



Framework for Setting Priorities

The Prioritized List of Economic Vitality activities focus on achieving three outcomes which together impact the economic vitality of individuals, businesses, and communities in Washington State. These outcomes are: prosperous individuals, successful businesses; and vibrant communities. To support these outcomes are the following strategies:

- Remove economic development barriers through targeted infrastructure and assistance,
- Return unemployed, underemployed, or injured workers to work,
- Regulate the economy to ensure fairness, security, and efficiency,
- Provide consumer protection,
- Help develop affordable housing,
- Coordinate government efforts to improve the effectiveness of economic investments,
- Develop markets by promoting Washington products and services, and
- Provide seed and growth capital and support entrepreneurs.

**The Process:** The Economic Vitality POG team initially screened each activity to ensure there was sufficient data available to make informed judgments about whether the activity is contributing to the

result of economic vitality in an efficient and effective manner. In those cases where performance data was not available, the team reached out to the Governor’s GMAP office as well as the host agency for the activity to find more data.

Once the team gathered sufficient data for further analysis of economic vitality activities it underwent a two step process for developing its prioritized list. The first step was developing a criteria against which to rate all activities. During this step activities were rated as high, medium, or low depending on how directly it impacts one of the strategies and how many other strategies it affects. The team then grouped these activities together in tiers determined by an index score assigned to each activity. Each member of the group was asked to rate the activity as a high, (which would be a score of 3), medium (score of 2), or low (score of 1). Since there were seven voting members, the maximum score for an activity was 21. The higher the index score assigned to an activity the more strategies it impacts and in a more direct fashion than lower scoring activities. The next step in developing the priority list was to rank activities relative to each other. This process required each team member rank the entire list of activities in numerical order from the most critical to the lowest priority. The team then constructed an index score for each activity based on the sum of its respective scores from team members and placed in order. Ties were broken by moving the score with the lower standard deviation to the senior position in the list.



## The Prioritized List

In order for the State to have a vibrant economy we agreed that individuals need to be prosperous, businesses are successful, and our communities have the necessary infrastructure and amenities to maintain a quality of life that makes our state an attractive place to live and conduct business.

The activities that rose to the top of the prioritized list tended to be those that had good performance measures and were in close alignment with the strategies and results. In addition, the activities that supported several of the team’s strategies consequently rated higher on the list.

The expected results from investments in these activities range from providing the resources and services to get unemployed and injured workers back to work, addressing the infrastructure needed to attract new businesses, while retaining existing businesses and allowing those businesses to expand, and ensuring that our communities are vibrant and the quality of life that have been the hallmark of our state is retained and if possible enhanced.

### ***Prosperous Individuals***

In order for us to meet the outcome of Prosperous Individuals, getting the unemployed and the under-employed working wage jobs were the team’s highest rated activities. Activities focused on getting workers back to work when they are unemployed or injured and providing

training and educational opportunities to improve their skills or develop new skills that will make them more competitive in the global market place. Providing resources to unemployed workers to find work and/or getting the necessary training or education to seek a better job was deemed an important consideration by the group. Consequently, two major priorities dominated this outcome area in terms of the dollars allocated: the Employment Security Department’s unemployment insurance program; and the Department of Labor and Industries workers’ compensation. While these activities have divergent missions and applications, both provide temporary income support to individuals either between jobs or while recovering from a workplace injury. Both are insurance products and protect against loss should a worker find them selves unemployed or injured while on the job. Another priority, workforce education, is designed to get dislocated workers back to work as quickly as possible, and to help avert the layoff of incumbent workers who require short-term up-skilling to retain their employment. The team deemed this activity so important; we included a portion of this activity in our priority list, although it was an activity in the Post Secondary Education POG team

In addition, our team rated activities highly that are aimed at consumer protection such as the Department of Financial Institution’s

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enforcement activities related to violations of the regulatory and anti-fraud statutes applicable to financial institutions, as well as the Attorney General’s consumer protections efforts which seek to prohibit unfair and deceptive business practices in trade or commerce.

#### *Successful Businesses*

Within this outcome area, several themes emerged. The first is development and establishment of markets for Washington products. Our priorities focused on activities that assist businesses with getting their goods to market, such as CTED and WSDA’s International Export Promotion Program, and their respective Overseas Offices that provide outreach efforts that market Washington made products to our international trading partners.

Another theme was the need to provide a consistent regulatory framework in which to do business such as the Department of Agriculture programs to establish uniform weights and measures, inspections of commodities, and certification of products, Department of Labor and Industries Employment Standards/Prevailing Wage activities and the Department of Licensing’s Centralization of License Requirements For Businesses. In addition, the team recognized efforts agencies have been making to apply enterprise-wide solutions to improve communication, integrate data, educate stakeholders and align program implementation exemplified by the efforts of the Office of Regulatory Assistance.

Removing economic development barriers through targeted infrastructure and assistance was also a strategy the team valued highly. State programs such as CTED’s Community Economic Revitalization Board (CERB) and the Public Work’s Board provide the needed funding to local communities so they are able to make strategic investments in publicly owned economic development infrastructure projects that serve as catalysts for targeted sector business growth and job creation, as well as helping local governments to improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate and maintain public facilities. Significant challenges still exist in coordinating infrastructure dollars among the various state programs. So there are opportunities to pursue in restructuring these programs so the dollars could be better targeted to achieve specific community and/or policy objectives.

Small businesses’ ability to access capital, especially in the current economic climate, has been identified as a major impediment to their success. OMWBE’s Linked Deposit Program assists minority and women owned small businesses by providing a mechanism for banks to provide loans at interest rates 2% less than current rates.



***Vibrant Communities***

Many of the higher priorities in this category are non-capital items directed toward community and business infrastructure development and improvement. Among the activities rated as high were several housing activities that provide housing to migrant farm workers and address the needs of residents in mobile home parks who are required to move due to the sale of the property on which the mobile home is located.

CTED's Asset building activity provides financial education, planning, and outcomes for working families. A vibrant community also has to have a fair and equitable treatment of all its citizens. The Human Rights Commission works to eliminate and prevent discrimination throughout the state in employment, real estate transactions, credit and insurance transactions, and in places of public accommodation based on race, creed, color, national origin, sex, sexual orientation, gender identity, marital status, familial status, disability, and honorably discharged veterans or military status.

**The End Result:** The team had many robust discussions about the activities under consideration. Recognizing the current state of the economy and the challenges our state faces, the team chose not to pursue new activities. In addition, the enhancements to current activities were also rated low. The discussions centered around the

fact that current activities have been reviewed and analyzed several times through the budget process, as well as the previous POG efforts. Consequently, existing activities were deemed a higher priority than new enhancements. In addition, the team noted that there are educational and training activities that are significant contributors to our result area that were not under our purview.

Finally, our ultimate result is to give citizens the resources to be productive and the skills our businesses require, so our businesses are competitive in the global market place.