

Summary

Meeting of the Central Puget Sound Economic Development District

Board of Directors

Wednesday, December 2, 2009

Puget Sound Regional Council Boardroom

Call to Order/Roll Call

The regular meeting of the Economic Development District Board of Directors was called to order at 12:23 p.m. by Councilmember John Chelminiak, President.

Members/Alternates present for all or part of the meeting included:

Councilmember John Chelminiak, Metropolitan Center-Bellevue, President

Mr. David Allen, McKinstry Company

Ms. Sue Ambler, Snohomish County Workforce Development Council

Ms. Kathy Cocus, Kitsap EDA

Mr. Tom Flavin, EDC of Seattle-King County / enterpriseSeattle

Commissioner Charlotte Garrido, Kitsap County

Councilmember Dave Gossett, Snohomish County

Mr. David Graybill, Tacoma-Pierce County Chamber of Commerce

Commissioner Lloyd Hara, Port of Seattle

Mayor Jim Pearman, Mercer Island – Other Cities in King County

Deputy Executive Kevin Phelps, Pierce County

Councilmember Chris Raezer, Arlington – Other Cities in Snohomish County

Mayor Chris Snow, Bainbridge Island – Other Cities in Kitsap County

Mr. Stan Sorscher, SPEEA - Labor Representative

Mr. Bill Stafford, Trade Development Alliance

Councilmember Ed Stern, Poulsbo – Other Cities in Kitsap County

Ms. Susan Suess, Tacoma/Pierce County EDB

Members Absent:

Mr. Bob Drewel, PSRC

Councilmember Pad Finnigan, Other Cities in Pierce County

Councilmember Leonard Forsman, Suquamish Tribe

Mr. Bruce Kendall, Tacoma/Pierce County EDB

Ms. Deborah Knutson, Snohomish County EDC

Councilmember Kathy Lambert, King County

Mayor Denis Law, Renton - Other Cities in King County

Commissioner Bill Mahan, Port of Bremerton

Executive Pat McCarthy, Pierce County

Councilmember Richard McIver, Regional Center – City of Seattle

Mr. Nate Miles, Eli Lily and Co.

Mayor Greg Nickels, Regional Center – City of Seattle

Ms. Betty Nokes, Bellevue Chamber of Commerce

Ms. Estela Ortega, El Centro de la Raza

Commissioner Clare Petrich, Port of Tacoma, Vice President

Ms. Andrea Rodgers, Snoqualmie Tribe

Mayor Ray Stephanson, Metropolitan Center – Everett

Mr. Bill Stewart, Kitsap EDA

Mr. Larry Williams, WA State Department of Commerce

Councilmember Lauren Walker, Metropolitan Center – Tacoma

A list of guests present for all or part of the meeting is included with the official record of these minutes.

[To listen to the digital recording of the entire meeting, please visit the PSRC website; or to watch a video of the meeting go to: http://psrc.granicus.com/MediaPlayer.php?view_id=2&clip_id=113 (best in IE) or contact the PSRC Information Center, 206-464-7532; e-mail info@psrc.org.]

Citizen Comments

There were no citizen comments or communications for the board.

President's Report

President Chelminiak recognized four City of Lakewood police officers killed on November 29, 2009 and asked for a moment of silence.

President Chelminiak reported that at the October 7 meeting, the EDD Board heard from John Patterson on issues facing military servicemembers and their employers when they are deployed. One of the issues he mentioned, Commercial Driver's License training exemptions for those with military driver's training, is now one of the Action Items with Washington Defense Partnership in 2010. The Board also received an update on Transportation 2040 and the status of the Preliminary Preferred Alternative, which will be voted on by the Executive Board on December 3. The Board also had a discussion on strategic planning for the Prosperity Partnership's next five years.

President Chelminiak reminded the Board that his term as President will end soon and asked members and alternates to contact Bill McSherry if they are interested in serving on a nominating committee for the President and Vice-President election at the March 3, 2010 meeting. President Chelminiak asked for representatives from each county to serve on the committee. Those interested in either position should speak to Bill McSherry.

President Chelminiak then reminded the Board of voting procedures dictated by the bylaws for evaluating the EDD Public Works Projects at the meeting.

Director's Report

Bill McSherry reported to the Board that the central Puget Sound region will serve as a pilot project for the Brookings Institute's Metropolitan Business Plan program. Recruitment continues for the Global Health Nexus - Seattle Board. Joan Chen will present at the next meeting about the Clean Tech Data Update. Several Board members and EDD staff participated at the second meeting of the International Benchmarking Consortium in Barcelona in November.

Staff Report

Chris Strow reported that:

- Preliminary results from the Survey of International Visitors are back, and the early analysis shows favorable ratings from visitors.
- Staff are continuing to update our listing of industry cluster specific ARRA funded projects. PSRC is also surveying the community to find out what their experiences with ARRA have been and how the agency can support their efforts in this regard.
- The Washington Defense Partnership held their Fall Legislative Meeting. The group will focus on an exemption to Commercial Driver's License training for those who received this training in the military and an update to the Washington Military Impact Study.
- PSRC staff are convening a high-level education policy discussion on December 22, 2009 to discuss developing a sustainable funding plan for the system's capital and operating budgets.
- The next Industry Cluster Tour will take place on Friday, December 11, 2009 and will focus on Recovery Act related projects. There is still some space available for Board members.
- The Prosperity Partnership Luncheon has been rescheduled to Friday, February 26, 2010.

President Chelminiak acknowledged several Board members and alternates who will be ending their terms at the end of the calendar year. There are ten such members and alternates this year. President Chelminiak presented plaques to the two outgoing members in attendance: Mayor Chris Snow and Commissioner Lloyd Hara.

Consent Agenda

ACTION: It was moved and seconded (Graybill/Snow) to (a) approve the minutes of the meeting held October 7, 2009; and (b) approve Expenses dated September 2009 through October 2009 in the Amount of \$199,539.55. The motion carried unanimously.

New Business

8a. Approve FY 2010-2011 Economic Development District Budget Amendment and Contract Authorization for Aerospace Strategy Assistance

Diana Lauderbach requested the Economic Development District Board approve budget and work program amendments and contract authorization for Aerospace Strategy Assistance. This routine budget amendment updates estimated revenues to reflect an additional \$308,000, and authorizes a consultant contract for aerospace strategy assistance, not to exceed \$12,000.

The amendment includes the following changes:

- Add \$150,000 of funds from the City of Seattle to fund participation in the Brookings Institute's Metropolitan Business Planning Program. The funds will be used to pay for limited-term staff and associated direct costs for the development of a Metropolitan Business Plan for the central Puget Sound.
- Increase the amount of revenue budgeted for the Agreement with the Governor's Office by \$130,000 for a new total of \$180,000. The additional funds will be used to extend the temporary assignment of Bill McSherry as a Loaned Executive to the State.
- Increase the amount budgeted for CPSEDD – Arts Fund Grants by \$28,000 for a new total of \$48,000 for the biennium. The additional funds will provide ongoing staff support for the administration and project management of the Cultural Taskforce effort.
- Increase budgeted consultant expense by \$12,000. A consultant will be hired to provide strategic advice on the state's aerospace strategy, not to exceed \$12,000.

ACTION: It was moved and seconded (Seuss/Snow) to adopt the FY 2010 Economic Development District Budget Amendment and Contract Authorization for Aerospace Strategy Assistance. The motion carried unanimously.

8b. Approve Preliminary 2010 Prosperity Partnership Action Items

ACTION: It was moved and seconded (Snow/Flavin) to adopt the following Preliminary 2010 Prosperity Partnership Action Items as presented:

1. Authorize the Washington State Convention and Trade Center to take the next steps toward planning and development of an expanded facility.
2. Implement the recommendations of *Fostering Washington's Innovation Economy*, the report of the SB 6015 Committee.
3. Approve the Residential Infrastructure Fund legislation to increase state investment in infrastructure that supports dense, affordable, transit-oriented residential development.
4. Amend State Commercial Driver's License requirements to include acceptance of Military Driver's Training.
5. Authorize regions throughout Washington to establish Cultural Access Funds to increase access to our state's scientific and cultural institutions for all residents.

6. Extend aerospace tax incentives to repair stations and unmanned aerial vehicles.
7. Secure approval for TRANSPORTATION 2040, our region's long-range transportation strategy.
8. Conduct outreach to central Puget Sound jurisdictions about the launch of the Puget Sound Housing Innovations Program online toolkit of housing affordability resources and best practices.
9. Encourage the implementation of the Survey of International Visitors report recommendations on ensuring that our region better accommodates international visitors.
10. Complete the first year of the Performance First program, helping six leading companies improve their supplier diversity practices, and use participant feedback to improve the program for the second year.
11. Secure the Air Force tanker contract.
12. Develop strategies to improve the operational and capital funding needs of our state's higher education institutions.
13. Create the organizational capacity and implementation strategy for an event that celebrates our region as the epicenter of the global health industry.
14. Develop a comprehensive clean energy strategy for Washington and a legislative proposal for the 2011 session that improves our state's competitiveness for the clean technology industry.
15. Create a unified "Puget Sound Destination Experience" by aligning promotional packages.
16. Update the Military Impact Study for Washington State.
17. Grow Washington Clean Technology Alliance membership to 60 companies
18. Support the Washington State Department of Transportation in implementing the Urban Partnership program.

The motion carried unanimously.

To give ample time to Agenda Item 8c: Public Works Program Recommendations, President Chelminiak moved the Discussion Items earlier on the agenda.

Discussion Items

9a. Residential Infrastructure Fund and Cultural Access Initiative *(presented by Eric Schinfeld, PSRC)*

9b. 2010 EDD Board Meeting Schedule *(presented by Chris Strow, PSRC)*

[To listen to the discussion items, please go to the video of the meeting:

http://psrc.granicus.com/MediaPlayer.php?view_id=2&clip_id=113 (best in IE) or contact the PSRC Information Center, 206-464-7532; e-mail info@psrc.org.]

8c. Approve EDD FY 2009 Public Works Program Recommendations

Chris Strow explained the procedures for the Public Works Program rankings. Each applicant will have 15 minutes, with roughly half of that time allotted for questions from the board.

Included in the board packet were a number of supplementary items:

- 1) The applications for each of the top projects, along with supporting materials
- 2) A summary of the staff scores for all submitted projects

Representatives for each of the projects made presentations to the board and answered questions. [To listen to the presentations, please go the video of the meeting:

http://psrc.granicus.com/MediaPlayer.php?view_id=2&clip_id=113 (best in Internet Explorer)]

The five applicants presented in this order:

1. City of Des Moines – 24th Avenue S (S 216th Street to S 208th Street) – Grant Request - \$3,000,000
2. City of Kirkland – “Gateway” to Downtown Kirkland – Grant Request - \$2,500,000
3. City of Lakewood – Woodbrook Business Park – Grant Request - \$500,000
4. City of Pacific – Valentine Avenue Corridor Improvement Project – Grant Request - \$1,625,800
5. Pierce County – Employment Center Sewer Extension and Improvements – Grant Request - \$2,560,000

The Board briefly discussed projects before ranking.

Chris Strow noted that applications were solicited from all jurisdictions in the four-county region, and seven were received. Two of these projects did not meet the minimum qualifications and were not ranked. Projects were quantitatively evaluated and ranked by staff, and the projects have been submitted to the Board for consideration in making its recommendations to EDA.

Several Board members thanked the applicants for their efforts. Mayor Pearman said that he found the staff rankings to be very useful because the criteria and evaluation is neutral and professional. David Allen commented that all the projects have compelling attributes. President Chelminiak commented that the lower-ranked projects particularly benefited from the question-and-answer period with the Board.

Board members were given ballots and asked to rank the applicants from first to fifth. The scores were tabulated and the Board took the following action.

ACTION: A motion was then made (Pearman/Snow) to accept the tabulated rankings in this order and recommend them to the EDA for funding:

1. **City of Kirkland**
2. **City of Lakewood**
3. **City of Des Moines**
4. **City of Pacific**
5. **Pierce County**

The motion carried unanimously.

Chris Strow noted that all the evaluated projects will be forwarded to EDA and final funding decisions are at their discretion. The top two recommended projects have typically been funded by EDA.

Information Items

- “Seattle’s opportunity emerging from the Great Recession” – Seattle Times
http://seattletimes.nwsourc.com/html/opinion/2010035175_guest12katz.html

Announcements

- Next Meeting Date and Time: Wednesday, January 6, 2009; 1:00 – 3:00 p.m., PSRC Board Room.
- Prosperity Partnership Fall Luncheon – Event was rescheduled to Friday, February 26, 2010

Adjournment

The meeting adjourned at 2:47 p.m.