



STATE OF WASHINGTON

OFFICE OF THE INTERAGENCY COMMITTEE
1111 Washington Street SE
PO Box 40917
Olympia, WA 98504-0917

January 18, 2006

TO: IAC Members and Designees
FROM: Laura Eckert Johnson, Director 
PREPARED BY: Greg Lovelady, Rules Coordinator 
SUBJECT: WAC Adoption ~ Matching Requirements,
Supplanting Existing Capacity Notebook Item #6

Summary. This proposal asks IAC's board to adopt revisions to the Washington Administrative Code (WAC) in two areas:

- Matching requirements, WAC 286-13-045, including:
 - Add a statement of purpose for requiring matching funds
 - Make it possible to match one IAC grant with funds from another IAC grant program
 - Allow IAC to require applicants to provide a portion of matching funds from local resources (non-state, non-federal), and
 - Make other changes.
- Supplanting local capacity, WAC 286-13-080: removes the "*supplement the existing capacity*" and "*not intended to supplant*" provisions.

Four attachments are provided to assist with this proposal:

1. Draft adoption resolution.
- 2a-b. Code Reviser's filing form and text of recommended changes.
3. "Concise Explanatory Statement," including a summary of all comments received and proposed IAC responses.
- 4a-b. Sample policy manual text based on adoption of the proposals for "matching one IAC grant with another IAC grant" and "requiring sponsors to provide part of the match in local resources."

Discussion. This WAC proposal accomplishes three primary objectives, enumerated below. If adopted, the material described under the first two of these bullets will set the stage for significant policy updates to many of IAC's policy manuals. In order to assist readers in understanding how the below policies will translate into specific instructions



to staff and project sponsors, sample manual language for these updates is provided in Attachments 4a-b.

- *Objective 1, matching one IAC grant with another IAC grant.* In most IAC grant programs, local agency sponsors must provide 20 percent or more of the resources needed to complete a project. The exact match requirement varies depending on the specific grant program. Sponsors must show that they have these resources in hand, before IAC will award the grants. Called the applicant's "matching share," the resources can come in a variety of forms, including appropriations, tax levies, bond issues, force account labor, volunteer labor, and donations. However, current rules require that an IAC grant in one program may not be used as the matching share for an IAC grant in another program.

As IAC is provided with more programs to administer, this rule of not allowing one IAC grant to match another IAC grant is becoming increasingly burdensome. For example, since 2003, when IAC was directed to begin administration of the Aquatic Lands Enhancement Account (ALEA) Program, it has not been possible for project sponsors to use an ALEA grant as a match for an IAC WWRP-Water Access grant. Pre-2003, when ALEA was administered by the Department of Natural Resources, this was once a common practice. In practical terms, it means that project sponsors now have fewer sources of funding and are less likely to undertake their projects.

This WAC proposal removes the prohibition against using an IAC grant in one program to match an IAC grant in another program.

- *Objective 2, allowing IAC to require sponsors to provide part of the match in local resources.* The intent of this proposal, as stated in the draft WAC 286-13-045 (1), is:

"... to foster local commitment to the proposed project and to demonstrate that commitment, and to make funds from a given grant program (and revenue source) available to a greater number of projects."

Consistent with this statement, the proposal also says:

"... [IAC] may require the agency or organization to provide a portion of the match in local resources." [WAC 286-13-045 (3)]

The above proposed language emerged from IAC Resolution 2005-24, adopted last September, which supported local agency-organization project commitment *and* actions that make IAC grant funds available to a greater number of projects. The resolution goes on to say that:

"When an IAC grant is used to help match another IAC grant, and absent other statutory direction, local projects sponsors must provide a minimum of ten percent of the total costs of the eligible elements being matched. This sponsor's match may not be from federal or state funds, and may include in-kind contributions. In the evaluation of the grant proposals, the IAC may give additional points if sponsors exceed this minimum local contribution."

At least one exception to the above 10 percent local match requirement should be considered. IAC's Nonhighway and Off-Road Vehicle Activities (NOVA) program would likely suffer if participants are required to provide a match as this program often

experiences a shortage of qualified project sponsors even though there is no match requirement.

- *Objective 3, supplementing versus supplanting local capacity* (WAC 286-13-080). IAC's current WAC states that IAC grants are intended to supplement the existing capacity of a sponsor. The grants are not intended to replace programs, or to reimburse the cost of projects that would have been undertaken without state matching money.

However, as agreed at IAC's September meeting (Resolution 2005-25), this policy has been difficult to apply consistently and fairly due to the difficulty in developing clear definitions for "existing capacity" and "supplant." Because of the impracticality of retaining policies that cannot be applied, this proposal removes the "supplement the existing capacity" and "not intended to supplant" provisions.

Public Review. In 30+ years, no IAC WAC proposal has elicited anything approaching the 41 respondents who have provided comments to date on this proposal. In fairness, much of the response, summarized in Attachment 3, is due to staff's broad outreach efforts and the technology that helped to make this possible. These comments may be categorized as follows (due to rounding, percentages are approximate):

- 44 percent (18 people) had questions and/or asked for clarifications.
- 40 percent (16 people) agree with the proposal or stated "no comment."
- 7 percent (3 people) disagree with the proposal, for example, indicating an inconsistency in IAC stating its intent is to "foster local commitment" and then later allowing one IAC grant to be matched with another IAC grant.
- 7 percent (3 people) provided suggestions that led staff to modify the proposal.

This WAC proposal was provided for outside review on several occasions, including:

- January 25, 2006, draft proposal provided to IAC members and designees in the board meeting notebooks.
- January 19, 2006, notification of this topic as a proposed agenda item for adoption sent to 130+ individuals and media outlets and posted on IAC's website.
- January 5, 2006, post cards announcing the WAC topics and providing links to more detailed information sent to 7,500 persons.
- December 19, 2005: final draft text and CR-102 form filed with the Joint Administrative Rules Review Committee, Office of Financial Management, and state Code Reviser for publication in the *Washington Register*.
- November 29-30, 2005: preliminary draft text provided to approximately 4,000 parties, including IAC board and designees; SRFB board members; those listed as interested in farmlands preservation, riparian habitat, IAC WAC proposals, and the Washington Wildlife and Recreation Program; and IAC advisory committees; information also posted on agency website.
- November 15, 2005: memo and additional briefing papers presented at a public IAC board meeting.

- September 16, 2005: memo and briefing papers presented at a public IAC board meeting; resolutions providing direction to staff adopted.
- August 11, 2005: Announced intent to develop these WACs to approximately 1,500 parties; posted background information on agency website.
- August 5, 2005: intent to develop these WACs (CR-01) filed with state Code Reviser for publication in the State Register and announced to IAC members and designees, advisory committee members, and persons on IAC's WAC mailing list.
- July 26, 2005: Rule Development Agenda filed with state Code Reviser for publication in the State Register; copies were provided to Office of Financial Management, the Rules Review Committee, and other interested parties; announced IAC's intent to consider these WACs.

Comment Summary Requirement. Before filing an adopted rule, the Administrative Procedures Act [WAC 34.05.325(6)(a)(iii)] requires an agency to summarize:

"...all comments received regarding the proposed rule, and respond to the comments by category or subject matter, indicating how the final rule reflects agency consideration of the comments, or why it fails to do so."

The official comment period began on November 29 and runs through the IAC board meeting on February 2, 2006. As of the date of this memorandum, 40 persons have commented (*Attachment 2*).

Regarding Changes to this Proposal. State law allows IAC to adopt a rule somewhat different from that proposed so long as it is not "substantially different." Anything deemed substantially different from the proposal cannot be adopted without re-initiating the notification and comment procedure [RCW 34.05.340(1)]. Factors to be considered in determining whether a proposed rule might be substantially different include the extent to which:

- A reasonable person affected by the rule would have understood how the rule would have affected his/her interests
- The subject differs from that originally proposed
- The effects of the adopted rule differ from the effects of the proposed rule.

If the board prefers not to adopt at the February meeting, the following options are available:

- Postpone adoption until a future meeting. State law requires that "rules not adopted and filed... within [180] days after publication of the text... shall be regarded as withdrawn." IAC's next meeting (probably June 2006) is less than 180 days out. WAC 34.05.335(3)
- Withdraw the rule from further consideration.

Recommendation. The proposals recommended in *Attachments 1 and 2* are important for several reasons, including to: • alleviate a rule that hinders project sponsors from finding grant sources, • support IAC's stated intent of fostering local commitment to projects, • remove a policy that cannot be applied, and • establish a firm basis for the policies adopted by IAC at its September meeting. As such, we recommend adoption of the resolution presented in *Attachment 1*. As previously announced, all necessary measures for adoption will be in place at the February 2, 2006 hearing. Since applications for most IAC grant programs are due May 1, adoption at the February meeting is highly desirable.

Attachment 1

Resolution #2006 - 02

**WAC Adoption: Matching Requirements ~ Supplanting Existing Capacity
WAC 286-13-045, WAC 286-13-080**

WHEREAS, the Interagency Committee for Outdoor Recreation (IAC) adopted resolution 2005-24 which states in part that • projects are becoming more costly, • access to revenues is diminishing, • financial assistance from more than one grant source is often needed, • there is a need to clarify IAC's reasons for requiring matching resources, and • that it is IAC's policy to require a minimum of ten percent of the total cost of a project be provided by the applicant in the form of a non-state, non-federal contribution; and

WHEREAS, this latter requirement would present a hardship in IAC's Nonhighway and Off-Road Vehicle Activities (NOVA) Program in which it is often difficult to find qualified project sponsors; and

WHEREAS, IAC also adopted resolution 2005-25 which states that its current WAC 286-13-080 is nearly impossible to apply, even though a rule should be open to clear, consistent, and fair application; and

WHEREAS, IAC staff was directed to prepare new and revised WACs for adoption that address these concerns; and

WHEREAS, a proposal, herein shown as Attachment 3 and filed with the State Code Reviser on December 19, 2005, has been developed and considered in a far reaching public review process in which comments were encouraged; and

WHEREAS, this proposal is in accord with existing agency policies, state law, and the intent to clearly communicate fair and consistent rules;

NOW, THEREFORE BE IT RESOLVED, that IAC adopts the rule and directs its staff to undertake steps necessary for final filing and implementing the rule changes specified in the aforementioned attachment; and

BE IT FURTHER RESOLVED, that project sponsors in IAC's NOVA funding program are encouraged to provide matching funds, but they are hereby exempt from any matching fund requirement; and

BE IT FURTHER RESOLVED, that IAC also directs its staff to respond to any comments received regarding the adopted proposal with information on how the final adoption reflects IAC's consideration of the comments, or why it fails to do so.

Resolution moved by: _____

Resolution seconded by: _____



PROPOSED RULE MAKING

CR-102 (June 2004)
(Implements RCW 34.05.320)

Agency: : Interagency Committee for Outdoor Recreation (IAC)

<input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 05-17-030 ; or	<input checked="" type="checkbox"/> Original Notice
<input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or	<input type="checkbox"/> Supplemental Notice to WSR _____
<input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4).	<input type="checkbox"/> Continuance of WSR _____

Title of rule and other identifying information: (Describe Subject)

(A) Match requirements, WAC 286-13-045: In most IAC grant programs, local agency sponsors must provide 20 percent or more of the resources needed to complete a project. Sponsors must show that they have these resources in hand, before IAC will award the grants. Called the applicant's "matching share," the resources can come in a variety of forms, including appropriations, tax levies, bond issues, force account labor, volunteer labor, and donations. However, current rules require that an IAC grant in one program may not be used as the matching share for an IAC grant in another program.

(B) Supplementing versus supplanting local capacity, WAC 286-13-080: An IAC grant is intended to supplement the existing capacity of a sponsor. It is not intended to replace programs, or to reimburse the cost of projects that would have been undertaken without state matching money.

Hearing location(s):

Natural Resources Building
Room 172
1111 Washington St. SE
Olympia, WA

Date: February 2, 2006 Time: 1 p.m.

Date of intended adoption: February 2, 2006
(Note: This is **NOT** the effective date)

Submit written comments to:

Name: Greg Lovelady, IAC Rules Coordinator
Address: 1111 Washington St. SE (Natural Resources Building)
PO Box 40917, Olympia, WA 98504-0917
e-mail GregL@iac.wa.gov fax (360)902-3026
Phone (360) 902-3008 by January 23, 2006

Assistance for persons with disabilities: Contact
(See above) by January 25, 2006
TTY (360) 902-1996 or (360) 902-3008

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

(A) Match requirements, WAC 286-13-045: As IAC is provided more grant programs to administer, its rule of not allowing one IAC grant to match another IAC grant is becoming burdensome. For example, since IAC was directed to begin administration of the ALEA grant program in 2003, it is no longer possible for project sponsors to use an ALEA grant as a match for an IAC WWRP-Water Access grant. This means that project sponsors now have fewer sources of funding and are less likely to complete their projects. *This WAC proposal removes the prohibition against using an IAC grant in one program to match an IAC grant in another program.*

(B) Supplementing versus supplanting local capacity, WAC 286-13-080: This policy has been difficult to apply consistently and fairly due to the difficulty in developing clear definitions for "existing capacity" and "supplant." Because of the impracticality of retaining policies that cannot be applied, *this WAC proposal removes the "supplement the existing capacity" and "not intended to supplant" provisions from WAC.*

Reasons supporting proposal: See above.

Statutory authority for adoption: RCW 79A.15.060(1), 79A.15.070(5), 79A.25.005, 79A.25.080(2), 79A.25.210, 79A.25.800.

Statute being implemented: --

Is rule necessary because of a:

Federal Law?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Federal Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
State Court Decision?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

If yes, CITATION:

DATE
December 15, 2006

NAME (type or print)
Greg Lovelady

SIGNATURE

TITLE
Rules Coordinator

CODE REVISER USE ONLY

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

None

Name of proponent: (person or organization)

Interagency Committee for Outdoor Recreation (IAC)

- Private
 Public
 Governmental

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting	Greg Lovelady	Box 40917, Olympia WA 98504 (1111 Washington St. Olympia)	(360) 902-3008
Implementation	Laura Eckert Johnson	(Same as above)	(360) 902-3000
Enforcement	Laura Eckert Johnson	(Same as above)	(360) 902-3000

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____
fax () _____
e-mail _____

No. Explain why no statement was prepared.

Not applicable. Only affected parties are local governments, state and federal agencies.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____
fax () _____
e-mail _____

No: Please explain:

IAC is not a listed agency in section 201, and proposed rules are technical, affecting governmental parties only.

WAC Text As Filed: Matching Requirements & Supplanting Local Capacity

(Includes editorial notes)

1 AMENDATORY SECTION (Amending WSR 98-08-014, filed 3/18/98, effective
2 4/18/98)

3
4 WAC 286-13-045 What rules govern eligible matching
5 resources((-))? (1) When requiring a match from an applicant for
6 committee administered funds, or giving preference to an applicant
7 that provides a match, it is the intent of the committee to do so to
8 foster local commitment to the proposed project and to demonstrate
9 that commitment, and to make funds from a given grant program (and
10 revenue source) available to a greater number of projects.

11 [ED. NOTE. ESTABLISHES IAC'S REASON FOR REQUIRING A MATCH.]

12 (2) Applicant resources used to match committee funds ((may))
13 include, but are not limited to: Cash((-)); local impact/mitigation
14 fees((-); certain federal funds((-); the value of donations such as
15 privately owned ((donated)) real estate, equipment, equipment use,
16 materials, and labor((-); or any combination thereof.

17 ((-2) Agencies and organizations may)) (3) An agency's or
18 organization's match ((with state funds so long as the state funds are
19 not)) may include state and federal funds, including funds from other
20 grant programs administered by the committee. However, the committee
21 may require the agency or organization to provide a portion of the
22 match in local resources. [ED. NOTE. AS IAC IS PROVIDED MORE GRANT PROGRAMS TO ADMINISTER,
23 THE CURRENT RULE OF NOT ALLOWING ONE IAC GRANT TO MATCH ANOTHER IAC GRANT IS BECOMING MORE
24 CUMBERSOME. THE FIRST SENTENCE ALLOWS IAC TO CHANGE THIS, ON AN INDIVIDUAL PROGRAM BASIS, IN ITS
25 POLICY MANUALS. LIKEWISE, THE SECOND SENTENCE ESTABLISHES THAT, IN ITS POLICY MANUALS AND ON AN
26 INDIVIDUAL PROGRAM BASIS, IAC MAY REQUIRE THAT SOME FUNDS NEED TO BE PROVIDED BY THE LOCAL AGENCY-
27 ORGANIZATION APPLICANT.]

28 ((-3)) (4) Private donated real property, or the value of that
29 property, must consist of real property (land and facilities) that
30 would normally qualify for committee grant funding.

31 ((-4)) (5) State agency projects may be assisted by one hundred
32 percent funding from committee sources *except* where prohibited by law.

33 ((-5)) (6) The eligibility of some federal and state funds to be
34 used as a match is governed by federal and state requirements and thus
35 may vary with individual program policies.

36
37 AMENDATORY SECTION (Amending WSR 96-08-044, filed 3/29/96, effective
38 4/29/96)

39
40 WAC 286-13-080 ((Committee funds intended to supplement.)) What
41 rules govern expenses incurred before execution of a project
42 agreement? ((State grants through the committee are intended to
43 supplement the existing capacity of a sponsor, they are not intended
44 to supplant programs, or to reimburse the cost of projects that would
45 have been undertaken without state matching money. Furthermore,))

46 Except as hereinafter provided, the committee will not approve the
47 disbursement of funds for ((a ~~project when otherwise reimbursable~~
48 ~~activities have been undertaken~~) expenses incurred before execution
49 of a project agreement ((~~has been executed~~)). [ED. NOTE: DELETION OF THE FIRST
50 SENTENCE, PER IAC RESOLUTION 2005-25, IS BECAUSE THE RULE IS EXTREMELY DIFFICULT TO APPLY
51 CONSISTENTLY AND FAIRLY. UPDATES IN SECOND SENTENCE CHANGE MEANING FROM AUTOMATIC REJECTION OF
52 ALL PROJECT EXPENSES TO JUST THOSE INCURRED BEFORE EXECUTION OF THE AGREEMENT.]

Concise Explanatory Statement
[Per RCW 34.05.325(6) and 34.05.370(2)(g)]

Reasons for adopting this rule. The purpose of the changes to chapter 286-13 WAC, also known as the General Grant Assistance Rules, is to:

(1) *Match requirements, WAC 286-13-045:* Provide a measure of relief to entities that apply for IAC grants by the prohibition against using an IAC grant in one program to match an IAC grant in another program. As IAC is provided more grant programs to administer, its rule of not allowing one IAC grant to match another IAC grant is becoming burdensome. For example, since IAC was directed to begin administration of the ALEA grant program in 2003, it is no longer possible for project sponsors to use an ALEA grant as a match for an IAC WWRP-Water Access grant. This means that project sponsors now have fewer sources of funding and are less likely to complete their projects.

(2) *Supplementing versus supplanting local capacity, WAC 286-13-080:* Increase grant administration fairness by removing the "supplement the existing capacity" and "not intended to supplant" provisions from WAC. This policy has been difficult to apply consistently and impartially due to the difficulty in establishing clear definitions for "existing capacity" and "supplant."

Differences between the text as proposed and adopted. (to be completed after adoption)

Reasons for any differences. (to be completed after adoption)

How final rule reflects agency consideration of comments or why it fails to do so. (to be completed after adoption)

Comment summary and IAC response. Comments on this WAC proposal are compiled into the following table, including a summary of each comment, a statement of how the rule reflects agency consideration of the comment, or why it fails to do so. Before the adopted rule is filed, this report will be provided to those who have commented and those who have requested copies.

<i>Matching Resources, Supplanting Local Resources</i>		
Comment Author	Summary of Comment	Response
1. Tim Foss, Cle Elum Ranger District, email, 11/29/05	This looks to me like it makes good sense. Thanks for sharing it.	Thank you for commenting.
2. Mark Wells, email, 11/29/05	It looks good to me. You've got my vote.	Thank you for commenting.
3. Ron Carlson, email, 11/29/05 Follow-up phone call, 1/22/05	1. I find the revised grant rules very confusing, could you restate the rules in easier to understand language? [Follow-up] I understand WAC 286-13-045(1), but WAC 286-13-045(3) needs an example or two. 2. Allowing state and federal funds to be used as a match is double dipping. That is, the same taxpayer pays twice and it shouldn't be allowed.	1. We have re-drafted WAC 286-13-045(1). 2. Allowing state and federal funds to be used as a match is a current and widely accepted policy. Further, WAC 286-13-090 (Federal Assistance) requires IAC to maximize federal funds. In most cases, the federal

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
		<p>government requires that project sponsors match such funds with non-federal funds. Without this matching requirement, most projects could not be implemented. Also, typically, the tax payers are not the same individuals.</p>
<p>4. Faith A. Roland, Seattle, The Trust for Public Land, email, 11/30/05</p>	<p>The one area of concern in your proposed changes has to do with Rule 286-13-080. This language appears to exclude expenses such as appraisal/review costs and title work, that are required to be completed and submitted when requesting retroactivity on an acquisition project. These expenses are incurred prior to agreement signing and would normally then be covered, following approval of retroactivity request. The new wording seems to exclude those expenses as it is proposed. Is there another area of the code that allows pre-agreement expenses, after approval of retroactivity.</p>	<p>The intent of the revised wording is not to exclude preliminary expenses. We will review WAC 286-13-085 to ensure the current practice is supported.</p>
<p>5. Neil T. Morgan, email, 11/30/05</p>	<p>[Suggested new text is underlined, deletions are struck.]</p> <p>The proposed WAC text and my comments are shown below. I do not agree in the least in providing a means for state agencies to use funds from previous grants to supplement or act as matching funds for additional grant applications. This action is unfair to those agencies who apply for their initial grant.</p> <p>It appears to me that funds are not totally used for the project which they were applied for rather to be saved for matching funds.</p> <p>Proposed WAC 286-13-045 <u>What rules govern Eligible matching resources?</u> (1) <u>When requiring a match from an applicant for committee administered funds, or giving preference to an applicant that provides a match, it is the intent of the committee to do so to foster local commitment to the proposed project and to demonstrate that commitment, and to make funds from a given grant program (and revenue source) available to a greater number of projects.</u></p> <p>Comment: Strongly disagree as this action gives preferences to agencies who have applied for and received grants in the past. It does not give credit to agencies who made any initial application.</p> <p>Proposed WAC: (2) <u>Applicant resources used to match committee funds may include: Cash, local impact/mitigation fees, certain federal funds, the value of privately owned donated real estate, equipment, equipment use, materials, labor, or any combination</u></p>	<p>Grants are awarded only on a reimbursement basis. IAC does not allow grant monies to be "saved" by an applicant/sponsor for future proposals.</p>

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
	<p>thereof.</p> <p>(23) Agencies and organizations may <u>An agency's or organization's match may include state and federal funds, including funds from other grant programs with state funds so long as the state funds are not administered by the committee. However, the committee may require the agency or organization to provide a portion of the match in local resources.</u></p> <p>Comment: I understand from the above actions that agencies and organizations can use grant funds from previous grants administrated by the IAC committee as matching funds. I myself see this as a revolving door and funds not being used as what they were initially intended for. The funds were intended to accomplish a project and I doubt if they were intended to foster another project.</p> <p>Proposed WAC: (34) Private donated real property, or the value of that property, must consist of real property (land and facilities) that would normally qualify for committee grant funding.</p> <p>(45) State agency projects may be assisted by one hundred percent funding from committee sources except where prohibited by law.</p> <p>(56) The eligibility of some federal and state funds to be used as a match is governed by federal and state requirements and thus may vary with individual program policies.</p> <p>Comment: Again, I strongly disagree with this action as indicated above.</p>	
<p>6. Greg Jones, Chelan County PUD No. 1, email, 11/30/05</p>	<p>1. I believe and agree with the this proposal's statement of fundamental intent (spread the funds and indicate community support and commitment). I understand that with an expansion of the scope of funding sources you may need to make some changes to more effectively, and fairly, administer the programs.</p> <p>2. If you are going to allow multiple IAC funding sources to fund proposed projects, and fulfill the "match" requirements for each other, then I think you should cap the total IAC administered funding sources for each project. In effect as proposed, if each separate funding source requires a 50% match, IAC funds could provide 100% of the funding. This will minimize the local commitment, and may also provide an advantage to those agencies that have dedicated resources to pursue grant funds.</p> <p>3. I think IAC policies should continue to encourage local, grass roots efforts to bring projects on line. I'm not suggesting you cap or restrict the match for all grant funding sources, just the IAC sources. Your staff is much more knowledgeable than I am in this regard,</p>	<p>1. Thank you for commenting.</p> <p>2. The intent of this WAC proposal is that some local resources will be used. See [286-13-045(3)].</p> <p>3. IAC policy continues to support provision of local matching resources in virtually all of it's programs.</p>

Matching Resources, Supplanting Local Resources		
Comment Author	Summary of Comment	Response
	and could probably provide a better number, but would suggest capping the total IAC funding at no more than 75% of a project.	
7. Randy Barcus, Inland Empire Chapter, Backcountry Horsemen of Washington, email, Spokane, 11/30/05	The recommended changes appear to me to pass the common sense test. In particular, I agree with the new policy to require local match with local resources since I believe that will foster greater local commitment to the project.	Thank you for commenting.
8. Jim Hansen, email, 11/30/05	What are the exceptional criteria under which a project match expended prior to grant contract may be approved?	Under the current WAC, waivers may be granted for land acquisitions (WAC 286-13-085). Also, under some circumstances, sponsors can be reimbursed for certain preconstruction costs incurred prior to the agreement period. Similarly, some incidental costs related to land acquisitions are also eligible, such as appraisals.
9. Jed Volkman, email, 11/30/05	1. The intent of the IAC to require some matching funds is consistent with many other funding sources. As a person who has implemented habitat restoration projects for more than a decade, however, I have mixed feelings about this change. Those implementing projects such as myself already have literally dozens of hoops to jump through in order to get a project on the ground. If any permits are required such as ESA [<i>Endangered Species Act</i>] and Cultural Clearances we are already looking at a solid year or more to get the "ok" from everyone. I understand the IAC's wanting to see a "demonstrated commitment" but please keep in mind this will put yet another roadblock in the way of implementation. Beyond that, I think there are other ways to ensure "commitment" other than cost share requirement. All of my projects begin with a "long term conservation easement". The landowner must agree to the terms of the agreement or the project will go no further. The conservation easements are a minimum of 15 years, this in itself shows a large "commitment" by the landowner. Beyond that, all of the projects funded by the IAC go through a thorough ranking process locally and then on to another process at the State level. This should also ensure that only biologically sound projects are being funded.	1-2-3. This WAC proposal is intended to address Interagency Committee for Outdoor Recreation Board issues and not those of the Salmon Recovery Funding Board. We will pass your concerns along to Salmon Recovery Funding Board staff.

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
	<p>2. If the IAC goes through with this change which I fully expect they will, I hope they will clarify how BPA [Bonneville Power Administration] funds will be treated. With the exception of the USFWS [US Fish and Wildlife Service], all other agencies consider BPA funds as a "local match" because they are generated (no pun intended) by rate payers, not taxes.</p> <p>3. As a side note, I wish the IAC would also take up the topic of funding upland/agriculture related projects with salmon dollars. With this email I have included a table (page 15) showing the subsidies that have been paid to farms in the state of Washington since 1995 (source http://www.ewg.org:16080/farm/region.php?fips=53000). Most important to the IAC is the CRP [Conservation Reserve Program] payments of 623 million dollars! It is my feeling that salmon dollars should quit paying for projects such as minimum tillage and direct seeding, etc. These types of projects are nothing more than another farm subsidy. Any farmer today is fully aware of these types of farm practices. Minimum tillage and direct seeding goes back more than 80 years, it is not a new concept. Certainly these types of projects have some value to water quality but the very limited amount of salmon dollars available should go to projects that would not receive funding otherwise. CREP [Conservation Reserve Enhancement Program] dollars are not being used to improve fish ladders, enhance in-stream habitat, or buy critical habitat areas so why should salmon dollars be used to fund farming activities?</p>	
<p>10. Jeanette Dorner, Nisqually Tribe, email, 12/1/05</p>	<p>Does the last draft change mean that waiver's of retroactivity will not be allowed any more or is that still provided for somewhere else?</p>	<p>Waivers will continue to be allowed; see WAC 286-13-085.</p>
<p>11. Jerry Novotny, US Fish and Wildlife Service, email, 11/30/05</p>	<p>I have made some comments in your draft (below). If you need further feedback on our programs (Sport Fish Restoration, Wildlife Restoration, Landowner Incentive, State Wildlife Grants, Clean Vessel Act, Boating Infrastructure, and Section 6 Conservation Grants) please give me a blip.</p> <p>1. WAC 286-13-045(3), Comment: Federal funds in our programs cannot be used to supplant the required minimum state match (some cases 25%, some cases 50%). They can be mixed into a grant, but can not be used instead of the state/local sponsor match.</p> <p>2. WAC 286-13-045(4): Private donated real property, or the value of that property, must consist of real property (land and facilities) that would normally qualify for committee grant funding. Comment: We call this in-kind value. The key here is that the donated goods or services must be a reasonable and necessary</p>	<p>Thank you for the clarifications.</p>

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Comment Author	Summary of Comment	Response
	<p>donation that would otherwise have been necessary to purchase and tied directly to the grant purpose.</p> <p>3. WAC 286-13-080, Comment: Our grant programs <u>do allow</u> pre-agreement costs as long as they are costs incurred as a necessity of the proposed action; we ask that pre-agreement costs be specifically identified in the grant, and we then must approve formally in the granting documents.</p>	
12. Jim Ballew, City of Marysville, email, 11/30/05	The proposed changes are positive steps. Thanks for asking.	Thank you for commenting.
13. Richard Elkins, NOVA Advisory Committee, email, 11/30/05	I have nothing to add.	Thank you for commenting.
14. John Keates, City of Chelan, email, 11/30/05	<p>1. If I understand the proposed changes correctly, an applicant could use another grant source as a match for an IAC grant provided the proposed matching grant is also administered by the IAC? So for example, could an applicant use an NRTP Grant as match for a NOVA grant? I've written a few grants in the past where I used either local or county funding sources (grants) to match a portion of an IAC grant. In an environment of limited resources, it was the only way to come up with the matching dollars. In my opinion, adopting a policy of limiting potential matching sources will limit applicant creativity and also limit funding options. In a couple cases while I was still in Enumclaw, I used King County Youth Sports Grant dollars as a match for IAC dollars. I wouldn't be in favor limiting the ability of applicants to leverage matching funds.</p> <p>2. Providing for the applicant to provide some matching funds is a good idea. There needs to be some local commitment to a project. Is there a target minimum percentage that the applicant must commit locally?</p>	<p>1. We intend that IAC policy continue to allow matching resources to originate from many sources. The policy as drafted expands this intent by allowing one IAC grant to match another IAC grant.</p> <p>2. 10% is the intended minimum match.</p>
15. Ron Ingram, NOVA Advisory Committee, email, 12/1/05	I read through the changes. It looks like you put a lot of thought into this. Not having that much experience on the committee, I couldn't find any fault with the content and I did not have any comments. Thanks for your effort.	Thank you for commenting.
16. Denise Nichols, Yakima Parks and Recreation, email, 12/1/05	I have review the proposed changes and they look fine.	Thank you for commenting.
17. Ann Caley, City of	I support the proposed changes you provided in the	Thank you for commenting.

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
Snohomish, email, 12/1/05	attachment.	
18. Dan Budd, WDFW, email, 12/1/05	The draft of WAC 286-13-045 looks great. While I support bonus points for greater match amounts by locals, I trust that in categories such as Urban Wildlife Habitat where locals compete with state agencies that either local bonus points won't apply or that there is some mitigating allowance for state agencies. Otherwise, state agencies will have little meaningful opportunity to apply in these categories.	We will take this into consideration as we develop evaluation criteria.
19. Jeff Hagler, email, 12/1/05	These changes look reasonable to us. The more ways that we can make the local match work the better.	Thank you for commenting.
20. Karen Daubert, 12/1/05, email	Reviewed both [WWRP and Match-Supplant chapters] last night and I have no other comments. Great job.	Thank you for commenting.
21. Douglas Conner, NOVA Advisory Committee, email, 12/1/05	Looks OK to me.	Thank you for commenting.
22. Brian Sims, Legislative Staff, email, 12/2/05	<p>In new subsection (1) you explain that the reason for your match requirement is to foster and demonstrate local commitment to a project. But then, in new subsection (3) you continue to allow state and federal funds as match. This does not accomplish your intent.</p> <p>Here is my suggestion: (3) A proposed project may involve multiple sources of state and federal funds, including multiple fund sources administered by the committee. State and federal funds include state and federal funds that are passed through local governments and agencies. The committee may require a local match for projects, and will consider the level of local match in evaluating competing applications. State and federal funds shall not be considered as local matching funds. The same expenditures from local funds shall not be used to meet local fund matching requirements for more than one grant administered by the committee. {There may be a better way to say this last sentence, but the idea is that applicants shouldn't use the same match dollar more than once... which is pretty standard policy for matching fund definitions.}</p>	IAC has always allowed grants from other sources not administered by the Committee to be used as matches. When proposing this WAC on the intent of a match requirement, IAC concluded that the effort to write, submit, and administer a second grant <i>does</i> demonstrate local commitment. However, at the same meeting that IAC took action on the draft WACs, it passed a resolution requiring a minimum 10% non-state, non-federal portion of the match for all projects to further demonstrate local commitment.
23. Jim Harris, State Parks, email 12/2/05	I have reviewed the suggested changes and the supporting reasons and I have no questions or suggest change comments.	Thank you for commenting
24. Jerry Zabriskie, Boistfort Lions	During our last project we had a matching grant of \$11,000 to restore our tennis courts. We ran out of	No. Your grant was in a program (Youth Athletic

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Comment Author	Summary of Comment	Response
Club, email, 12/5/05	money and had to find a second source, so went to the US Tennis Association to get an additional \$2,500 with which to seal and paint lines on the court. One unexpected problem we encountered along the way was the growth of lots of tree roots under our court that was buckling the surface and we had to rip out about 1/3 of the blacktop surface, which cost us extra money and time to get the job done. Question: Under the rules as we understood them we asked for and received an extension in time – could we have also asked for an additional grant with which to complete the task? We had sufficient matching items to cover the additional cost.	Facilities) in which cost increases were not allowed.
25. Albert Tripp, email, 12/2/05	The proposal for WAC 286-13-080 makes it hard to time the expenses or donations with the funding cycle.	This WAC does not change the existing policy. Rather it is intended to clarify.
26. Marc Krandel, Snohomish County Parks, email, 12/6/05	<p>1. WAC 286-13-045 – In Section (2), detailing applicant resources that may be used to match committee funds, labor is cited as one of the several options. It would be clearer if the section lists both force labor (applicant’s employees) and volunteer labor. The value of volunteer labor is determined in a different fashion than that of force labor. Clarity trumps misunderstanding.</p> <p>2. WAC 286-13-080 – We at local government understand the potential pitfalls that allowing work before the execution of a contract can cause. With respect to grants coming through the IAC, there are special cases. The action of the state legislature to limit the duration of a contract with the IAC to four years places a heavy burden on some projects. A long-distance multi-purpose recreational trail, for example, could take up to four years or more to design and get permitted. With permits needed from local, state and the federal governments including biological assessments to deal with federally listed endangered species and approvals from the Corps of Engineers and, say, National Marine Fisheries Service, means several years of study, design, review and approvals. Critical areas and associated mitigation agreements could take several years to get through a state agency such as the Department of Ecology.</p> <p>Suggestion: When a local agency purchases a piece of property it can ask for a waiver of retroactivity from the IAC. If the local agency is successful in the grant round, it can be reimbursed for a portion or all of the acquisition costs (assuming all the rules for acquisition were followed). This could be replicated in the construction arena. If a local agency were to work their way through the design and permitting puzzle for a</p>	<p>1. Agree; we will update the draft text.</p> <p>2. Thank you for commenting. In recognition of these difficulties, IAC policy does allow certain retroactive costs (WAC 286-13-085).</p>

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Comment Author	Summary of Comment	Response
<p>30. Kirstan Arestad, Senate Legislative Assistant, hand notes, 12/8,05</p>	<p>[Suggested new text is underlined, deletions are struck.]</p> <p>1. WAC 286-13-045(1): <u>When requiring a match from an applicant for committee administered funds, or giving preference to an applicant that provides a match, it is the intent of the committee to do so to foster local commitment to the proposed project and to demonstrate that commitment, and to make funds from a given grant program (and revenue source) available to a greater number of projects.</u> Comment: (a) Shaded portion is not clear - is the state "making funds"? (b) Does this statement obligate the state?</p> <p>2. WAC 286-13-045(2): <u>Applicant resources used to match committee funds include, but are not limited to: Cash; local impact/mitigation fees; certain federal funds; the value of donations such as privately owned real estate, equipment, equipment use, materials, and labor; or any combination thereof.</u> Comment: (a) Where are the "certain federal funds" defined? (b) Who determines the value? (c) Regarding donations: as they relate to the project or a previous project or something else?</p> <p>3. WAC 286-13-045(3): <u>(3) An agency's or organization's match (with state funds so long as the state funds are not) may include state and federal funds, including funds from other grant programs administered by the committee. However, the committee may require the agency or organization to provide a portion of the match in local resources.</u> Comment: (a) Regarding "federal funds", is this not limited as in #2, above? (b) Does it mean an organization can receive more than one IAC grant and can use "one" of the grants values as the match?</p>	<p>1. (a) This is a statement of intent (fourth line). (b) The statement of intent is not meant to obligate the state.</p> <p>2. (a) Eligible federal funds are defined in federal policies. (b) Valuation procedures are specified in IAC policy manuals, adopted by the board in public meetings. (c) Donations always relate directly to the project proposed for funding.</p> <p>3. (a) In some programs, IAC does limit the federal portion of a grant; the Land and Water Conservation Fund is an example (limit of \$500,000). However, the LWCF Program limits the use of other federal funds as match. (b) Yes, under this proposal, it would be possible for a sponsor to receive more than one IAC grant for a single project, so long as the grants are from different IAC programs.</p>
<p>31. Allison Williams, City of Wenatchee, email, 12/8/05</p>	<p>On behalf of the City of Wenatchee, who has been a very active participant in the IAC grant programs, I would like to provide comment on the proposed policy implications in regard to the provision of match by the local jurisdiction. As communities like ours plan for capital facility improvements, we find our list of needs far outweighs our available resources. We work hard to line up and identify funding sources in order to make a project happen. We would ask that you consider a policy that allows flexibility in match requirements. For example, a sponsoring organization (i.e. city) could use other funds (other grant sources regardless of source, etc.) for match. Often, small cities like ours have staff resources available to make a project happen but funding capacity is not available. The ability to match your programs with other funding sources, including other programs you administer, would get more projects completed and we know this helps to continue to sell the program to the Legislature.</p>	<p>Current and proposed IAC policy does allow flexibility in matching resources: WAC 286-13-045(2): <u>Applicant resources used to match committee funds may include: Cash, local impact/mitigation fees, certain federal funds, the value of privately owned donated real estate, equipment, equipment use, materials, labor, or any combination thereof.</u> (3) <u>An agency's or organization's match may include state and federal funds, including funds from other grant programs administered by</u></p>

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Comment Author	Summary of Comment	Response
<p>32. Kathy Kravit-Smith, Pierce County Parks, email, 12/9/05</p>	<p>[Suggested new text is underlined, deletions are struck.]</p> <p>1. WAC 286-13-045: Consider adding the phrase which is underlined: "(2) <i>Applicant resources used to match committee funds may include <u>but not be limited to</u>...</i>"</p> <p>2. The last sentence in section (3) injects ambiguity into the examples of the types of matching resources that are acceptable by not identifying the conditions under which a match is necessary.</p> <p>3. It is unnecessary for WAC 286-13-045(3) to stand alone; you can simply add it to section two that state, federal or other grants, including an IAC grant, can be used to match for IAC projects.</p> <p>4. WAC 286-27-045: For clarity, we suggest that the sentence ending in "...which the funds were originally approved..." be change to "...which the funds were originally approved and found in the project agreement..."</p> <p>5. WAC 286-27-055(1)(b): The draft proposal does not appear to provide for a conveyance to the state of the right to use the described property under <i>less than fee interest</i> conditions (full fee transfer is provided for).</p>	<p><i>the [IAC]."</i></p> <p>1. We agree in part and have modified your suggestion as follows: "(2) <i>Applicant resources used to match committee funds may include but not are not be limited to...</i>"</p> <p>2. IAC's board recently adopted resolution 2005-24 requiring "...that, absent other statutory direction, a minimum of ten percent of the total cost of a project be provided by local project sponsors (sponsors that are not a state or federal agency) in the form of a local (non-state, not federal) contribution...". This policy will be added to the policy manuals (an exception may be sought for the NOVA Program). The full resolution is in the board's minutes for the September 2005 meeting at: http://www.iac.wa.gov/iac/board/minutes.htm</p> <p>3. We agree, in part. However, keeping WAC 286-13-045(2) separate from (3) does serve a small function in helping to establish the significance of the new policy of allowing one IAC grant to match another IAC grant.</p> <p>4. Agree.</p> <p>5. Policies for less than fee transfers (called "assignment of rights") are discussed in IAC Policy Manual 3, <i>Acquiring Land</i>.</p>
<p>33. Richard Bemm, Longview Parks and Recreation Department, email, 12/9/05</p>	<p>I have no issue with the rewording.</p>	<p>Thank you for commenting.</p>

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Comment Author	Summary of Comment	Response
34. Renagene Brady, email, 12/9/05	Thank you for the opportunity to comment. The changes seem clear.	Thank you for commenting.
35. Jen Johnson, NMFS/PCSRF, email, 12/9/05	In the draft attached to this email, we have added some authorities under Section 6: 2 CFR 225, 2CFR 230, 2 CFR 220, and FAR 31.2. If the match is meant to cover any portion of the match required under the State's Pacific Coastal Salmon Recovery Fund grant, the match needs to meet federal requirements. If the match is non-federal as well as the original funding and there is no PCSRF money involved, perhaps the federal guidelines wouldn't be a requirement.	Thank you for providing the additional federal authorities information (Code of Federal Regulations and Federal Acquisition Regulations). However, this proposal does not extend to the salmon-related programs administered by the Salmon Recovery Funding Board.
36. Rocklynn Culp, Town of Winthrop, email, 12/9/05	While the potential of having broader possibilities for using state and federal funds to match WWRP grants is certainly beneficial to smaller jurisdictions, we are concerned about the language that states that "the committee may require the agency or organization to provide a portion of the match in local resources." This would seem to indicate that towns or cities could be held to providing a certain percentage of the project total in local resources. While in many cases that is a reasonable goal, it could be very detrimental to small towns/cities when it comes to larger projects. For example, if Winthrop applied for money to complete a trail project and was matching it with a federal grant, they may not be able to show a percentage (say 25%) of the project funds coming from local resources. It simply might not make sense to even try to do so. Thus the Town would be stuck in a difficult position, and unable to apply for IAC funds for an otherwise excellent project. The proposed WAC would leave a great deal of uncertainty and seems ripe for arbitrary application.	In its 9/16/05 public meeting, IAC's board adopted resolution 2005-24 requiring "...that, absent other statutory direction, a minimum of ten percent of the total cost of a project be provided by local project sponsors (sponsors that are not a state or federal agency) in the form of a local (non-state, not federal) contribution...". This policy will be added to the policy manuals (an exception may be sought for the NOVA Program). The full resolution is in the board's minutes for the September 2005 meeting at: http://www.iac.wa.gov/iac/board/minutes.htm
<p>NOTE: THE ANNOUNCED DEADLINE WAS 12/9/2005 IN ORDER FOR COMMENTS TO BE CONSIDERED BEFORE FILING THE DRAFT WAC LANGUAGE WITH THE CODE REVISER. COMMENTS RECEIVED AFTER FILING MAY LEAD TO ADOPTION OF A RULE SOMEWHAT DIFFERENT FROM THAT FILED SO LONG AS THE LANGUAGE ADOPTED IS NOT "SUBSTANTIALLY DIFFERENT." ANYTHING SUBSTANTIALLY DIFFERENT SHALL NOT BE ADOPTED WITHOUT RE-INITIATING THE NOTIFICATION AND COMMENT PROCEDURE [RCW 34.05.340(1)].</p>		
37. Christ Thomsen, DNR, email, 12/13/05	1. I converted each WAC title to statements, rather than questions. It is my opinion that this is more appropriate for rules. 2. WAC 286-13-080: Alternate title: "Rules governing expenses incurred before execution of a project agreement not eligible."	Your comments arrived after the deadline and could not be considered before the WAC filing. However, your feedback will be provided to the IAC board

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
		<p>before adoption.</p> <ol style="list-style-type: none"> 1. The view expressed by our staff and rule coordinators in other agencies is that the question and answer format is easier for most readers. 2. We like how this shortens the statement, but it is at the expense of losing the question format.
<p>38. Richard Stone, City of Montesano, letter, 12/14/05</p>	<ol style="list-style-type: none"> 1. As evaluation criteria, "need" may be becoming less significant and "matching fund preference" may be becoming more significant. 2. Although the impact of one evaluation question on a project's final ranking may be minimal, slight differences in scores can be the difference in whether or not a project receives funds. 	<p>Your comments arrived after the deadline and could not be considered before the WAC filing. However, your feedback will be provided to the IAC board before adoption.</p> <p>The proposal does not directly address evaluation criteria, but it could affect future modifications to the criteria. Before that occurs, however, the public would be provided with ample opportunity for feedback.</p>
<p>39. Suzanne Simmons, Seattle Parks, email, 12/19/05</p>	<ol style="list-style-type: none"> 1. Seattle Parks and Recreation supports the proposed changes to the eligible matching resources for the various IAC grant programs. There are instances where a project is not eligible for IAC funding because it does not have appropriate matching resources. The proposed changes will increase the grant opportunities for such projects, and for agencies which in the past have not been eligible to apply for the same reason. 2. We do have a concern: The policy for eligible A&E (planning) expenditures does not change. 	<p>Your comments arrived after the deadline and could not be considered before the WAC filing. However, your feedback will be provided to the IAC board before adoption.</p> <ol style="list-style-type: none"> 1. Thank you for commenting. 2. [Note sent to SS on 12/28 seeking clarification.]
<p>40. Art Tackett, City of Connell, email, 1/6/06</p>	<p>Do any of these new rules apply to existing grants or are they grandfathered in?</p>	<p>Without checking with legal counsel, we are not sure. However, the answer is likely specific to the WAC section in question. For example, is the section compatible with a provision in the Project Agreement, how does that section relate to other documents</p>

Matching Resources, Supplanting Local Resources

Comment Author	Summary of Comment	Response
		both (such as IAC policy manuals), etc. It would not change a funding agreement already in place.
41. Neil Morgan, Pt. Hadlock, phone call, 1/12/06	Expressed concern regarding the apparent inconsistency in stating IAC's intent in requiring matching funds is "to foster local commitment" and then providing a way for sponsors to match one IAC grant with another IAC grant. How does that foster local commitment?	Local commitment is demonstrated in several ways, including via the required 10% of non-state and non-federal funds that must be provided AND via the effort/resources expended to write, submit, and administer two grants.
42. Lyn Muench, Jamestown S'Klallam Tribe, email & phone, 1/17/06	<p>1. We agree with the intent of requiring match to foster local commitment and demonstrate that local commitment, as well as to make the program funds available to a greater number of projects. We agree that a minimum of 10% non-IAC match is reasonable.</p> <p>2. We do not agree that requiring 10% of the match to be "non-federal, non-state" will further IAC's intent. Is this a desire by the IAC that no project can ever be funded in full with state and federal resources? Why is this a goal of the Committee?</p> <p>The proposal will make things more difficult for our Tribe because we generally use 50% federal and 50% state dollars for a project, even though there is a strong local commitment. Often, the local commitment is ineligible as match. Example: the enormous amount of staff time dedicated to project prioritization, conceptual design and identifying funds is generally ineligible because of the strict A/E cap of 20%. Other local commitments are ineligible because they are outside of the exact project timeframe and scope of work. However, the commitment is real. For smaller projects, volunteer time may serve the 10% requirement. For a larger project, that is not realistic or achievable.</p> <p>It is also a concern of our Tribe that a non-federal, non-state match requirement could favor project sponsors with the ability to tax or have access to private dollars, which would be a major obstacle for our Tribe, and other Tribes, non-profits and Conservation Districts. Since the IAC Board desires to fund the highest priority projects, it is important to remove obstacles for project sponsors rather than erect new ones.</p> <p>Please remove the "non federal/non state" requirement. If you wish to exclude other state grant funding sources, we request that you refer to them as "non-state grant funds." Presumably some local</p>	<p>1. Thank you for commenting.</p> <p>2. The proposal is that 10% of a project's match be from non-state, non-federal resources, not all of the match. This match may be in the form of cash or donations of labor, material, equipment, etc. We recognize the high level of time, talent, expense, and commitment needed to write, support, and monitor an IAC grant application.</p>

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Comment Author	Summary of Comment	Response
	<p>entities have other state funding sources which are not grants that they would want to use for match.</p> <p>[SEE COMPLETE LETTER FROM MS. MUENCH, ATTACHED.]</p>	

From Jed Volkman, Habitat Biologist, Umatilla Tribe (see comment #9, page 4)

Top programs in Washington, 1995-2004			
Rank	Program	Recipients	Subsidy Total
1	Wheat Subsidies	19,662	\$1,073,684,409
2	Conservation Reserve Program	9,962	\$623,160,771
3	Barley Subsidies	17,801	\$143,928,068
4	Apple Subsidies	3,626	\$133,922,849
5	Disaster Payments	10,802	\$127,063,225
6	Dairy Program Subsidies	1,326	\$60,052,934
7	Corn Subsidies	2,748	\$47,617,403
8	Env. Quality Incentive Program	1,268	\$21,458,488
9	Livestock Subsidies	3,727	\$15,003,428
10	Dry Pea Subsidies	1,330	\$9,399,510



JAMESTOWN S'KLALLAM TRIBE

1033 Old Blyn Highway, Sequim, WA 98382

360/683-1109

FAX 360/681-4643

January 17, 2006

Laura Johnson, Director
Interagency Committee for Outdoor Recreation
P.O. Box 40917
Olympia WA 98504-0917

RE: Policies for Match

Dear Ms. Johnson:

We sent a letter to the Interagency Committee for Outdoor Recreation dated September 8, 2005, spelling out the reasons the Jamestown S'Klallam Tribe objects to a requirement that 10% of every project must come from non-state, non-federal dollars. The essence of what we said in September follows:

We agree with the intent of requiring match to foster local commitment and demonstrate that local commitment, as well as to make the program funds available to a greater number of projects. We agree that a minimum of 10% non-IAC match is reasonable. We do not agree, however, that the recommendation to require 10% of the match as "non-federal, non-state" will further the stated intent. It would seem to indicate a desire by the IAC that no project can ever be funded in full with state and federal resources. Why is this a goal of the Committee?

The proposal will make things more difficult for our Tribe. This is because we generally use 50% federal and 50% state dollars for a project, even though there is a strong local commitment. Often, the local commitment is ineligible as match. For example, the enormous amount of staff time dedicated to project prioritization, conceptual design and identifying funds is generally ineligible because of the strict A/E cap of 20%. The Jimmycomelately project included 3 years of in-kind planning effort, and obtaining and managing 29 grants with 61 match obligations. However we needed the full 20% A/E to pay for surveys, engineering design and construction supervision. Other local commitments are ineligible because they are outside of the exact project timeframe and scope of work. However, the commitment is real. For smaller projects, volunteer time may serve the 10% requirement. For a larger project, that is not realistic or achievable.

It is also a concern of our Tribe that this non-federal, non-state match requirement could favor project sponsors with the ability to tax or have access to private dollars. This policy would be a major obstacle for our Tribe, and we expect other Tribes, non-profits and Conservation Districts without Special Assessments as well. Since the IAC Board desires to fund the highest priority projects, it is important to remove obstacles for project sponsors rather than erect new ones.

We suggest that you remove the "non federal/non state" requirement. If you wish to exclude other state grant funding sources, we request that you refer to them as "non-state grant funds." Presumably some local entities have other state funding sources which are not grants that they would want to use for match.

Thank you for your continued efforts to improve the excellent IAC sponsored programs which make such an important contribution to communities throughout the State. We hope you will reconsider the match requirement in light of the above.

Sincerely,

Lyn Muench, Environmental Program Manager
cc: Yvonne Yakota

Attachment 4a

NRTP Matching Resources Policy Manual Text

Based on adoption of the proposals for “matching one IAC grant with another IAC grant” and “requiring sponsors to provide part of the match in local resources.”

~ Sample for National Recreational Trails Program ~

An IAC program in which federal agencies are eligible for grants

IAC’s matching resources policies are as follows:

1. NRTP funds will not exceed 80 percent of a project’s total cost. That is, sponsors must provide at least 20 percent of a project’s costs/value. (Federal agency sponsors, see #7 below.)
2. The “match” may include, but is not limited to:
 - a. Donations of cash, labor, equipment, and materials (see IAC Manual 5, *Application Instructions* for wage and equipment donation standards).
 - b. Force account¹ labor, equipment, and materials.
 - c. Federal, state, and local grants (this includes IAC grants, see #4, below).
 - d. Appropriations/cash.
 - e. Bonds.
 - f. Funds from other federal programs which may be *credited as a non-federal share* if expended:
 - In accordance with the requirements of that federal program; and
 - On a project that is eligible for NRTP assistance. Thus, some federal support may qualify as the non-federal share to match NRTP funds up to 100 percent of the project cost, regardless of the project sponsor. (For federal project sponsors, this provision does *not* include funds credited as additional federal share.) For example:
 - Federal programs for youth conservation or service corps, such as Americorps [<http://www.americorps.org/>].
 - U.S. Department of Housing and Urban Development Community Development Block Grants [<http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm>].
 - National Park Service Land and Water Conservation Fund Program [www.nps.gov/lwcf].
 - Federal-aid highway program funds, such as the Federal Lands Highway Program, National Scenic Byways Program, and Transportation Enhancement Activities.
 - Challenge Cost-Share programs from Federal land management agencies.
 - Federal funds available to Indian tribes.
 - See the Catalog of Federal Domestic Assistance for additional programs [www.cfda.gov] and page xx, (3) *Use of funds from federal programs to provide non-federal share*.
3. *Local agencies.* Absent other statutory direction, a minimum of ten percent of the total cost of a project must be provided by the local project sponsor (sponsors that are not a state or federal agency) in the form of a local (non-state, non-federal) contribution.
4. Existing sponsor assets, including real property and/or developments, must not be used as the match.

¹ “Force account” means to use the applicant agency’s/organization’s employees as opposed to a contractor’s staff, volunteers, or others.

5. An IAC grant may be used to help meet the match requirements of another IAC grant as follows:
 - a. The grants may not be from the same IAC grant program.
 - b. Only funding provided for elements that are eligible in *both* grant programs will count as the match.
 - c. The sponsor will be required to provide 10 percent of the combined total project cost to satisfy the requirement in 3 above.
6. Double counting is not allowed. That is, a cost incurred by a sponsor in a project that has been reimbursed by IAC shall not be used as a donation on another IAC project. For example, if the value of volunteer labor is used as the match in an NRTP project, the same value must not be used as the match in any other IAC project.
7. *Federal Agency Sponsors.* For federal match requirements, see SAFETEA-LU (2005), Title 23 United States Code, §206. Recreational trails program, f. (Federal Share) on page xx.
 - a. For each federal project, support from the Secretary of Transportation, including NRTP funds, may *not* exceed 80 percent of the total cost.
 - b. The share attributable to the Secretary *and* the federal agency may not exceed 95 percent of the cost.

Attachment 4b

BFP Matching Resources Policy Manual Text

Based on adoption of the proposals for “matching one IAC grant with another IAC grant” and “requiring sponsors to provide part of the match in local resources.”

~ Sample for Boating Facilities Program ~

An IAC program in which federal agencies are *not* eligible for grants

IAC’s matching resources policies are as follows:

1. Normally, once every four years at a meeting six months before funding consideration, IAC establishes sponsor matching share requirement and fund request limits. Local agencies must match BFP funds. While there is no similar requirement for state agencies, all applicants are encouraged to contribute matching shares to the greatest extent possible. In addition, applicants are encouraged to reduce government costs to the extent possible. This is reflected in the project evaluation criterion on page xx.
2. The “match” may include, but is not limited to:
 - a. Donations of cash, labor, equipment, and materials (see IAC Manual 5, *Application Instructions* for wage and equipment donation standards).
 - b. Force account² labor, equipment, and materials.
 - c. Federal, state, and local grants (if applied in accordance with the requirements of those programs; may include IAC grants, see 2 above).
 - d. Appropriations/cash and/or bonds.
3. *Local agencies.* Absent other statutory direction, a minimum of ten percent of the total cost of a project must be provided by the local project sponsor (sponsors that are not a state agency) in the form of a local (non-state, non-federal) contribution.
4. Existing sponsor assets, including real property and/or developments, must not be used as the match.
5. An IAC grant may be used to help meet the match requirements of another IAC grant as follows:
 - a. The grants may not be from the same IAC grant program.
 - b. Only funding provided for elements that are eligible in *both* grant programs will count as the match.
 - c. The sponsor will be required to provide 10 percent of the combined total project cost to satisfy the requirement in 2 above.
6. Double counting is not allowed. That is, a cost incurred by a sponsor in a project that has been reimbursed by IAC shall not be used as a donation on another IAC project. For example, if the value of volunteer labor is used as the match in a BFP project, the same value must not be used as the match in any other IAC project.

² “Force account” means to use the applicant agency’s employees as opposed to a contractor’s staff, volunteers, or others.