Recommendation Summary Text:

In recognition of the status of the State's general fund, this proposal will provide for a slower implementation of the Department of Natural Resources (DNR) Urban and Community Forestry Program responsibilities under the Evergreen Communities Act (SHB 2844) passed in the 2008 legislature. DNR is requesting funding at a reduced level than that estimated in the fiscal note for the passed legislation. The fiscal note estimated the cost of the program at $1,204,000 for the 2009-11 biennium. In contrast, the implementation cost of this proposal is $556,000. This amount plus the adjusted carry forward level for the program of $428,000 totals only $984,000 for the 2009-11 biennium.

The program will delay completing a comprehensive urban forest inventory in two counties until the end of the 2009-11 biennium, provide urban forestry technical assistance, and recognition to communities achieving Evergreen Communities status.

Fiscal Detail

<table>
<thead>
<tr>
<th>Operating Expenditures</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>001-1 General Fund - Basic Account-State</td>
<td>212,600</td>
<td>343,400</td>
<td>556,000</td>
</tr>
<tr>
<td>Total Cost</td>
<td>212,600</td>
<td>343,400</td>
<td>556,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Staffing</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Annual Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTEs</td>
<td>1.3</td>
<td>2.9</td>
<td>2.1</td>
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</table>

Package Description:

Urban and community forests provide energy savings, cleaner air, carbon storage, storm water retention, wildlife habitat and economic benefits to local communities.

The Evergreen Communities Act authorizes DNR to conduct an urban forest inventory and assessment that will establish statewide priorities for urban forest management and restoration, and keep the state competitive for limited federal grant funds.

SHB 2844 directs DNR to assist the Department of Community, Trade and Economic Development (CTED) in establishing model urban forest management plans and ordinances for use by Washington communities in the development of their urban forestry programs.

SHB 2844 will help local communities shape their urban forestry programs as our state population continues to grow.

The Evergreen Communities Act authorizes DNR to conduct a statewide urban forest inventory and assessment. This proposal will move DNR to the point where we can begin implementing the Evergreen Communities Act when funding to complete the statewide inventory and assessment become available. The program will conduct the pilot inventory and assessment in two counties. This will
prepare both Agencies to administer the Evergreen Communities recognition program established by CTED. DNR will be responsible for reviewing urban forest management plans and ordinances with CTED.

Under the Evergreen Communities Act DNR will ultimately:

1. Conduct a prioritized statewide inventory and assessment of community and urban forests.

2. SHB 2844 directed an initial urban forest inventory and assessment of one county east of the crest of the Cascade Mountains and one county west of the crest of the Cascade Mountains by June 30, 2010. With the funding requested in this package, DNR can complete the initial two county inventory by June 30, 2011.

3. Maintain and update the statewide urban forest inventory.

4. Provide technical expertise and outreach to communities regarding model urban forestry management plans and ordinances.

5. Review urban forestry management plans and ordinances submitted by communities.

6. Manage the application and evaluation of candidates for Evergreen Community designation.

Due to a slower rollout of the program resulting from the 2009 hiring freeze, the two county inventory and assessment will be completed in FY 2011. This delays the need for increased technical assistance to communities until FY 2011. This proposal will bring us to the point where we can begin the statewide inventory in the 2011-13 biennium, and provide the technical assistance called for in the Evergreen Communities Act.

**Narrative Justification and Impact Statement**

*What specific performance outcomes does the agency expect?*

DNR will complete the two county pilot inventory and assessment by June 30, 2011, as well as provide the technical assistance to CTED to develop the model codes and guidelines for the program.

**Performance Measure Detail**

<table>
<thead>
<tr>
<th>Activity: A046 Resource Protection</th>
<th>Incremental Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>No measures submitted for package</td>
<td></td>
</tr>
</tbody>
</table>

*Is this decision package essential to implement a strategy identified in the agency’s strategic plan?*

This proposal supports our goal to assure that forest systems enjoy equal or greater health and productivity by implementing our strategy to establish, restore, and maintain healthy urban forests.

*Does this decision package provide essential support to one of the Governor’s priorities?*

As an essential element of our Urban Forestry program, this proposal supports the Priorities of Government Natural Resources key results area by implementing the Evergreen Communities Act.

*Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?*

September 5, 2008
This proposal makes key contributions to the Improve the Quality of Washington's natural resources Statewide Result Area by
1. conducting a comprehensive inventory of urban forest resources (linked to the provide good science and resource monitoring
data to support decision-making Statewide Results Strategy), and

2. providing urban forestry technical assistance to communities (linked to the achieve sustainable use of public natural resources
Statewide Results Strategy).

3. providing recognition to communities that model exemplary urban forestry practices through the Evergreen Communities
recognition program (linked to the improve individual practices and choices about natural resources Statewide Results Strategy).

What are the other important connections or impacts related to this proposal?

A broad stakeholder group supported the passage of the Evergreen Communities Act. This proposal honors the intent of this
legislation.

We will conduct urban forest inventories within the Puget Sound Basin. Approximately sixty percent of the state's urban area is
within the Puget Sound Basin.

What alternatives were explored by the agency, and why was this alternative chosen?

Alternative 1
Continue work with carry forward level funding.

Outcome
We cannot complete pilot inventory and support technical assistance to communities and CTED at this level.

Alternative 2
Seek funding at the level specified in the fiscal note for SHB 2844. Full funding of the fiscal note is $776,000.

Outcome
This level of funding is assumed to be unavailable, given the current state revenue projections.

Alternative 3
Complete the pilot inventory by June 30, 2011, and support technical assistance to CTED and communities.

Outcome
This is the preferred alternative, it is achievable within the biennium with the requested funding.

The third alternative brings the Evergreen Communities Act to the point where it will be ready to be implemented as soon as the
follow-on funding is acquired.

What are the consequences of not funding this package?

The urban forest inventory design to be completed in FY 2009 will have little value if we do no: follow up with a two county pilot
project in 2009-11 followed by a comprehensive statewide inventory in future biennia. The Urban and Community Forestry Program
would fall short of the legislative intent for the Evergreen Communities Act if we do not seek funding for implementation.

What is the relationship, if any, to the state's capital budget?

This proposal has no effect on the state's capital budget.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

We do not need to change any statutes, rules, or contracts to implement this proposal.

September 5, 2008
Expenditure and revenue calculations and assumptions

This proposal implements the Evergreen Communities Act. Expenditures necessary to implement SHB 2844 are described below.

Section 4 requires DNR to complete an initial inventory and assessment of one county east of the crest of the Cascade Mountains and one county west of the crest of the Cascade Mountains by June 1, 2010. This package has been scaled back to accomplish the items critical for completing this initial inventory by June 30, 2011. Staff needed for initial inventory is partially funded in our carry forward level with one FTE NR Specialist 3. The inventory and assessment must be designed to facilitate the adoption and implementation of evergreen community management plans and ordinances, and to facilitate the planning needs of local government. This requires that the inventory be based on an on-the-ground sample of urban forest conditions in each community. Additional staffing is required to complete the urban forest inventory beyond the two initial counties. One FTE NR Scientist 2 is required to set the parameters of the inventory, train and supervise other personnel and contractors in survey, sample plot installation, field evaluation and reporting work, and to evaluate the sample data.

The contractual work to conduct the inventory will be completed as follows: $100,000 in FY10, $100,000 in FY11, and $100,000 per year thereafter. The initial statewide inventory given this time line would be completed in FY18. An estimated $100,000 per year in future years after FY18 is needed to maintain and update inventories.

Section 6 - requires CTED to utilize DNR's technical expertise regarding the development of management plans and ordinances. Based on DNR experience providing technical assistance to communities, a .75 FTE NR Specialist 4 is included in our carry forward level to provide this service.

Section 8 - requires DNR to manage the application and evaluation of the evergreen community recognition program. A .5 FTE NR Specialist 3 beginning in FY11 will be needed to manage the applications and evaluate the candidates for evergreen city status.

Section 10 - requires DNR to provide outreach regarding evergreen community management plans and ordinances and best management practices to aid communities in obtaining evergreen community recognition. A .25 FTE NR Specialist 3 will be needed beginning in FY11 to distribute and provide outreach regarding model plans, ordinances and best management practices to local jurisdictions.

Section 16 - requires DNR to review evergreen cities ordinances and management plans and offer technical assistance. A .5 FTE NR Specialist 3 beginning in FY11 will be needed to review management plans and ordinances submitted by cities, and to provide technical assistance to cities.

Salary and benefit costs for the 2009-11 biennium are $241,700. Thereafter, biennia cost is $324,600.

Contractual work under section 4 above is $200,000 per biennium.

Goods and services and travel are based on program averages.

One-time items include workstations at $7,000 each for two positions, and three computers for $3,600.

Agency administrative cost is calculated at 27% and shown as object T. FTE associated with agency admin is estimated at .5 of a position.

There are no revenue changes due to this proposal.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing expect for one-time equipment noted above in the expenditure calculation section.

<table>
<thead>
<tr>
<th>Object Detail</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Salaries And Wages</td>
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<td>125,600</td>
<td>181,400</td>
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<tr>
<td>B Employee Benefits</td>
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<tr>
<td>Contract Type</td>
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<td>Column 2</td>
<td>Column 3</td>
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<tr>
<td>-----------------------------------</td>
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<td>----------</td>
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<tr>
<td>C Personal Service Contracts</td>
<td>100,000</td>
<td>100,000</td>
<td>200,000</td>
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<tr>
<td>E Goods And Services</td>
<td>12,200</td>
<td>17,800</td>
<td>30,000</td>
</tr>
<tr>
<td>G Travel</td>
<td>3,500</td>
<td>7,900</td>
<td>11,400</td>
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<tr>
<td>J Capital Outlays</td>
<td>1,200</td>
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<td>3,600</td>
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<tr>
<td>T Intra-Agency Reimbursements</td>
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<td>69,300</td>
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<td><strong>Total Objects</strong></td>
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<td><strong>556,000</strong></td>
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</table>