions.
- How many of the 2008 funding year awards received 75-89% of the maximum points? N/A
- How many of the 2008 funding year awards received 50-74% of the maximum points? N/A

Performance Measures and Program Performance:

From DOH Budget Measures:

- People using public water systems have safe and reliable drinking water.

From DOH Office of Drinking Water:

- Does the project address a compliance problem or microbial risk?
- Will completion of the project eliminate a primary inorganic chemical risk (e.g.: arsenic, copper, lead, nitrate)?
- Will completion of the project increase water use efficiency through such means as installation of source and/or service meters, replacement of leaking distribution lines, or other infrastructure improvements?

Note: The above listed measures apply to 2003, 2005, and 2007 funding cycles. Guidelines will be revised pursuant to the studies mandated by the legislature pursuant to ESHB 2765 and SSB 6340.

Projected Program Budgets and Needs

Projected Biennial Budgets for Existing Programs:	2009-11	2011-13	2013-15
---	---------	---------	---------

New Appropriation for Administration	See note below	See note below	See note below
--------------------------------------	----------------	----------------	----------------

New Appropriation for Loans/Grants			
------------------------------------	--	--	--

Additional Program Funding Needed for the Next Six Years: See note below

Please List Additional Program Funding Needed by Infrastructure Type:

	2009-11	2011-13	2013-15
--	---------	---------	---------

1.	See note below	See note below	See note below
----	----------------	----------------	----------------

2.			
----	--	--	--

3.			
----	--	--	--

Does your program have a method of estimating future needs? **Partial system, see below**

Yes No

Every four years the Environmental Protection Agency (EPA), with Washington state's participation, conducts a nationwide needs assessment that identifies water system needs.

There are approximately 17,000 water systems in Washington state. Of these, an estimated 15,000 are considered to be small water systems.

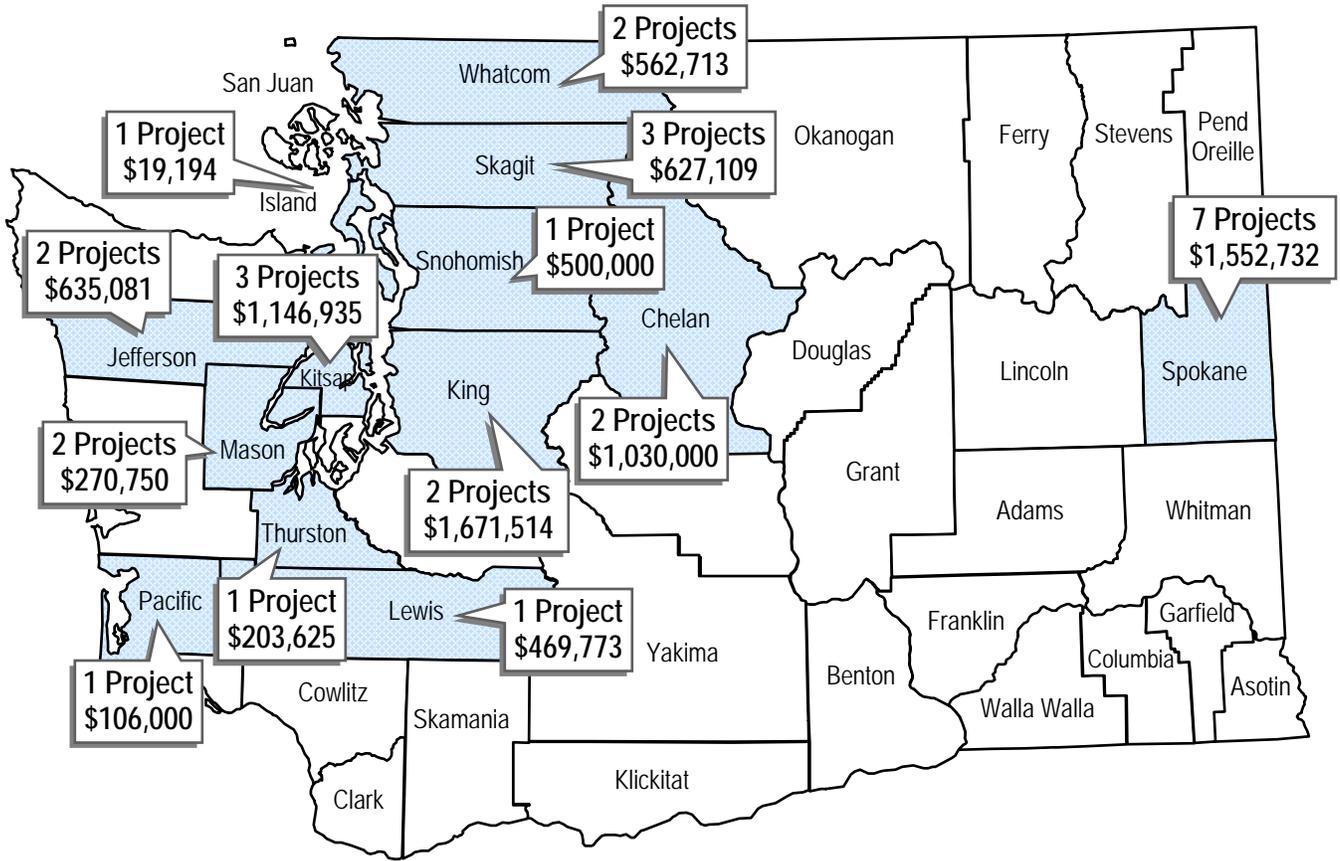
Information from two legislatively mandated studies will help define the needs of some water systems that have been identified as failing or at risk. The scope does not however address the needs of all systems, only those that are currently failing or at risk.

The studies are:

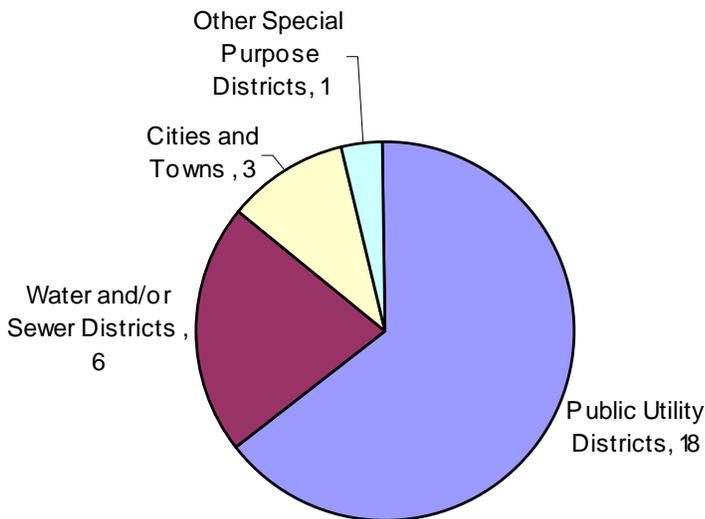
- 1) Small Water System Study, as required by section 2009 of the Capital Budget ESHB 2765 and due June 30, 2009; and
- 2) Water System Acquisition and Rehabilitation Grant Program (WSARP) Study, pursuant to SSB 6340, due January 1, 2009, which will potentially address several hundred systems.

Water System Acquisition and Rehabilitation Program Grants, 2003-07

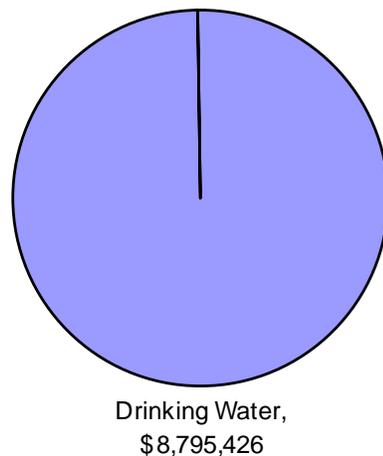
Location of Grants by County



Grant Recipients, 1999-2008



Types of Projects Funded, 1999-2008



APPENDIX C: COMPARISON OF PUBLIC INFRASTRUCTURE FINANCING OPTIONS

Introduction

The information presented in this appendix summarizes the results of work done by Seattle-Northwest Securities (financial advisor to the state) with input from Foster Pepper PLLC (bond counsel to the state), as facilitated by the Office of the State Treasurer. The financial comparison analyzes the relative costs/benefits to the state and to various sizes of local governments of traditional municipal bond financing, grants, low interest state loans and two types of state sponsored municipal bond programs. Every effort was made to make true “apples to apples” comparisons and to evaluate the efficiency of each method in terms of costs to the state and benefit to the local government. The outcome, allows policy makers to evaluate the strengths of each proposal and to make meaningful comparisons between each option. The analysis looks only at the financial aspects of these programs and ECYs not factor in the government policy costs/benefits. For example, the relative value to local governments of continuing access to low-interest loans in a revolving-loan program which allows the same funding to be used repeatedly over time is not factored into the comparison. To assist the reader a glossary of financial terms used in the analysis is included at the end of this narrative.

Evaluation of Financing Alternatives

Objective

The objective of this analysis is to identify the financial costs to the State and the financial benefits to local governments of certain existing or potential programs to assist local governments in financing capital projects.

Background

The analysis was confined to existing or alternative programs benefiting capital projects eligible for Public Works Assistance Account (PWAA) loans, namely for drinking water, wastewater, stormwater, road, bridge, and solid waste/recycling public works systems. The following programs were evaluated against a “base case”, the base case being financing by local governments with their own utility system revenue bonds.

- PWAA loans
- Grant programs
- Interest rate buy-down - PWB is administering a pilot program, a \$10 million interest rate subsidy under which qualified borrowers receive cash equal to the present value of the difference between their borrowing rate and PWAA rates. The pilot program requires the subsidy be used to reduce project costs being financed.

- A bond bank – Some states assist smaller, local governments in accessing the bond market efficiently and at lower interest rates than they could achieve individually. Loans are made to borrowers from proceeds of bond bank bond issues. Such issues are rated higher than borrowers would receive but typically lower than state ratings. While most states do not guaranty bond bank debt, credit support is provided in some instances. In the event of a default by a local government, the state may then “intercept” funds owing to that local government to make the payment due to bond holders or reimburse itself. Finally, most bond banks require a general obligation from the local government as pledge for repayment, not repayment confined to revenue from a utility system such as those funded by PWAA loans.

Access to and the cost of capital varies in the municipal bond market as a function of creditworthiness, borrower size and amount borrowed. Therefore, for this analysis, local governments were grouped by population:

- Revenue bonds of those with populations over 50,000 are typically rated from high “A” category to “AA” category.
- Revenue bonds of those with populations between 10,000 and 50,000 are typically rated low to mid “A” category.
- Revenue bonds of those with populations below 10,000 are generally not rated. Many in this group do not have access to the bond market to raise money.

Assumptions

Interest rates. When developing the base case (local government revenue bonds), certain interest rate assumptions were made based on the Bond Buyer Revenue Bond Index for the period 1987-2007.¹ This market data was adjusted to account for the experience of local governments in the three categories identified above.

Likewise, the “opportunity cost” to the State (foregone interest revenue) of providing funding was estimated based on market data for the ten-year period, 1997 - 2007, adjusted based upon input from the State Treasurer’s Office. If anything, this rate is probably low as a measure of the State’s opportunity cost.

Borrowing term – final maturity. Various programs have different final maturity of loans or subsidies. Base case terms were set to conform to the program terms for comparability purposes.

Transaction costs and program administrative cost. These costs were estimated based on transaction or program experience. They were incorporated into borrowing/grant costs to achieve all-in cost figures. Note however that interest rate differences account for a far greater share of benefits and costs than do program costs at either the State or local government levels.

Present values. Where present value calculations were performed, a consistent rate of 5.8 percent was used unless noted otherwise. This is half way between the BBI Revenue Bond Index for 1987-2007 and the GF-State investment rate for the same period.

¹ 2008 was not included because of market volatility associated with the credit crisis.

Analysis

The “Summary” (table 1) in the accompanying tables displays costs to the State and financial benefit to each of the three categories of local governments of each of the programs analyzed when compared with local government revenue bonds. For comparability, all of the figures are represented as the present value of annual benefit/(cost) per million dollars.

Other tables display the detailed analysis of each program versus the base case, with relevant assumptions footnoted.

Conclusions

Based on the Summary table, certain conclusions appear evident:

PWAA Loans. The tradeoff between state cost and local government benefit clearly favors programs benefiting smaller recipients. In the cases of large and mid-sized recipients, State cost significantly exceeds local government benefit. This is because the cost of self-financing (revenue bonds) is far more onerous (if there is access at all) for small governments.

Grants. While state costs and recipient benefits are roughly equal, less can be accomplished per dollar because of the high outlay of individual grants versus the lower annual outlays of other programs.

Bond Bank. Costs to the state are estimates of direct expenses of administering the program. The benefit to local government is significantly greater for small borrowers. On the other hand, such a program would be very inefficient from the State’s perspective if applied to larger governments.

State Interest Rate Subsidy. The trade-off between state cost and recipient benefit favors smaller jurisdictions. However, this assumes that they have access to credit markets for purposes of establishing a rate to be subsidized. In many cases, they do not.

Comparative Conclusions

Not surprisingly, the local government benefits relative to State costs are greater for smaller jurisdictions in the case of loan and grant programs.

From an efficiency standpoint (per dollar of local benefit / per dollar state cost), the three programs in place today in order from most to least efficient are:

1. Subsidized interest rates,
2. Grants,
3. Loans at below market rates, and
4. In the case of a program not in place today in Washington, a bond bank would efficiently provide benefits to the smallest local governments.

Financial Comparison

Appendix C, Table 1: Benefit/(Cost) of Capital Project Funding Alternatives

Present value of annual benefit/(cost) per million

Financing Type	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions
Borrower Revenue Bonds			
Cost to State	-	-	-
Benefit/(cost) to local government	\$ (1,058,078)	\$ (1,090,122)	\$ (1,146,447)
Efficiency per \$ (benefit/cost)	n/a	n/a	n/a
PWAA Loan			
Cost to State	\$ (460,635)	\$ (659,141)	\$ (707,005)
Benefit/(cost) to local government	\$ 385,339	\$ 528,814	\$ 597,375
Efficiency per \$ (benefit/cost)	0.84	0.80	0.84
Grants			
Cost to State	\$ (1,019,000)	\$ (1,019,000)	\$ (1,019,000)
Benefit/(cost) to local government	\$ 986,667	\$ 970,000	\$ 980,000
Efficiency per \$ (benefit/cost)	0.97	0.95	0.96
State Bond Bank			
Cost to State	\$ (130,299)	\$ (130,299)	\$ (130,299)
Benefit/(cost) to local government	\$ 24,637	\$ 54,637	\$ 105,850
Efficiency per \$ (benefit/cost)	0.19	0.42	0.81
State Interest Rate Subsidy			
Cost to State	\$ (379,166)	\$ (520,382)	\$ (587,870)
Benefit/(cost) to local government	\$ 390,678	\$ 534,371	\$ 608,141
Efficiency per \$ (benefit/cost)	1.03	1.03	1.03

Appendix C, Table 2: Comparison of a Borrower Bond to a PWAA Loan

	Borrower bond issue			PWAA loans *		
	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions
Financing terms						
Average loan amounts (1)	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000
Interest rate index (1987-2007) (2)	6.08%	6.08%	6.08%			
Terms (years)	25	25	25	25	25	25
GF-S investment rate (3)		N/A		5.50%	5.50%	5.50%
Cost of program to state						
Interest rate						
Transaction/administrative costs (6)				\$ 44,000	\$ 44,000	\$ 44,000
Annual cost to State (7)				\$ 176,760	\$ 151,760	\$ 54,260
Annual cost per million				\$ 35,352	\$ 50,587	\$ 54,260
PV of annual cost per million at 5.8%				\$ 460,635	\$ 659,141	\$ 707,005
Cost/benefit to local government						
Interest rate (4)	0.20%	0.50%	1.00%			
Transaction/administrative costs (5,8)	1.10%	1.30%	1.80%	0.80%	1.00%	2.00%
Annual debt service	\$ 406,018	\$ 250,989	\$ 87,986	\$ 258,151	\$ 129,235	\$ 42,139
All-in interest rate (4)	6.40%	6.72%	7.28%	2.00%	0.50%	0.25%
Other impacts		Debt capacity reduced			Debt capacity reduced	
Annual benefit versus borrower bonds				\$ 147,867	\$ 121,754	\$ 45,846
Annual cost or benefit per million	\$ 81,204	\$ 83,663	\$ 87,986	\$ 29,573	\$ 40,585	\$ 45,846
PV of annual benefit per million at 5.8%	\$ 1,058,078	\$ 1,090,122	\$ 1,146,447	\$ 385,339	\$ 528,814	\$ 597,375

Notes:

* PWAA loans are constant principal; these figures are level debt service

(1) These amounts approximate average PWB experience with the amount of loans granted or grants made to these categories of borrowers.

(2) Bond Buyer Revenue Bond Index is an estimate of the yield of long-term revenue bonds, with a rating equivalent to Moody's A1 and Standard and Poor's A+.

(3) Estimated average State operating funds investment rate (1987-2007) = Fed Funds target rate + 65 basis points; 4.85%+0.65%=5.50% (Sources: Bloomberg & OST).

(4) Amount by which borrowing rate exceeds index

(5) Source: CTED User Database

(6) Based on average number of loans granted (excluding Emergency Loans), 41 loans for 2003-2007 divided into \$1.8 million; amortized over loan life

(7) Foregone interest earnings on funds loaned plus amortized administrative costs.

(8) Application costs (\$40,000, \$30,000 and \$20,000, respectively) as % of amount borrowed. Calculations assume these costs are borrowed.

Appendix C, Table 3: –Comparison of a Borrower Bond to a State Grant

	Borrower bond issue			Grants		
	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions
Financing terms						
Average loan/grant amounts (1)	\$ 3,000,000	\$ 1,000,000	\$ 1,000,000	\$ 3,000,000	\$ 1,000,000	\$ 1,000,000
Interest rate index (1987-2007) (2)	6.08%	6.08%	6.08%			
Terms (years)	25	25	25			
GF-S investment rate (3)	N/A					
Cost of program to state						
Interest rate	N/A					
Transaction/administrative costs (7)	N/A			1.90%	1.90%	1.90%
Annual cost to State						
Annual cost per million				\$ 3,057,000	\$ 1,019,000	\$ 1,019,000
PV of annual cost per million at 5.8%				\$ 1,019,000	\$ 1,019,000	\$ 1,019,000
Cost/benefit to local government						
Interest rate (5)	0.20%	0.50%	1.00%			
Transaction/administrative costs (6)	1.10%	1.30%	1.80%	\$ 40,000	\$ 30,000	\$ 20,000
Annual debt service	\$ 243,611	\$ 83,663	\$ 87,986			
All-in interest rate (4)	6.40%	6.72%	7.28%			
Other impacts	Debt capacity reduced					
PV benefit to local government (8)				\$ 2,960,000	\$ 970,000	\$ 980,000
Benefit per million				\$ 986,667	\$ 970,000	\$ 980,000

Notes:

- (1) These amounts approximate average State experience with the amount of grants made to these categories local governments.
- (2) Bond Buyer Revenue Bond Index is an estimate of the yield of long-term revenue bonds, with a rating equivalent to Moody's A1 and Standard and Poor's A+.
- (3) Estimated average State operating funds investment rate (1987-2007) = Fed Funds target rate + 65 basis points; 4.85%+0.65%=5.50% (Sources: Bloomberg & OST).
- (4) Borrowing rate including transaction costs.
- (5) Amount by which borrowing rate exceeds index
- (6) Source: CTED User database
- (7) Costs as % of amount of grants (Source: See Appendix B, individual program's administrative costs were averaged)
- (8) Equal the present value of the debt service payments that local governments would make if they borrowed via revenue bonds.

Appendix C, Table 4: Comparison to a Borrower Bond to a State Bond Bank Financing

	Borrower bond issue			State Bond Bank		
	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions
Financing terms						
Average loan/grant amounts (1)	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000
Interest rate index (1987-2007) (2)	6.08%	6.08%	6.08%	6.03%	6.03%	6.03%
Terms (years)	25	25	25	25	25	25
GF-S investment rate (3)	N/A					
Cost of program to state	N/A					
Interest rate	N/A					
Transaction/administrative costs (7)	N/A					
Annual cost to State				1.00%	1.00%	1.00%
Annual cost per million	\$ 50,000	\$ 30,000	\$ 10,000	\$ 50,000	\$ 30,000	\$ 10,000
PV of annual cost per million at 5.8%	\$ 10,000	\$ 10,000	\$ 10,000	\$ 130,299	\$ 130,299	\$ 130,299
Cost/benefit to local government						
Interest rate (5)	0.20%	0.50%	1.00%			
Transaction/administrative costs (6)	1.10%	1.30%	1.80%	1.10%	1.30%	1.80%
Annual debt service	\$ 406,018	\$ 250,989	\$ 87,986	\$ 396,564	\$ 238,409	\$ 79,862
All-in interest rate (4)	6.40%	6.72%	7.28%			
Other impacts	Debt capacity reduced					
Annual benefit versus borrower bonds				\$ 9,454	\$ 12,580	\$ 8,124
Annual benefit per million				\$ 1,891	\$ 4,193	\$ 8,124
PV of annual benefit per million at 5.8%				\$ 24,637	\$ 54,637	\$ 105,850

Notes:

* This is a hybrid case not in place today modeled after a combination of OST's LOCAL program (pooled COPs) and State School Bond Guaranty.

(1) These amounts approximate average PWB experience with the amount of loans granted or grants made to these categories of borrowers.

(2) Bond Buyer Revenue Bond Index is an estimate of the yield of long-term revenue bonds, with a rating equivalent to Moody's A1 and Standard and Poor's A+.

(3) Estimated average State operating funds investment rate (1987-2007) = Fed Funds target rate + 65 basis points; 4.85%+0.65%=5.50% (Sources: Bloomberg & OST).

(5) Amount by which borrowing rate exceeds index

(6) Source: CTED User database

(7) Rates about 25 basis points over State of WA GO Bond rates - BBI GO Index (1987-2007) averaged 5.78%.

(8) Average cost to State of administering program based on review of other bond banks. Experience varies widely.

(9) Estimate, assuming lower direct borrower costs offset by added bond bank costs.

Appendix C, Table 5: Comparison of a Borrower Bond to a State Interest Rate Subsidy Program Financing

	Borrower bond issue			State interest subsidy *		
	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions	Large Jurisdictions	Medium Jurisdictions	Small Jurisdictions
Financing terms						
Average loan amounts (1)	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000	\$ 5,000,000	\$ 3,000,000	\$ 1,000,000
Interest rate index (1987-2007) (2)	6.08%	6.08%	6.08%			
Terms (years)	25	25	25	25	25	25
GF-S investment rate (3)		N/A		5.50%	5.50%	5.50%
Cost of program to state						
Interest rate		N/A		6.28%	6.58%	7.08%
Transaction/administrative costs						
PV cost to State at 5.8%				\$ 1,895,831	\$ 1,561,145	\$ 587,870
Cost per million				\$ 379,166	\$ 520,382	\$ 587,870
Cost/benefit to local government						
Interest rate (5)	0.20%	0.50%	1.00%	2.00%	0.50%	0.25%
Transaction/administrative costs (6)	1.10%	1.30%	1.80%			
Annual debt service	\$ 406,018	\$ 250,989	\$ 87,986	\$ 256,102	\$ 127,956	\$ 41,313
All-in interest rate (4)	6.40%	6.72%	7.28%			
Other impacts		Debt capacity reduced				
Annual benefit versus borrower bonds				\$ 149,916	\$ 123,033	\$ 46,673
Annual benefit per million				\$ 29,983	\$ 41,011	\$ 46,673
PV of annual benefit per million at 5.8%				\$ 390,678	\$ 534,371	\$ 608,141

Notes:

* Based on current \$10 million pilot program wherein present value of benefit of subsidy lowering rates to comparable PWAA loan rates is granted to borrower.

(1) These amounts approximate average PWB experience with the amount of loans granted or grants made to these categories of borrowers.

(2) Bond Buyer Revenue Bond Index is an estimate of the yield of long-term revenue bonds, with a rating equivalent to Moody's A1 and Standard and Poor's A+.

(3) Estimated average State operating funds investment rate (1987-2007) = Fed Funds target rate + 65 basis points; 4.85%+0.65%=5.50% (Sources: Bloomberg & OST).

(5) Amount by which borrowing rate exceeds index

(6) Source: CTED User database

(7) Annual foregone interest earnings on funds loaned

Glossary of financial terms

Base case. For this report, the base case is an example of likely finance costs experienced by local governments borrowing for infrastructure projects using bond financing. The Base Case was prepared in order to provide a consistent comparison for each of the different financing methods examined.

Bond rating. A grade given to bonds indicating the financial strength of the borrower and likelihood that the principle and interest will be paid back on time. It is used to measure the risk involved for the purchaser of the bond, a higher rating indicates a lower risk, and this leads to a lower interest rate charged.

Borrowing term. The length of time from borrowing to complete payback, usually expressed in years.

Cost of Capital is funding spent to procure debt financing (a loan or bond proceeds), including interest payments, and application and overhead fees. This will vary with the bond rating for the borrowing entity, receiving a higher rating results in lower interest charges and therefore a lower cost of capital.

Efficiency for this report, the efficiency is a derived term intended to create a comparable number expressing how much benefit is received by local government for the cost of the benefit to the state. The number is expressed in dollar terms and a higher number indicates a higher benefit to local governments for each dollar spent by the state.

Final maturity the time in the future when a bond stops earning interest and is paid off or redeemed.

General Obligation pledge an indication that the issuer of a bond or loan recipient will use all sources of revenue to guarantee repayment of the bond or loan, this is differentiated from a pledge of only a specific revenue stream but not all available revenue, for example a city's general fund vs. only a portion of sewer fees.

Intercept of funds involves the state taking a revenue stream in order to recoup loan principle in the case that the local government is not able to make repayment and the loan or bonds are in default.

Interest rate buy-down has the effect of lowering borrowing costs for an entity through a subsidy from another organization (in this case the state). Once the calculations are completed the borrower experiences financing as if qualified for a lower interest rate.

Opportunity cost is the lost opportunity from choosing one option over another, often the value of funds if used for investment purposes or other financing options. Example: If an entity loans \$1,000 dollars at 5 percent for a year but could have loaned the funds for 10 percent, the opportunity cost was \$50 foregone from making the first loan and not the second.

Present value is the value today of a stream of payments made in the future that takes into account the time value of money (the expected earnings for an investment over time). Example: \$1,000 invested today at 5 percent annual interest would be worth \$1,050 dollars in a year, reversing this expectation, if you were asked to wait a year for the \$1,000 the present value today would be approximately \$950. This calculation is performed in order to place different financing options on equal footing (apples to apples).

Program administrative costs are overhead costs related to the operation of a loan program or the issuance of bonds that exist independent of specific rounds of financing.

Transaction costs are overhead costs related to a specific finance loan or the issuance of bonds, application costs, costs related to selling the bond on the market, or drafting loan agreements and establishing payment methods.