



WASHINGTON STATE  
**Governor's Office of  
Regulatory Assistance**

**Fiscal Year 2008**

***PERFORMANCE AND ACCOUNTABILITY  
REPORT***

*Assist and Improve*

June 1, 2008

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## Message from the Director

Welcome to the Fiscal Year 2008 Performance and Accountability Report for the Washington State Governor's Office of Regulatory Assistance (ORA). During Fiscal Year 2008, ORA, in collaboration with a great set of agency partners, strengthened foundations for ongoing activities and achieved notable successes.

ORA activities ranged from small business outreach to project management for major multi-agency environmental permitting projects. We continued to build on the success of the award winning state Business Portal, [Business.wa.gov](http://Business.wa.gov) and made significant progress implementing an online collaboration tool for environmental project review, we also upgraded the ORA website and produced new customer information including an updated Biodiesel Permitting Fact Sheet and Aquatic Permitting Table and answered thousands of inquiries to our ORA Information Center.

*"... the price of success [is] dedication, hard work, and an unremitting devotion to the things you want to see happen."*

Frank Lloyd Wright

In 2007, the state legislature added new duties for the office related to local government. One directive required ORA to provide additional guidance on best permitting practices for local governments. We conducted a series of outreach sessions with local governments and the building industry to collect best practices. Our first Best Practices report is scheduled for release by June 30, 2008. ORA will conduct additional outreach to local governments after completing the report. A second directive required ORA to manage a grant program to help local governments purchase or upgrade electronic permit tracking systems. The first round of funding for those grants will be completed by June 30, 2008 and the second funding cycle will begin in late summer 2008.

ORA's success is grounded in the hard work of ORA staff and our agency colleagues and partners. Our work is driven by a belief in win-win solutions. We cannot be satisfied with only helping people navigate our inter-related regulatory systems. We must improve the workings of those systems and achieve better long-term results.

The Governor's Office is proud to work with so many agencies and organizations devoted to serving the public interest and making Washington a great place in which to do business. As director of the Office of Regulatory Assistance, I want to thank our local, state and federal partners. Their ideas and tangible contributions to ORA projects and initiatives have opened the doors to new and creative solutions.

We hope you enjoy reading our Fiscal Year 2008 Performance and Accountability Report and learning more about who we are and what we do. Please contact us at any time if you need regulatory assistance.

## Office Overview

The mission of the Governor's Office of Regulatory Assistance is to help people navigate through regulatory systems and to work with our partners to improve those systems so they produce better results. Section [43.42.010](#) RCW sets out ORA's duties. In addition, specific regulatory improvement responsibilities for ORA are defined in [Executive Order 06-02](#) and in the 2007-2009 Operating and Transportation budgets. The primary duties for ORA listed below are further detailed in the statute and executive order:

### **ORA's Vision of the Future:**

**Citizens and businesses have easy access to all required information, can get personal assistance when needed, and experience government as helpful, seamless, reasonable, and integrated when they interact with regulatory systems.**

- Maintain and furnish information, facilitation, and coordination in a variety of environmental permitting, small business, and other regulatory areas;
- Coordinate cost reimbursement for multi-agency environmental permitting;
- Work with government agencies to develop permitting and regulatory assistance options, including programmatic and collaborative approaches;
- Help local jurisdictions, particularly with best practices for development permitting;
- Develop informal dispute resolution pathways for environmental permitting;
- Conduct customer surveys about performance of the office;
- Develop an integrated project review and mitigation tool with funding from the 2007-2009 operating and transportation budgets;
- Administer a grant program for local governments to purchase or enhance electronic permit tracking systems; and
- Develop an integrated online business portal.

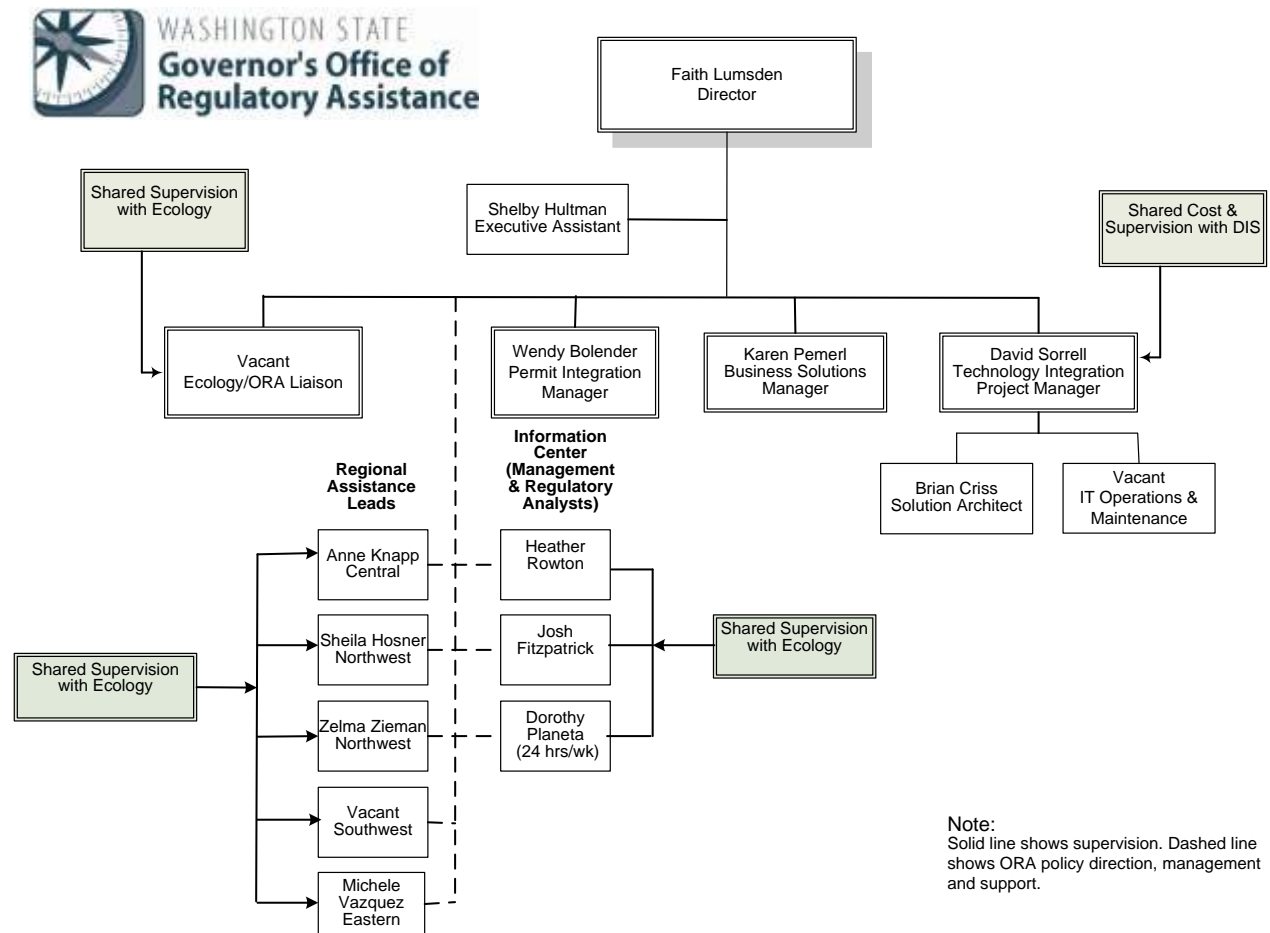
### **Strategic Plan and Organizational Goals**

In October 2007, ORA released its [Strategic Plan](#) (version 1.1) with four Goals and a related set of objectives, strategies, and performance tracking measures or indicators. The Goals of the plan are as follows:

1. Assist citizens, businesses, and others in navigating environmental permitting, licensing, and other regulatory systems.
2. Understand customer needs and priorities.
3. Improve permitting, licensing, and other regulatory systems to achieve better results.
4. Build an efficient, effective and responsive organization to help ORA deliver on its mission.

The objectives, strategies, and performance tracking requirements laid out in the Strategic Plan capture the operational practices ORA uses in its daily work. The discipline of performance tracking and analysis has helped the office standardize and amplify the best of our systems and routines.

In order to accomplish our broad statutory and executive mandates and meet the goals of our Strategic Plan, ORA developed an organizational structure that builds on the genesis of the office in the Department of Ecology. The majority of ORA staff are embedded in and employed by either the Department of Ecology or the Department of Information Services (DIS). ORA uses interagency agreements to pay direct and indirect staffing costs at the Department of Ecology and pays salary and benefits at DIS. The agencies provide day-to-day supervision as needed and other operational support, while the ORA director's office sets priorities and provides leadership, policy direction, and management.



## Reporting

This Fiscal Year 2008 Performance and Accountability Report meets ORA's statutory, executive, and legislative reporting requirements. ORA has reporting requirements driven by statute, by Executive Order 06-02, and by the 2007 Joint Legislative Audit and Review Committee (JLARC) Sunset Review.

- RCW 43.42.010 requires that ORA report by June 1, 2008, and biennially thereafter on:
  - Performance of the office;
  - Conflicts identified by ORA in the course of its regular duties, and how these were resolved; and
  - Implementation of the cost reimbursement program.

Executive Order 06-02 requires an annual report to the Governor on the status of regulatory improvement.

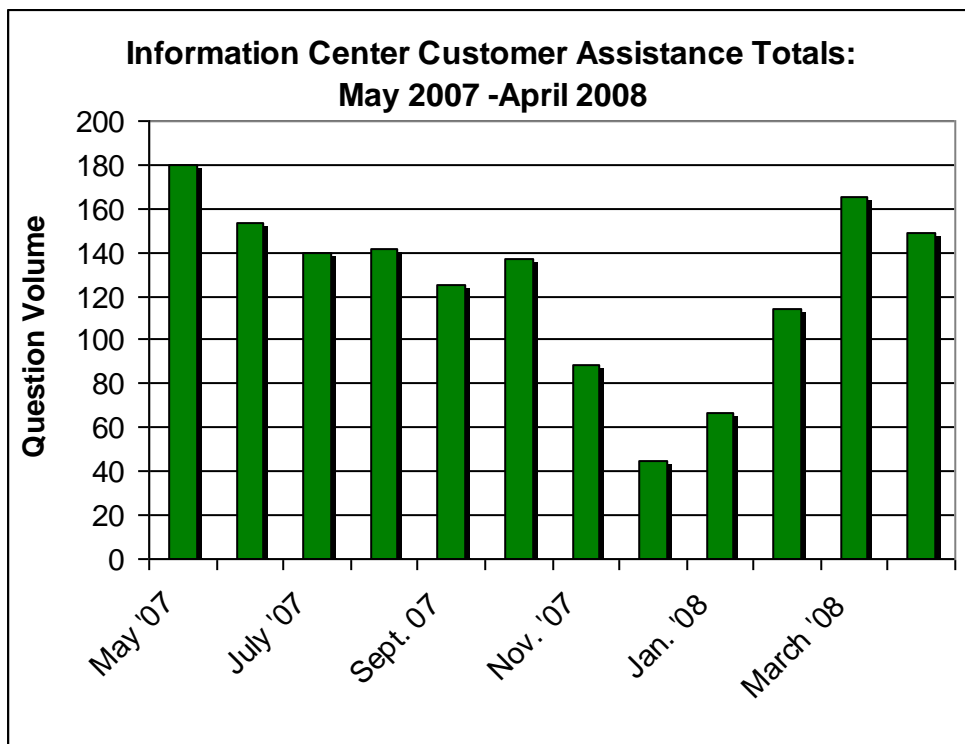
JLARC recommended a June 1, 2008 reporting date for ORA to demonstrate how it is currently fulfilling its statutory required duties.

## Mission Performance: Assist and Improve

### Highlights - Assist

ORA helped thousands of Washington citizens and businesses in FY 2008.

- The ORA Information Center has responded to 1,610 phone calls, emails and walk-in customers since May 1, 2007.
- Monthly contacts and service levels at the Information Center are trending upward following a period of staff turnover and vacancies.



- Visits to ORA's environmental permitting and epermitting web pages total 789,146 (ora.wa.gov) + 70,534 (epermitting) for the twelve months May 1, 2007 – April 30, 2008.
- The Washington State Business Portal, [Business.wa.gov](http://Business.wa.gov) received 413,820 visits in the first 9 months of fiscal year 2008 for an average of 45,980 visits per month. Average visits per month in fiscal year 2007 were 44,165. The most visited pages are:
  - Renew Licenses
  - Start a Business
  - Pay Taxes
  - Check License Status

- ORA's Regional Assistance Leads provided assistance or coordination for more than 107 projects across the state. A few projects had significant economic or environmental impacts requiring multiple meetings, hands-on project coordination, and years of involvement. Others projects were smaller in scale and required coordinating and facilitating one or two meetings. Examples of larger projects include:
  - major mixed use developments
  - computer data server farms
  - the Buckhorn Mountain gold mine
  - major biodiesel and ethanol projects
  - energy and alternative fuel projects
  - city and county infrastructure projects
  - new veteran's cemetery in Eastern Washington
  - environmental restoration projects
  - marina expansion or redevelopment projects
  - river flooding and dredging issues.
  
- ORA staff worked with the Upper Columbia Salmon Recovery Board to identify federal, state and local permits and decisions needed for salmon recovery projects including fish passage, bank stabilization, riparian invasive plant removal, installation of instream structures, levee removal and modification, channel habitat improvements, spawning gravel restoration, inchannel nutrient supplementation, and irrigation screen installation and replacement.
  
- Wave and Tidal energy projects: ORA staff coordinated the Wave and Tidal Scientific and Technical Workgroup which advised Snohomish PUD on their Preliminary Application Document. This application was submitted to the Federal Energy Regulatory Commission in January 2008. The workgroup, composed of federal, state and tribal partners, will continue to work with Snohomish PUD on environmental issues and permit coordination.
  
- Business recruitment: ORA staff participated in numerous meetings arranged by the State Department of Community Trade and Economic Development with businesses that were considering locating or expanding in Washington
  
- ORA assisted Spokane's *Friends of the Falls* with permit application issues for a proposed whitewater park. In order to provide a consistent regulatory response to the state's first whitewater park, ORA coordinated agency feedback from the local planning agency, Department of Ecology, Department of Fish and Wildlife, the Department of Natural Resources, the Corps of Engineers, and tribal, cultural and archeological consultants. The effort reduced redundancy and put forth a streamlined agency perspective.
  
- 404/401 Permit Consistency and Coordination Workshop. ORA worked with the Department of Ecology and the Army Corps of Engineers to sponsor a workshop for permit staff from both agencies in June 2007. Comments from the 77 participants

indicated they appreciated having the opportunity to learn about permit requirements from both agencies in order to better assist applicants through the entire permit process.

### ***Highlights – Improve***

ORA worked with our partners in environmental permitting and small business regulation to make small and large system improvements. ORA also completed internal improvements that position the office to be more efficient and effective in coming years.

- ORA led several major initiatives for system improvement, which are highlighted in the Strategic Initiatives section of this report:
  - IPRMT, the Integrated Project Review and Mitigation Tools Initiative
  - Best Practices for Local Government Permitting
  - Local Government Grants for Electronic Permit Tracking
  - Small Business Support
  
- Biodiesel Fact Sheet. The updated the ORA fact sheet about permitting requirements for biodiesel production can be found at:  
<http://www.ora.wa.gov/documents/BiodieselFactSheet.pdf>
  
- Skagit Tide Gates and Fish Initiative. ORA staff participated in this locally-driven initiative to develop a new, landscape (watershed systems) approach to permitting the replacement of tide gates in the Skagit Valley. Workgroup members included the Western Washington Agriculture Association, National Oceanic and Atmospheric Administration, the US Army Corps of Engineers, the State Department of Ecology, the Washington Department of Fish and Wildlife, and local tribal authorities.
  
- Small Business. In response to requests to make fraud hotlines more visible, the Business Portal added a link in the "How do I?" section for reporting fraud. Visits to "Report Fraud or File a Complaint" increased over seven weeks from 176 to 923.
  
- JARPA update. ORA partnered with the Departments of Ecology and Fish and Wildlife working on a multi-agency team to update the form for Joint Aquatic Resources Permit Applications (JARPA). ORA and Ecology are currently managing a contract with a consultant to extend use of the updated form statewide.
  
- Agri-tourism. ORA facilitated development of an Agri-tourism report, working with an inter-jurisdictional group that included local Health and Planning departments, the State Departments of Ecology, Health, and Agriculture, the Washington State University Extension office, and the Governor's Policy Office.
  
- Marysville Smokey Point Project. ORA is working with the City of Marysville on an advance planning and permitting project for the recently annexed 675 acre Smokey Point master plan area. The key objective of the project is to develop a coordinated and integrated permitting and mitigation approach for the entire area. Other participants in the process include the property owners, the State Department of

Ecology, the US Army Corps of Engineers, Washington Department of Fish and Wildlife, US Environmental Protection Agency, US Fish and Wildlife, local Tribes, and adjacent cities.

## **Strategic Initiatives**

### **Integrated Project Review and Mitigation Tools (IPRMT)**

**THE PROBLEM.** Washington State’s environmental permitting system is fragmented, sequential, and has many different layers that are similar yet distinct. The system encompasses a multitude of players in disparate locations. These players bring a broad set of interests and varied permit processing timelines to the table. One approach, the Multi-Agency Permit (MAP) team, is acknowledged as a great concept to improve the timeliness and effectiveness of the system especially for high volume of similar projects such as for certain state transportation permits. Unfortunately, MAP teams are not feasible or the most efficient approach for most projects, due to staffing travel time, costs, and logistics.

**THE OPPORTUNITY.** Use technology to replicate the process of MAP teams and collaborate online. Use this same technology to lead applicants through the application process so they submit complete applications. Help applicants find the pathways of least resistance by highlighting design standards and best management practices that will allow their projects to qualify for programmatic permits. Develop unified suggested permit conditions that multiple agencies have agreed to for certain development activities.

**PERFORMANCE.** The Integrated Project Review and Mitigation Tool (IPRMT) initiative kicked off in July 2007 with the adoption of a project agreement to reach three complementary goals:

1. Improved predictability, coordination, and speed for environmental review and permitting;
2. Enhanced efficiency and success for mitigation; and
3. Better environmental outcomes.

The project is on track to build and deploy a web-based decision support tool for use by local, state and federal permitting agencies by July 31, 2008.

- Initially, the tool will be used for public infrastructure projects in Clark County and the City of Vancouver.
- IPRMT will be poised to offer access to the tool to other jurisdictions and projects after June 2009.
- The tool will contain consistent best management practices that align many local, state and federal approaches for how environmental impacts can best be avoided, minimized, and mitigated.
- Individual agencies maintain the discretion to respond to the specific circumstances of a proposed project.

*“Not only do we have the opportunity to help reviewers do their work more efficiently, we have a tool to help us make better environmental decisions that protect watershed systems as a whole.”*

Loree’ Randall  
Department of Ecology

- The tool greatly improves the capacity of applicants to submit complete applications and will highlight practices or choices for project design that have the best chances of being approved.
- The tool supports improved communication between applicants and agencies and provides an online forum for collaboration and discussion about project alternatives, impact identification, appropriate conditions, and mitigation opportunities.
- The tool will be designed to track compliance with conditions of approval and cumulative mitigation totals.

Partners in the effort include:

- Clark County
- City of Vancouver
- Washington State Department of Fish and Wildlife
- Washington State Department of Ecology
- U.S. Army Corps of Engineers
- U.S. Fish and Wildlife Service
- National Marine Fisheries Service
- Washington State Department of Transportation
- Washington State Department of Information Services
- Association of Washington Cities
- Washington State Association of Counties

**MEASUREMENT AND MANAGEMENT.** IPRMT has been managed as a Level 2 Information Technology (IT) project. Level 2 projects require an investment (spending) plan to be approved by the Department of Information Services. Quality Assurance (QA) oversight by an independent consultant is also required. Because resources for the project are fixed, and because of firm deadlines for completion, tight project management has been essential.

The QA consultant noted early on that IPRMT is about changing business processes. Over the course of this first year, agency participants have modified internal project review processes to eliminate duplication, reduce “dead time” and consolidate process steps that will be used in the tool. These changes are essential to avoid a common pitfall of IT projects, which is merely to automate a failed process.

The key measurements for the project to date focus on meeting timelines and holding to the investment plan budget. The project is within budget and on schedule to be “in production” for WSDOT and public works projects in Clark County and the City of Vancouver by July 31, 2008.

*“The tool allows us to document the details of our decision making process, ensures consistency in our reviews, and lets us see what the state and federal agencies are doing.”*

Brent Davis  
Lead Wetland  
Biologist for Clark  
County

Production and upgrades will continue on IPRMT in FY 2009, focusing on improving how mitigation decisions are made. Team members are working with the Ecology Mitigation that Works Forum, and have begun integrating Clark County’s Mitigation Marketplace GIS (geographic information system) capacities into the tool.

As IPRMT moves into production, performance measurement and management data such as total project turnaround times, individual permit turnaround times, numbers of complete applications, project revisions, inconsistent or conflicting conditions (or lack thereof), compliance with required mitigation conditions, and other data will be collected. The tool will be available for use in other jurisdictions, as funding and other resources allow.

## Best Practices for Local Government Permitting

**THE PROBLEM.** A common theme ORA hears from applicants is that they want consistency and predictability in permitting.

An applicant's first step in a permit process is usually a contact to the local jurisdiction. There are currently 281 Cities, 39 Counties, and 29 Federally Recognized Tribes in Washington. Each one may have different codes, processes and permit requirements. Many applicants must also acquire one or more state or federal permits. Although local governments can and do share information and learn from each other, no single jurisdiction can easily step forward to manage a statewide conversation about improving local government permitting.

**THE OPPORTUNITY.** Use the resources of ORA to open a forum for local jurisdictions to share their own successes. Bring expertise in process and system improvements into the discussion and take advantage of ORA's statewide perspective and experience with state and federal permitting.

**PERFORMANCE.** During March and April 2008, ORA held six outreach sessions focusing on local permitting departments and the development industry. The goal of these sessions was to gather input about systems and procedures that work well and those that need improvement in local government permitting. ORA also administered a statewide electronic survey to gather input on what Best Practices were most important for efficient development permitting at the local level. These outreach sessions supplemented an in-depth outreach program that ORA had conducted in Snohomish County where ORA interviewed permitting staff at 17 cities.

ORA also met with representatives from Community, Trade, and Economic Development (CTED) and the Municipal Research and Services Center (MRSC) prior to conducting the outreach sessions in order to research Best Practices and share information.

*"We have implemented a "Fast Track" Permit process in both the planning and building divisions of our office. We stress a commitment between the developer and our department. If they come in prepared, we will get them through the process quickly and efficiently. Our process has cut down on the number of incomplete applications which has sped up permit processing timelines. Our office saves time and the developers, through clear handouts, applications, and submittal conferences, know exactly what they need to do to get through the process."*

Clay White  
Stevens County Planning  
Director

Key points heard from the building and development industry included a desire for:

- consistency and predictability from the jurisdictions they are working with;
- flexibility from the jurisdictions they are working with;
- consistency between jurisdictions regarding development standards, application and review processes, and fees;

- a single point of contact at the local permitting department during the development review process; and
- elimination of process redundancy where local, state, and federal roles and authority overlap.

Key points heard from local governments included:

- acknowledgment of the need for consistency, predictability and flexibility;
- recognition that pre-application meetings or other pre-submittal contacts with applicants are uniformly worthwhile investments;
- a need for early input from state and federal agencies on projects that include state and federal permits;
- a desire for guidance or other assistance with setting permit fees; and
- a desire to eliminate overlapping in state regulations that affect local government permitting.

ORA received 127 responses to its electronic survey on Best Practices for Local Government Permitting. One key point from the survey that stands out is the need to avoid “one-size-fits-all” solutions.

**MEASUREMENT AND MANAGEMENT.** The 2008 Best Practices report from the outreach sessions will be featured on the ORA website when completed by June 30, 2008. Observations and recommendations from the report will be presented to local government planners and officials during the summer and fall 2008.

## **Grants to Local Government for Electronic Permit Tracking**

**THE PROBLEM.** Permit tracking systems can be costly, requiring a significant investment of time and money to set up and maintain. Information technology systems for tracking and reporting on permit applications, decisions, inspections, and compliance have advanced significantly in the last ten years. Simultaneously, the expectations of citizens and businesses for immediate access to information and for online services have also advanced. A few local governments have led the way in purchasing or developing technology systems that provide easy access to information and improve collaboration between local reviewing departments. To date, little investment has been made to ensure local systems also provide a foundation for collaboration with related state or federal permitting agencies.

**THE OPPORTUNITY.** The legislature provided \$175,000 for each of fiscal years 2008 and 2009 to be given as grants for the acquisition and development of streamlined permitting technology infrastructure. The funding must be used “to acquire and implement permit tracking systems that can support and are compatible with a multijurisdictional, integrated approach.” The grant program is limited to local government agencies in counties with fewer than 350,000 residents.

**PERFORMANCE.** ORA, with participation from Community, Trade and Economic Development and help from the Office of Financial Management’s contracting office, administered the first round of grant applications in the fall of 2007. Seventeen applications were received and six grants were awarded. Each grant required matching funds from the local jurisdiction and in most cases, the local investment far exceeded state funding.

- Walla Walla County: \$55,000 to purchase an electronic permit tracking system for permitting, information technology and financial tasks. The County has been working since 2006 to evaluate their needs and ensure the new system will meet needs from multiple programs and departments.
- Chelan County: \$35,000 for an electronic property and permit tracking system. They will invite interested cities in Chelan County to share in the system as one means of increasing efficiency and simplifying development permitting within the County.
- Okanogan County: \$25,000 for an integrated business-portal-like system that will integrate with other County systems such as those used by the County Assessor.
- The City of Ferndale: \$10,000 for a small scale automated permit tracking system for their new Development Center. The system will allow concurrent review and information exchange among city departments, and will improve fee management.
- The City of Longview: \$30,000 to upgrade its existing permit tracking system to allow public online access and to support field inspection services.
- The City of Port Townsend: \$19,000 to add a geographic information services component to its existing system for use by applicants as well as the general public.

**MEASUREMENT AND MANAGEMENT.** Each jurisdiction submitted a status report in March 2007. All had purchased and were in the process of setting up their systems. Final invoices for the 2008 grant program are expected from all jurisdictions before June 30, 2008.

ORA will administer the second round of grants beginning in late summer 2008 and make final awards in the fall. This schedule aligns well with local government budget cycles, most of which run on a calendar year basis.

The grant program was intended to provide funding assistance to smaller jurisdictions, as opposed to very large city and county governments. Thus, the budget proviso that controls the program directs funds away from counties with more than 350,000 residents. Unfortunately, this has also excluded small and medium sized cities in King, Snohomish, Pierce, Clark, and Spokane counties. If the program is funded in future years, ORA will provide options for broadening the coverage of the program to include all small and medium sized cities, even those located in a county with a large overall population.

*Walla Walla County did a thorough study of our permitting systems and concluded that a computerized tracking system could greatly improve efficiency. After much research and a competitive bidding process, we found a system that met our needs and was user-friendly and intuitive for the public. This system is usually not available to jurisdictions like ours where resources are limited. The County wanted to do this right, do it once, and purchase the product that best met our needs and served the public. Without this state grant, Walla Walla County would not have been able to purchase the system. Today, May 20, 2008 was the first day of operating the new system. The project is a success! Thank you for providing this rare grant opportunity to a rural county like ours.*

Tom Glover, Director  
 Community Development Department  
 Walla Walla County, Washington

## Small Business Support

**THE PROBLEM.** Washington State has both a very high business formation rate and a high closure rate as well. Businesses continue to ask for

- more centrally located information;
- more information specific to their particular industries; and
- assistance, if they realize they are in trouble.

In 2007 the State conducted a Small Business Survivability Study and found:

- Some new businesses struggle because they don't develop or execute a good business plan.
- Some businesses need education about state regulations and requirements.
- Struggling businesses need help getting connected to resources.
- All businesses want a range of methods or channels for gaining information - - not just workshops or classes in the middle of the work day.
- It's hard for the small business person to find what he or she needs because the systems and relationships between the various agencies are complicated and the amount of information is overwhelming.

*Re: Business.wa.gov:*

*This is amazingly helpful and I know my partner and I will return often on our way to starting up our own business!*

Comment from  
prospective business  
owner

**THE OPPORTUNITY.** Washington's business portal, [Business.wa.gov](http://Business.wa.gov) makes it easy to set up a business and provides help in connecting businesses to relevant state agencies. ORA works with all state regulatory agencies to manage and maintain this business portal. We work particularly closely with the Departments of Revenue (DOR), Labor & Industries (L&I), Licensing (DOL), Employment Security (ESD), Community Trade and Economic Development (CTED) and with the Secretary of State's office (SOS). We also work closely with the Association of Washington Cities to connect with city business licensing programs. The business portal, as managed by ORA, provides a forum for regulatory agencies to consider improvements in services for small businesses.

**PERFORMANCE.** ORA conducted four small business outreach sessions in May 2008. These sessions were co-sponsored by DOR, ESD, L&I, CTED, and the Office of Minority and Women's Business Enterprises. Nearly 160 business people attended the roundtable sessions to talk directly with agency directors about what works well and what needs improvement in the state regulatory system.

The sessions in May 2008 were the second annual outreach events. As a result of the first events in 2007, the departments made changes to respond to what they heard, including the establishment of small business liaisons at the Employment Security Department, Department of Revenue, and the Community, Trade and Economic Development Department. The liaison program derives from a very successful program at the Department of Labor and Industries. A full report of changes made as a result of the 2007 outreach sessions is available at [http://www.ora.wa.gov/roundtables/progress\\_report\\_08.pdf](http://www.ora.wa.gov/roundtables/progress_report_08.pdf).

Another improvement in 2008 that stemmed from our small business outreach sessions was the development of new online training tools. ORA is working with the Departments of Revenue,

Labor & Industries and Employment Security to develop a video script to help new & prospective business owners understand how to plan for and pay their taxes. The video will be produced in summer 2008. Partnerships with the Small Business Development Centers around the state will help new and prospective business owners learn from the new tax video.

ORA also managed improvements to [business.wa.gov](http://business.wa.gov) including:

- Added links to information for filing complaints &/or reporting fraud to the "How do I?" right navigation on Business.wa.gov
- Improved and updated information about city licensing requirements in the State Department of Licensing's Business Licensing Guide.

**MEASUREMENT AND MANAGEMENT.** Business Portal web visits and customer satisfaction ratings have been tracked for more than a year. Prospective business owners are generally more satisfied than existing business owners with an average satisfaction rating of 76%. They have told us they find the information we provide about starting a business very helpful. The average customer satisfaction rating from existing business owners is lower, at 67%. Existing business owners have told us they are somewhat satisfied with the current information available on the website but they are expecting continued integrated improvements including additional online services and industry specific information. They request more streamlined and consistent tax reporting and payment processes across state agencies. ORA plans to continue small improvements to integrate and personalize the Business Portal as existing resources allow but will postpone major new initiatives until new resources can be found. Added or improved links to the State's Small Business Development Centers from the "Start a Business," "Grow a Business," and "Resources" sections of the website.

*Re: [Business.wa.gov](http://Business.wa.gov)*

*The tax area could be less intimidating and confusing. What I would like to see is an easy reference list of types and amounts of taxes I can expect to pay.*

Comment from  
existing business  
owner

ORA recently brought together a group of state agencies and related offices to collaborate in providing support for small business. Membership includes the key state agencies that partner with ORA on the Business Portal, the Small Business Development Centers, the State Board for Community and Technical Colleges, the Washington State Extension, and other state offices and agencies that interact with small business such as the Department of Emergency Management and the Office of Minority and Women's Business Enterprises. This group will work for small improvements during FY 2009 to ensure there is no wrong door for a small business seeking information or assistance. The group is working with the agency small business liaisons to assess ideas on how to provide access to better resources for business planning and business education.

## Program Performance

### ORA Information Center

ORA's Information Center provided permit assistance to 1,610 customers from May, 2007 – April, 2008. The largest numbers of calls received were questions about how to complete the Joint Aquatic Resources Permit Application (JARPA) form. The Center also received many calls requesting assistance with SEPA, noise, starting a new business, and requesting general information about environmental permitting.

The Information Center operated with part-time or temporary staff for much of Fiscal Year 2008. As of February 2008, the Center has been fully staffed and ORA has expanded the internal and external services provided by the Center.

Current services provided by the ORA Information Center include managing and maintaining all ORA publications, a service formerly provided by the Department of Ecology. The Center also manages data collection and initial analysis for the full range of performance tracking indicators set out in the Office's Strategic Plan. The Center successfully completed an update to the ORA Operations Manual, the state Permit Handbook, and a series of Permit Process Schematics during Fiscal Year 2008.

The Information Center received very high ratings for customer service over the last year. Customers commonly described the service given by Information Center staff as: "excellent," "extremely helpful," and "professional and timely."

Many customers did indicate they see room for improvement in the ORA website. Some found it confusing; some found information that was out of date; and in some cases, users stated it was difficult to find the information they were looking for. Based on this type of input, ORA undertook a website upgrade. The new website alleviates many of the concerns customers had voiced. An on-going project for the Information Center is to keep the ORA website up-to-date and to gather input about ways to highlight the most requested information.

*"I was assisted by [...] in the Governor's Office of Regulatory Assistance. Upon receiving my inquiry [...] took the initiative to forward my concerns directly to [...]. He then wrote and called me with an update whereupon I was able to call [and] add to the information. I was grateful for [the] help, responsiveness and assistance."*

An ORA Information  
Center Customer

### Regional Assistance Leads

ORA's Regional Assistance Leads continued to provide direct service to environmental permit applicants for complex or major projects across the state in 2008. They also provided direct support for interagency projects ranging from CTED business recruitment to agri-tourism to the annual conference for public projects sponsored by the Infrastructure Assistance Coordinating Council.

The Leads had direct contact with over 107 projects in the past twelve months that are in, or considering new development. These projects included major projects such as the Microsoft and Yahoo! proposals for computer data server farms in Quincy Washington, the Buckhorn Mountain Goldmine project, gravel mines, a community college expansion project, city infrastructure

projects including bridges and wastewater treatment facilities, and smaller yet still complex projects such as docks, marinas and the state's first white water park.

The Leads also worked statewide facilitating or coordinating information flow on alternative or renewable energy projects. These projects included large and small biodiesel and ethanol production facilities, wave and tidal energy projects, a tire pyrolysis project, anaerobic digesters, and projects connected to solar energy or solar panel manufacturing.

Because of their locations across the state, the Regional Assistance Leads play a major role in promoting the services of the office. Although ORA today is recognized more often than in prior years as a resource for environmental permitting and related issues, work continues to raise the visibility of our services, tools, and materials. The Leads accomplish this within the state government system by building contacts and relationships with state regulatory agencies such as the Departments of Ecology, Fish and Wildlife, Community Trade and Economic Development, Natural Resources, Health, and Agriculture. They also work with the US Army Corps of Engineers, other federal agencies, local cities and counties, and a full range of other governmental units from ports to public utility districts. The Leads also do specific outreach to local and regional Economic Development Councils and the Washington Economic Development Association.

*-- in addition to your help with wastewater and (numerous) air permit issues -- your leadership brought people to the table -- City, Port and major industrial wastewater users in the Warden area -- to break a logjam that had existed ... for literally years. ... You don't cut corners, but you do get quickly from A to B, from challenges to solutions.*

From a thank you letter sent by the Washington Biodiesel project to an ORA Regional Assistance Lead

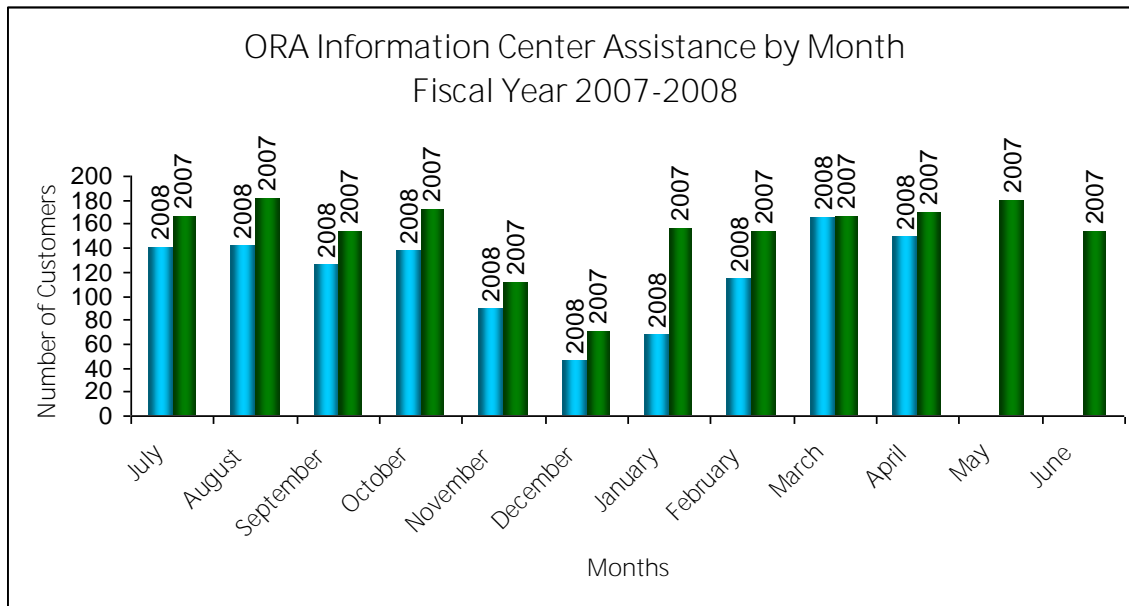
The Leads work closely with the ORA Information Center to ensure the materials at the Center and online are up to date and address current needs. The recent update of the biodiesel fact sheet (<http://www.ora.wa.gov/documents/BiodieselFactSheet.pdf>) is one example of a response to the growing need for information about the wide array of permitting issues tied to new technology and the green economy.

## **General Operations and Customer Input**

This section summarizes the operational and performance data ORA tracks on a monthly or quarterly basis. The tracking measures are derived from ORA's Strategic Plan, which serves as the Implementation Plan recommended by the Joint Legislative Audit and Review Committee (JLARC) as a means for ORA to demonstrate that it is fulfilling its statutory duties. Measures and data relate to the Objectives in the most recent version of the ORA Strategic Plan.

### ***Objective 1.1      Make current regulatory systems easier to understand by providing services and tools that clarify processes and requirements.***

Direct Service Contacts (per month) at ORA Information Center (telephone, email and in-person)



ORA also relies heavily on internet services and tools. Web hits to ORA websites have held steady or shown moderate upward trends. Hits to the Online Permit Assistance System increased by nearly 15% to approximately 4,665 per month. The E-permitting website where the Joint Aquatic Resources Permit Application is found receives approximately 5,878 hits per month, which is similar to 2007 results. And Business.wa.gov, the state’s Business Portal has maintained a volume of over 44,000 hits per month. (Approximately 63% of new businesses use Business.wa.gov to get required licenses.)

The ORA Information Center also developed consistent publication standards, worked with Ecology to update the questionnaire for the Online Permit Assistance Systems, and worked with the Regional Assistance Leads to produce new materials including a Tips and Timesavers fact sheet.

**Objective 1.2      Increase the visibility and use of ORA services and tools.**

Outreach, Trainings, Educational Forums and Similar Events

<i>Meeting Focus</i>	2007	2008 (ytd)
General Environmental – Permitting	17	2
Local Government Best Practices - Permitting	17	6
Business Interests	7	10
Combined focus on ORA services and tools	7	14
Totals	48	32 (ytd)

**Objective 2.1      Meet customer needs by collecting, understanding, and responding to a broad range of customer input.**

In January, 2008 ORA’s regional lead staff began collecting evaluation data on meetings conducted. Evaluations were distributed to participants in preapplication meetings, debriefings, and ongoing project support efforts. The findings reflect only those meetings directly facilitated by ORA staff. ORA efforts in meeting facilitation include agenda design, identification and invitation of appropriate participants, gathering background information, working with applicant and agency staff to clarify issues, room choice/set up, and active meeting management.

To date, 87 evaluation surveys have been distributed with a return rate of 76%. The following is a sampling of the responses in the 66 surveys completed.

- 83% of the surveys indicated the meeting was helpful or very helpful.
- 100% of the respondents indicated that the meeting provided necessary information.
- 89% of the respondents indicated that the meeting was informative.
- Of the participants that expressed an opinion on permits, application procedures and environmental impacts:
  - 83% of the respondents indicated that the appropriate permits were explained,
  - 81% of the respondents indicated that application processes were explained, and
  - 86% of the respondents indicated they understood permit processes
  - 88% of the respondents indicated that following the meeting they had an understanding of the environmental impacts of the project
- 98% of the respondents expressed an opinion indicating that steps forward had been clarified.
- 62% of the respondents noted that permitting challenges or inconsistencies were identified during the meeting. (We do not assume that this number is broadly reflective of permitting in general. We believe the number is significant and indicates that ORA services are reaching those projects most in need of help. ORA will continue to monitor this issue.) The following is representative of comments from these meetings:
  - Inconsistencies identified, but clarified during the meeting
  - Different agencies and programs have different processes and requirements
  - Rules and statutes might not be inconsistent, but interpretation of those rules/statutes showed inconsistency
  - One agency appeared to have more requirements than the others
- Of the respondents offering feedback, ORA facilitation of the meeting was viewed very highly and included the following:
  - Very Good Job, Thanks
  - Meeting facilitated very well
  - ORA representative did an excellent job of keeping the meeting on track
  - ORA representative is great! She helps us get things done more efficiently :)

The ORA Information Center also seeks customer service information using a survey located on the ORA website. Quotes from some of the responses received over the past year include:

- As a Regulatory Support Services consultant, I have searched and examined many regulatory websites in the U.S., Canada and the European Union. Your website is outstanding and I have listed it in my blog as a model Regulatory Assistance website.
- Keep up the good work. This is the right direction for providing public service.
- Very good service by staff.
- The JARPA online questionnaire results document was amazingly helpful.

Comments from the Business Portal survey include:

From prospective business owners:

- "This is a very user friendly site. Nice job!"
- "Very helpful site. As a new business owner, I was worried it would be overwhelming. Very easy to find information with step-by-step instructions. The only

addition would be any information that might be helpful for women-owned small businesses."

- "I think it's a pretty good site. I only come here on occasion and always find what I need."
- "I found everything I was looking for!"

From existing business owners using the Business Portal:

- "Your site seems to continually improve. Keep it up."
- "Make it easier to find forms."
- "Better search tools."
- "Offer interactive forms where an individual enters information about their business, and you reply with information about what taxes will be required, what forms are needed, job specific laws, etc."
- "I really like the website. The one thing I would like as a business owner is a faster way to click to file my return. It seems like it takes several steps to get to that point."
- "I'd love to see vender signup lists and bidders lists readily accessible"
- "Put links to all dept that collect taxes from business in 1 easy to find area. Include L&I, Employment Security, Dept of revenue, etc"

ORA will continue to seek feedback directed toward how to improve our services and how to improve overall regulatory systems and processes during the coming year.

***Objective 3.1 Lead and facilitate ongoing regulatory improvement activities that meet system and customer needs.***

Target	Status	Comment
ORA reviews customer input at least two times per year to look for improvement ideas	Green	First reviews in conjunction with annual report.
Each ORA work group has appropriate official or ad hoc contacts with needed partner agencies	Green	Agency partners continue to welcome and assist ORA as needed.
ORA meets with partner agencies or programs at least twice per year to discuss opportunities for system improvement	Green	Many improvement ideas considered by IPRMT and Business Portal partners at monthly or quarterly steering committee meetings.

Definition of Green, Yellow, Red:

- Green – On track, meeting or will meet expectation
- Yellow – Not on track, plan in place to recover
- Red – Not on track, no plan in place to recover

***3.2 Capture and promote best practices for timely and predictable permit decisions.***

As part of the Local Government Best Practices strategic initiative, ORA conducted 17 local government interviews and six outreach events targeted to local governments and to local

builders or developers. An online survey collected 127 responses about best practices for local government permitting. See the Strategic Initiatives section of this report for more detail on this work.

ORA also tracks the number of debriefing sessions held as projects achieve milestones such as completing environmental review or having one or more permits issued. The Buckhorn Mountain Goldmine project was the only project in Fiscal Year 2008 that reached "completion" and was the subject of a debriefing session. Key lessons from the debriefing session included (1) the need for a comprehensive list of permits early in the process, (2) the importance of systematically tracking permit status, (3) project scope, schedule and budget should be regularly reviewed and updated for all persons involved in the review process. These and other findings have led to improvements in ORA operations including (1) improvements to structure and information contained in Cost Reimbursement Agreements; and (2) identified the need to provide a central repository of plans and studies for major multi agency projects. We will pursue this idea in Fiscal Year 2009.

**Objective 3.3      *Improve the availability and use of information technology and online tools.***

Project	Status	Comment
IPRMT Initiative	Green	See strategic initiatives section
JARPA Update	Green	Contract in place with consultant to work with local govts on new JARPA use
Business Portal Maintenance	Green	Ongoing
Local Government Grants	Green	See strategic initiatives section
ORA Website update and maintenance	Green	New website goes live Summer 2008

**Objective 4.1      *Develop and implement an internal plan to increase organizational knowledge and capacity, provide professional development for staff, and create tools, resources, and management systems to build accountability.***

Target	Status	Comment
ORA operations manual is reviewed and updated annually	Green	First review complete May 2008; updates to manual scheduled for summer and fall 2008
All ORA staff are up-to-date on training as specified in personal development plans	Green	ORA management coordinates training as needed with Ecology and DIS supervisors
ORA management meets at least twice per year with supervisors from partner agencies to discuss Strategic Plan and staffing goals	Green	April 2008 with Ecology May 2008 with DIS

## Other Reporting Requirements

### Conflicts, Inconsistencies and Improvements

**THE PROBLEM.** The Office of Regulatory Assistance is directed by statute ([see](#) RCW 43.42.010) to report on conflicts “arising from differing statutory or regulatory authorities, roles and missions of agencies, timing and sequencing of permitting, and procedural requirements ....” The statute also requires the office to report on how the conflicts were resolved.

**THE OPPORTUNITY.** In the course of our daily work, the Regional Assistance Leads, Information Center staff, and teams working on strategic initiatives regularly encounter issues or “conflicts” related to the network of regulations in our state. ORA is in a unique position to capture the issue and explore possibilities for system improvement.

Another challenge is identifying what is and is not a “conflict” or “inconsistency.” Applicants and agency staff often have different perspectives. What may seem like a discussion, negotiation, or clarification to some may seem like a conflict to others. This point is illustrated by the comments received on ORA’s Meeting Evaluation Form. Question 8 asks “Were any inconsistencies between agency requirements identified during the meeting? If yes, please explain.” Results indicate it is common to see “Yes” and “No” answers to this question from different participants at the same meeting. Asking this question, however, allows ORA to learn from participants what they think are conflicts and inconsistencies and provides us with the opportunity to follow-up on these comments.

**PERFORMANCE.** Sometimes, issues are identified and easily resolved. Many times the issues are hard to define, seem small, or are fluid, yet have complex ramifications. When issues or conflicts are resolved by facilitating understanding of the issue and helping parties come to agreement, ORA often does not track the issue. This is a frequent occurrence during project facilitation as managed by the Regional Assistance Leads.

For issues that are harder to resolve and involve the larger system, ORA has developed an Improvement Log database and tracking system. We began initial testing and use of this tool in April 2008. The database allows ORA to capture, evaluate, and either move an idea forward or temporarily or permanently close an idea. Ideas within the Improvement Log will be categorized according to whether they affect (1) law or rule; (2) policy or procedure; (3) information or education; or (4) technology systems or tools. The Improvement Log is a new resource, still being adapted in response to its first 60 days of testing.

At a more general level, ORA has worked with partner agencies over the past year to identify and resolve “conflicts” and other issues. Examples include

- Confusion about requirements for issuance of an Air Quality notice of construction (NOC) permit prior to the start of construction. The Department of Ecology recently issued an updated Focus Sheet, “Requirements for New Sources of Air Pollution” explaining what construction activities can take place prior to issuance of the NOC.
- Work with new and existing industries, the city of Warden, Grant County, and the port district, to facilitate agreement about wastewater treatment capacities and facilities in Warden, Washington.

ORA identified two conflicts or issues that appear to require legislative action to resolve. The first issue relates to the Cost Reimbursement program. (See next section of report). ORA plays a role in coordinating activities and schedules for projects using cost reimbursement. The cost reimbursement program helps ensure state agencies can devote appropriate and/or specialized expertise to a project. Unfortunately, the program is little used, in part because of statutory limitations that restrict the use of funds collected through the program. Legislation was proposed during 2008 as part of HB 2631 that could have resolved problems with use of cost reimbursement funds. The bill passed the House of Representatives but was not voted on by the Senate before the end of the legislative session. ORA will work with the affected agencies before the next legislative session to review whether changes to the cost reimbursement program should be pursued in 2009.

The other issue relates to the Local Government Grant Program. The program is designed to help local governments improve permit processing efficiency through use of electronic permit tracking systems. (See Strategic Initiatives section.) Although the intent of the program was to serve small cities and counties, the budget proviso governing the program excludes all local jurisdictions in the state's five largest (in population) counties (King, Pierce, Snohomish, Clark and Spokane). Thus, small cities from Algona to Liberty Lake to Yacolt cannot apply for funding. If this program is continued by the 2009 legislature, ORA recommends the eligibility criteria be adjusted to allow any small or medium sized city to apply for funds, regardless of county population.

## **Cost Reimbursement**

ORA's statutory duties include coordinating the negotiation and implementation of voluntary cost reimbursement agreements that allow for recovering the reasonable costs incurred (1) by ORA for facilitating and coordinating a proposed project and (2) by participating state agencies for carrying out permit processing tasks specified in the agreement. Cost reimbursement agreements may also cover the costs of consultants hired by the office or by participating agencies to perform permit processing tasks.

During Fiscal Year 2008, ORA coordinated one Cost Reimbursement project: the Buckhorn Mountain Goldmine. The complexities of the project and the contracting process required significant administrative coordination from ORA staff in conjunction with Department of Ecology staff. Over the course of approximately five years the Cost Reimbursement Agreement was amended thirteen times for Ecology's Shoreline and Water Quality programs and nine times for Ecology's Water Resources program. The contract amounts, which included funds for consultant services totaled close to \$5.65 million over the life of the project.

A portion of Cost Reimbursement collections can be charged to provide additional backfill for staff time spent on the cost reimbursement project. ORA used backfill funds from cost reimbursement to improve public information materials about our services and tools. The office will use additional backfill money from the Buckhorn project to implement statewide use of a revised and upgraded JARPA (Joint Aquatics Resources Permit Application) form. Ecology will use backfill money for projects ranging from processing water rights to work on water quality site assessments and contaminant studies.

ORA also assisted the Department of Ecology Water Resources program with several cost reimbursement agreements for water rights during 2008. The Water Resources Program frequently uses cost reimbursement to hire independent consultants who do background

research and provide needed information to the program thus improving decision-making timeliness.

The language for use of the cost reimbursement tool was reviewed last fiscal year and amendments were drafted in cooperation with House legislative staff. The amendments would provide more definition about the process and give clear direction to agencies about how they could use funds collected through the program. Although not opposed by any interest group, and supported by the affected agencies and by environmental consultants in the private sector, the legislation did not receive final approval during the short 2008 legislative session. As noted, in the Conflicts, Inconsistencies and Improvements section, ORA will review with the affected agencies whether this legislation should be proposed again during the 2009 legislative session.

**End of Report**