

Community Planning and Development Grants: *Performance measures and stronger controls needed to ensure results*

Background

The Community Planning and Development Grant program provides funding to local governments for planning to make land ready for development. Between 2006 and 2015, the program awarded about \$19 million in grants through four rounds of funding.

The program was started to implement part of the Urban Growth Management Functional Plan (Regional Plan). The Regional Plan prioritizes certain geographic areas for planning and development. Geographic alignment between priority and grant project areas would be one indication that the program was helping to implement the Regional Plan.

Key findings

- **Missed opportunity to implement some parts of the Regional Plan.** The program was started to implement part of the Urban Growth Management Functional Plan (Regional Plan). The Regional Plan is the main implementation mechanism for a set of policy goals for the region, including the 2040 Growth Concept and Metro's Six Desired Outcomes. We found reduced geographic alignment between grant projects and areas prioritized for development in the Regional Plan. This indicates a missed opportunity to use grants to make progress on some regional goals.
- **Improvements may benefit local governments.** In general, local governments reported that the program provided value and funded activities that may have otherwise gone unfunded. However, we identified potential improvements related to the application process, the project support provided by Metro, and program communication. Getting feedback from local governments could help the program understand how to provide effective support and make it easier for local governments to participate.
- **Stronger controls needed to manage risks.** Though it has made some improvements, Metro could strengthen aspects of program administration. The program was designed to be responsive to local needs and flexible enough to evolve if projects changed. Changes to the political environment, unexpected physical constraints in a project area, or poor market conditions could affect a project's viability. Such aspects may be outside of Metro's control. However, there are ways Metro can improve the program to reduce the risk of not getting what was intended from projects or treating local governments inconsistently.

Recommendations

To improve the performance measurement system Metro should:

- Establish performance measures and targets to assess progress towards the program's goals.
- Collect sufficient and reliable information for each performance measure.
- Use performance data to assess and refine the program.

To be responsive to local government needs the program should:

- Create consistent application timelines.
- Specify in grant contracts the level of project support Metro will provide.
- Survey local jurisdictions to get information about potential improvements.

To strengthen controls the program should:

- Define roles and responsibilities for grant monitoring and train employees.
- Separate duties that may be in conflict.
- Establish a process to determine when contract amendments require Council approval.
- Develop a process to verify project expenditures, including matching requirements.
- Develop guidelines for allocating unexpected construction excise tax revenue and communicate to local governments the process that will be used to distribute these funds.