

PRESENTATION FACTSHEET

Presentation Title: Integration of Federal Funding
into Long-Term Strategy and 2025-27 Budget
Development Considerations

Date: 1/11/2024

Board Approval Needed: Discussion

Presenters: Cindy Malay

Background Materials:

Previous Presentation(s): Yes

Previous Material(s) Links:

Date(s) of Presentation: 8/3/2023

Presentation:<https://www.ezview.wa.gov/DesktopModules/Documents2/View.aspx?tabID=37068&alias=1962&mid=73075&ItemID=58096>

Previous Board Action(s) Taken: Direction

Memo:<https://www.ezview.wa.gov/DesktopModules/Documents2/View.aspx?tabID=37068&alias=1962&mid=73075&ItemID=58095>

Key Points for Integrating Federal Funding into the Long-Term Strategy and 2025-27 Budget Development Process:

- Support Limitations and Challenges
- Structuring a long-term federal funding strategy.
- Potential actions to include in a funding strategy.
- Funding-related actions to consider for the 2025-27 budget proposal

Current Consultant Support Limitations and Challenges

OCB effectiveness is directly tied to the level of engagement by sponsors that are interested in seeking federal grants. Partners express concerns about the resource-intensive nature of full grant applications, leading to hesitations and reluctance to engage in the federal grant process. The current consultant support framework focuses on ad hoc grant writing for near-term opportunities, creating limitations in sustaining federal funding. OCB recognizes the need for a multifaceted, long-term strategy to navigate the competitive landscape and secure sustainable funding beyond sponsor-led requests.

Sustainable Federal Funding Approach

Structuring a long-term federal funding strategy will require a sustainable funding approach that is two-pronged: a proactive state-led initiative for large-scale projects and continued grassroots efforts with local partners. The Board's focus on major projects emphasizes the need for a more assertive pursuit of opportunities. A state-led approach provides cohesion, tailoring funding strategies, and addressing uncertainties in biennial legislative appropriations. While federal funding exists for diverse projects, a top-down approach allows coordination, enhancing competitiveness, and facilitating multi-partner collaboration. Successful models, like Aberdeen and Hoquiam, showcase how proactive engagement with federal funding can significantly amplify long-term goals, securing substantial appropriations and leveraging additional state support.

Integration with Long-Term Strategy

OCB staff recommends exploring actions for a long-term federal funding strategy, such as diversifying funding streams, strategic project bundling, and state-led application development. Phased project approaches, integration with existing efforts, and regular engagement with partners are suggested for increased collaboration. Allocating resources for fund tracking and reporting aims to provide insights for future adjustments. These adaptive recommendations are intended to mitigate dependency on state funds, fostering a plan through collaborative engagement and proactive integration of federal funding into long-term goals.

Integration with 2025-2027 Budgeting Process

Considering a potential approach, the Board could explore requesting spending authority in the 2025-2027 budget to support federal grant funding. Additionally, allocating resources for local capacity building, technical grant writing assistance, and consultant support could empower local partners and enhance the competitiveness of grant applications. Additionally, evaluating projects for state dollars alignment could be an option to strengthening the Board's commitment to funding sustainability.

Presenter Follow Up Actions:

Based on discussion and guidance received on outlined recommendations and considerations, OCB will work to further define actions needed to integrate federal funding into the long-term strategy and how to incorporate actions into the 2025-2027 budget development process. Staff will return on a quarterly basis to provide the Board updates on the ongoing development.