

# State Centennial Accord Plan



**Office of  
Trade & Economic  
Development**

**Washington State. Four borders. No boundaries.™**

As outlined in the Centennial Accord, the Office of Trade and Economic Development (OTED) has established a procedure by which the government-to-government policy shall be implemented. This procedure is called the “Centennial Accord Plan” and is a structure by which OTED can communicate and work with each of the State’s federally recognized tribes.

## **AGENCY MISSION**

OTED works to enhance and promote sustainable economic vitality.

## **AGENCY GOALS**

- GOAL 1: Promote prosperity that is shared throughout the state.
- GOAL 2: Strengthen the competitiveness of Washington State businesses and our workforce to succeed in both the domestic and international marketplace.
- GOAL 3: Provide leadership and advocacy on major economic vitality issues and activities affecting the state.
- GOAL 4: Create a focused, performance driven, integrated agency.
- GOAL 5: Increase our communication and use of internet based technology to enhance the agency’s visibility, programs and services.

## **PROGRAMS**

**Economic Development Division.** Offers assistance and services in the following areas:

Business Development, Retention & Expansion. The Business Development, Retention and Expansion program works with companies that are prepared to invest in the state, either through a relocation, retention or expansion project.

Business Finance. OTED’s Business Finance programs provide a range of business financing services and technical assistance. These programs help businesses obtain capital for start-up and expansion projects that create or retain jobs, stimulate private investment, increase local tax base, and strengthen community economic vitality. The following loan programs may be available to tribes subject to certain conditions depending upon the nature and purpose of the loan. More detail about each loan and finance program available to tribes is listed in the Funding Distribution section of this plan.

Community Economic Assistance Center. CEAC provides financial and technical assistance to help rural communities, distressed urban neighborhoods, downtown business districts, and other targeted areas prepare for desired business and job growth. Technical assistance ranges from practitioner training to project development services. Financial assistance pays for local economic development planning, feasibility analysis, site development, and publicly-owned infrastructure.

Film & Video Office. Markets the state's diverse locations for feature films, television and commercial production.

Small Business Resources. This program is available to tribal entrepreneurs and tribal-owned businesses seeking information about starting or operating a business in Washington State. Program staff help connect people with appropriate regulatory agencies, service providers and state and local resources. Information and help is provided via:

- Business Assistance Helpline (toll-free in WA)
- Online Business Information
- Publications
- Workshops and Conferences
- WA State Business Resource Directory
- Industry Profiles

Tourism Office. Operates and domestic and international tourism promotion and marketing programs as well as provides services to communities, and businesses, with particular emphasis on increasing off-season travel to rural, under visited areas of the state. The Tourism Office recently funded the completion of the Tribal Tourism Assessment Study to enhance tourism in tribal communities.

Washington Community Economic Revitalization (WA-CERT). WA-CERT provides a single point of access to state and federal community and economic development programs targeted to rural Washington. The WA-CERT coordinates delivery of state and federal programs to rural counties, tribes, municipal corporations, special purpose districts, public ports, economic development councils, and not-for-profit organizations.

**WorkFirst Division.** WorkFirst is Washington's welfare-to-work strategy designed to help financially struggling parents find jobs, keep their jobs, get better jobs and build a better life for their families. The OTED WorkFirst Division administers the following WorkFirst programs:

Community Jobs. By contracting with community-based organizations and in some instances, with certain tribes, Community Jobs provides transitional community-based employment and training opportunities for the hard-to-employ WorkFirst participants with significant challenges entering the regular job market. The tribal funding methodology is listed below in a separate section.

Local Area Planning. Provides ongoing administrative support and coordination for planning, communication, and partnership with the WorkFirst interagency structure.

Transportation Initiative. Provides funding to local projects that offer increased welfare to work transportation services.

Business Outreach. Works regionally with WorkFirst partners and local outreach teams to involve and recruit more business employers in the WorkFirst program.

**International Trade Division.** The International Trade Division assists small and medium sized businesses in Washington state compete successfully in the global economy. Each of the following programs are supported by staff who provide Washington businesses looking to export into those countries with market research, trade leads. Staff also coordinate trade-related activities such as incoming and outgoing missions, trade shows, seminars and conferences.

- Canada & Mexico Program (NAFTA Region).
- Emerging Markets Program.
- European Program.
- Japan Program.
- Korea Program.
- Russia Program.
- China Program.
- Taiwan Program.

Education Program. Assists educational institutions market their programs worldwide through trade shows, setting appointments during state sponsored trade missions, and through activities of our international state offices and by working closely the U.S. Export Assistance Center (USEAC) in pursuing these objectives.

Engineering Services Program. Assists environmental civil engineering, renewable energy and architectural firms, to export their technologies and services worldwide.

Software/Information Technology Program. Promotes exports and business linkages of Washington State software and information technology (i.e., telecommunications, computer equipment) products to worldwide markets.

Transportation Program. Focuses on 2nd and 3rd tier aerospace industry suppliers into worldwide markets by assisting these companies access and develop a variety of business relationships from sales to partnerships. The program works closely with the Business Development program to support the local expansion of existing industry and attract new investment.

Value-Added Wood Products and Building Materials Program. Provides strategic market direction and assistance for the value-added wood products and building materials industry of Washington, based on the state's competitive advantages, to increase the export of value-added wood products. Primary focus is given to small and medium-sized companies.

Foreign Contract Representatives are located in Japan, China, Europe, Korea, Russia and Taiwan.

**Energy Policy Division.** Provides energy resource planning and analysis, emergency response, energy strategy, and manages the grants from the Federal State Energy Program (SEP), Oil Funds

Settlement Agreements between the Energy Policy Group and Washington State University (WSU) Cooperative Extension Energy Program, Washington State Department of General Administration (GA), Washington State Department of Transportation (DOT), and the U.S. Department of Energy.

A comprehensive list of agency programs, contacts, and publications may be found at [www.oted.wa.gov](http://www.oted.wa.gov). This information may also be obtained by calling OTED at (360) 725-4000.

### **Funding Distribution**

**Economic Development Financing Programs.** The following is a list of OTED financing or loan programs available to tribes, tribal members or tribal owned businesses subject to the conditions and purposes of the specifically mentioned program. Every loan or finance program mentioned below has been or is currently being utilized by tribes, tribal members or tribal-owned businesses.

Forest Products Loan Program. Can lend up to \$1,000,000 to firms engaged in value-added processing of wood products.

Coastal Loan Fund. Can lend up to \$150,000 per company in Washington's five coastal counties. In addition, technical assistance loans for up to \$50,000 are made to public and quasi-public organizations.

Childcare Facility Fund. Provides grants to \$25,000 and loans up to \$100,000 for childcare facilities around the state.

Rural Washington Loan Fund. A gap financing fund which can lend up to \$700,000 in non-entitlement (almost always rural) areas of Washington state; loans typically do not exceed 33% of the total project cost but can take subordinated positions to a prime lender. Certified minority and women-owned businesses can get loans for up to \$50,000 with no requirement for another lender to be participating.

HUD 108 loans. Are only available in non-entitlement areas and are typically targeted for businesses and quasi-public organizations who are stronger loan applicants than those getting RWLF financing but who still need gap financing of more than \$700,000. The program can be used for companies owned by tribal members.

CDBG Float loans. Very low interest, short term (no longer than 30 months) loans secured by an irrevocable letter of credit and targeted for non-entitlement areas. As with the RWLF and HUD 108 loans, companies owned by tribal members are eligible.

Linked Deposit Loan Program. Provides banks with an incentive to lend at a lower interest rate to certified minority and women owned businesses by making matching state treasury deposits in local banks to match the amount they have lent under this program. Businesses that are certified as being owned by tribal members qualify for the program; the program is limited to a grand total of \$75,000,000 being lent out at any one time to qualified borrowers.

Community Development Finance Program. The state has a group of five financing specialists who focus on primarily on assisting businesses in the rural areas of the state who need loan packaging and loan referral assistance. These staff package the paperwork for all of the loans mentioned above as well as assisting firms with SBA loan packages, and accessing local revolving

loan funds and commercial lenders and assist tribal member owned firms to gain financing from revolving loan funds and commercial lenders.

**WorkFirst Community Jobs Program.** The WorkFirst Division of OTED contracts with tribes to administer the Community Jobs program element of WorkFirst. Four tribes are currently participating in the WorkFirst Tribal Initiative. The payment rate for this service category is governed by the State Tribal Contracting Initiative Funding Methodology.

**Oil Settlement Funds.** The Energy Policy Division of OTED contracts with the Western Washington Indian Employment & Training Program (WWIETP) to distribute funds arising out of the Oil Funds Settlement Agreement. The federally recognized Indian tribes in Washington receive 4% of all new oil funds. The tribes work with WWIETP to allocate the funds and submit applications through WWIETP to the Energy Division and OTED forwards those applications to DOE.

### Definitions

The following definitions should be used as guides only. They are commonly used terms in the program areas overseen by OTED. The actual governing definitions of these terms may vary according to relevant federal or state statute, contract or other governing document related to an OTED program using such terms.

“CERB” means the Community Economic Revitalization Board. CERB finances publicly-owned economic development infrastructure to encourage new development and private investment. These improvements include industrial water, general purpose industrial buildings and port facilities, sanitary and storm sewers, industrial wastewater treatment facilities, railroad spurs, telecommunications, electricity, natural gas, roads, and bridges.

“Distressed Area” means: (a) A county that has an unemployment rate that is twenty percent above the state-wide average for the previous three years; (b) a county that has a median household income that is less than seventy-five percent of the state median household income for the previous three years; (c) a community or area that has experienced sudden and severe or long-term and severe loss of employment, or erosion of its economic base due to decline of its dominant industries; or (d) an area within a county which area: (i) Is composed of contiguous census tracts; (ii) has a minimum population of five thousand persons; (iii) has at least seventy percent of its families and unrelated individuals with incomes below eighty percent of the county's median income for families and unrelated individuals; and (iv) has an unemployment rate which is at least forty percent higher than the county's unemployment rate. For purposes of this definition, "families and unrelated individuals" has the same meaning that is ascribed to that term by the federal department of housing and urban development in its regulations authorizing action grants for economic development and neighborhood revitalization projects

“Manufacturing or processing activities” means all activities of a commercial or industrial nature wherein labor or skill is applied, by hand or machinery, to materials so that as a result thereof a new, different, or useful substance or article of tangible personal property is produced for sale or commercial or industrial use and includes the production or fabrication of specially made or custom-made articles.

"Minority and women-owned business" means any resident minority business enterprise or women's business enterprise, certified as such by the office of minority and women's business enterprises under chapter 39.19 RCW.

"Research and development" means the development, refinement, testing, marketing, and commercialization of a product, service, or process before commercial sales have begun.

"Rural county" means a county with a population density of less than one hundred persons per square mile.

### **Consultation & Dispute Resolution Processes.**

OTED is committed to the consultation process as outlined in section II of the 1999 *Centennial Accord* between the federally recognized Indian tribes located in Washington State and the State of Washington.

The OTED Director shall be present at all government-to-government meetings.

Assistant Directors and policy staff shall routinely solicit and consult tribes in the development of new policy, budget, programs or agency initiatives.

The Intergovernmental Relations Director solicits proposals for agency request legislation in June of each year. The agency distributes proposed drafts to stakeholders, including tribes, for review prior to approval from the Governor's Office and legislative introduction.

If a tribe has concerns or a dispute involving OTED, it is strongly encouraged that the Director of OTED be contacted within a reasonable time period after the problem or concern has arisen. The concern or dispute shall be communicated along with the remedy sought. OTED shall make every effort to address and resolve the matter expeditiously.

When a dispute or disagreement arises regarding the administration of a contract between OTED and a tribe(s), any dispute resolution process cited within the agreement shall govern the handling of the matter. Dispute processes may differ based upon the agreement or contract in question.