Summary
Meeting of the Central Puget Sound Economic Development District
Board of Directors
Wednesday, November 3, 2010
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 1:00 p.m. by David Allen, Vice President. President Clare Petrich was out of the country. Roll Call was taken via sign-in on the attendance sheet.

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

Mr. David Allen, McKinstry Company, **VP**
Councilmember Joshua Freed, Other Cities King County (Bothell)
Commissioner Charlotte Garrido, Kitsap County
Councilmember Dave Gossett, Snohomish County
Mr. David Graybill, Tacoma-Pierce County COC
Mayor Patty Lent, City of Bremerton
Mr. Daniel Malarkey, WA State Dept of Commerce
Mr. Jeffrey Marcell, EDC of Seattle/King County/ enterprise Seattle
Councilmember Chris Raezer, Other Cities Snohomish County (Arlington)
Mr. Skip Rowland, Urban Enterprise Center
Deputy Mayor Sue Singer, Other Cities King County (Auburn)
Mr. Stan Sorscher, Organized Labor
Mr. Bill Stafford, Trade Development Alliance
Councilmember Ed Stern, Other Cities Kitsap County (Poulsbo)
Mr. Bill Stewart, Kitsap EDA
Councilmember Jason Whalen, Other Cities in Pierce (Lakewood)
Ms. Denise Dyer, Pierce County
Councilmember Conrad Lee, City of Bellevue
CouncilmemberDavid Lucavish, Other Cities in King County (Covington)
Mr. Ray Moser, Executive Office, King County
Councilmember Donna O'Ravez, Other Cities in Pierce County (Edgewood)
Mr. Ralph Pease, VP, Argosy Cruises
Councilmember Catherine Stanford, Other Cities in King County (Lake Forest Park)
Mr. Russell Steele, Suquamish Tribe
Ms. Susan Suess, Tacoma/Pierce County EDB

Members Absent:
Ms. Sue Ambler, Snohomish County Workforce Development Council
Councilmember Mr. John Chelminiak, City of Bellevue
Councilmember Richard Conlin, City of Seattle
Executive Dow Constantine, King County
Councilmember Reagan Dunn, King County
Councilmember Leonard Forsman, Suquamish Tribe
Commissioner Rob Holland, Port of Seattle
Mr. Bruce Kendall, Tacoma/Pierce County EDB
Ms. Deborah Knutson, Snohomish County EDC
Executive Pat McCarthy, Pierce County
Ms. Betty Nokes, Bellevue Chamber of Commerce
Commissioner Clare Petrich, Port of Tacoma
Mr. Jake Repin, Snoqualmie Tribe
Ms. Susan Sigl, Washington Technology Industry Association
Mayor Ray Stephanson, City of Everett
Mr. Bill Stewart, Kitsap Economic Development Association
Councilmember Lauren Walker, Metropolitan Center-Tacoma
Mr. Chad Wright, Puyallup Tribe
Commissioner Roger Zabinski, Port of Bremerton

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

[To watch a video of the meeting go to: http://psrc.granicus.com/MediaPlayer.php?view_id=2&clip_id=161 (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

Vice President Allen reported that at the September 1 meeting, the Board approved the Public Works Prioritization Process criteria and timeline, which will be used today to review and rank local economic development projects. The Board also amended the EDD budget with new revenues, and approved some additional Presidential Appointments to the membership. There were presentations from Chris Endresen on the new Regional Economic Strategy, from Sherry Ambrose on the Metropolitan Business Plan for Energy Efficiency and from Bruce Kendall on I-1098 and the Alaskan Way Viaduct. Finally, Mr. Allen welcomed some of the new EDD Board members in attendance, including Russell Steele from the Suquamish Tribe joining an Alternate.

Bob Drewel, Executive Director of PSRC, presented a plaque to Bettye Atkinson, retiring from the EDA, and thanked her on behalf of the EDD. She introduced the three team members who will be replacing her. Bob then presented a plaque to Board member David Graybill, retiring from the Tacoma Chamber of Commerce.

Director's Report

Director Chris Endresen thanked alternate Conrad Lee for attending in Board member Jon Chelminiak's place, as he continues to recover from a bear attack. She welcomed back Joan Chen from maternity leave. She and staff attended the Greater Seattle Regional Leadership Conference, the topic was jobs. Labor and environmental groups added a lot to the discussion. Bruce Katz, of the Brookings Institution was a keynote speaker – talking about the importance of exports and trade in the economic recovery. He mentioned the work that PSRC does a number of times. Chris thanked Denise Dyer for putting together a Pierce County economic development tour for her and staff. She announced that PSRC has received a $5 million, 3 year HUD grant, to coordinate a regional partnership joining regional agencies, affordable housing advocates and development interests and will support neighborhood planning for more sustainable communities, and a regional affordable housing strategy. Chris stated that she is working on the 2012/2013 budget, which she will bring to the Board. Chris stated that the department had a presentation by the Ports of Tacoma and Seattle regarding threats to competitiveness. She offered to have the presentation at the January meeting and members agreed.

Staff Report

Eric Schinfeld, PSRC Economic Development Program Manager, reported that staff is continuing to lay the groundwork for the development of a Regional Economic Strategy for the 2011-2016 period. Activities including ongoing fundraising to match the EDA grant received for this work; outreach to key stakeholders to solicit feedback on the process and content; and the development of a communications plan to ensure broad participation. An RFP for consultant(s) was released on October 18 and submissions are due by November 5. The consultant will report back to the Board regularly. Eric reported on his trip to Washington, D.C. to present the Metropolitan Business Plan to key administration officials. He stated that the PSRC plan, which outlines the BETI project, was very well received. He stated that the Governor's Higher Education Funding Task Force will meet for the final time on November 9th, and that it has drafted a proposal with recommendations on changes to funding and accountability of our state's public four-year higher education investments. The Task Force will now shift its focus to outreach and communications around its findings, with a focus on successfully implementing its policy recommendations during the 2011 legislative session.

Industry Cluster Tours - The next Industry Cluster Tour will take place on December 3, and will focus on the specialty foods manufacturing. For information, visit http://prosperitypartnership.org/news/index.htm

Consent Agenda

Vice President Allen asked for a motion on the Approval of the Minutes of the September 1st Meeting.

ACTION: It was moved and seconded (Garrido/Stanford) to approve the minutes of the meeting held September 1, 2010. The motion carried unanimously.

Vice President Allen asked for a motion on the Approval of the expenses dated June 2010 through August 2010 in the amount of $83,728.89.

ACTION: It was moved and seconded (Graybill/Gossett) to approve the expenses dated June 2010 through August 2010 in the amount of $83,728.89. The motion carried unanimously.

Action Items

8b. Approve Metropolitan Business Plan for Energy Efficiency *(Sherry Ambrose, PSRC)*
Sherry gave an update on the Metropolitan Business Plan, stating that the implementation team will meet on November 4th. It will be presented to the Brookings Institution in Chicago in December and in Washington, D.C. in March. Fundraising on the BETI Center is proceeding. The Board is being asked for approval of the plan. Discussion centered on location criteria, the commitment of state and federal funding, the breadth of public outreach by staff, and how engaged local governments will be in the project. The Board requested a list of the 40 steering committee members.

ACTION: It was moved and seconded (Malarkey/Garrido) to approve the Metropolitan Business Plan for Energy Efficiency. The motion carried unanimously.

8c. Approve Presidential Appointments *(Eric Schinfeld, PSRC)*
Eric stated that a goal for Board membership is to secure as many private sector members as possible, particularly during the update to the regional economic plan. He introduced new members, including Captain Ralph Pease, Vice President of Argosy Cruises, filling the alternate position to Bill Stafford's primary position.
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ACTION: It was moved and seconded (Lee/Raezer) to approve the proposed presidential appointments to the EDD Board

8d. Approve 2011 EDD Board Schedule *(Chris Endresen, PSRC)*
A proposed schedule was included in member's agenda packet. Chris pointed out that there will be three additional meetings in 2011, in February, April and June, to allow feedback on the update to the regional economic plan. Members requested that these additional meetings be webstreamed.

ACTION: It was moved and seconded (Raezer/Stanford) to approve the Board Schedule for 2011. The motion carried unanimously.

Discussion Items

9a. Review Draft 2011 Prosperity Partnership Action Items *(Chris Endresen, PSRC)*
Chris reviewed with the Board the Prosperity Partnership action items for 2011, and emphasized that agencies which are members of the Prosperity Partnership are the lead on the bulk of the items. The areas that staff will be most involved in will be the update to the regional economic strategy,

the enaction of Governor's Higher Education task force recommendations, and the Washington Defense Partnership. Members requested that EDD priorities be broken out with an accompanied budget, at the January meeting.

9b. Transportation 2040 Prioritization of Investments *(Stephen Kiehl, PSRC)*
Steve showed slides of the Prioritization work plan and asked Board members for feedback, and 3-5 members' participation in a working group that is forming to guide the Prioritization process over the next 16 months. Transportation 2040 is complex and has a large price tag. Prioritization will allow strategic evaluation about how funding for projects is raised and spent. Beta testing criteria will be developed and applied to a subset of projects – then consensus on the best methodology will be approved by the General Assembly in spring, 2012.

8a. Approve FY 2011 Public Works Prioritization Process Recommendations *(Eric Schinfeld, PSRC)*
Eric explained the scoring process, resulting in an advisory, non-binding recommendation to the EDA on the list of projects submitted for EDD review. Eric explained that the EDA is moving to a quarterly grant process so that applicants can be informed within 2 months of the success of their application. The EDD will discuss how to change its project prioritization process at the January meeting. At this meeting, the top four applicants of the staff's scoring process were invited to make 7 minute presentations, with an additional 8 minutes for questions. After discussion, the Board would fill out a final recommended ballot. Only 7 jurisdictions applied for EDD review. Jurisdictions can apply directly to the EDA. Both the EDD and EDA review applications to determine how many jobs will be created by these public works projects. Smaller cities are at a disadvantage in the process. The cities of Bellevue, Bremerton, Lakewood and Duvall presented projects. Discussion centered on the fact that the City of Lakewood and Bremerton's projects most directly assisted distressed communities, as well as supplying a significant number of jobs.

ACTION: It was moved and seconded (Whalen/Graybill) to endorse the EDD staff's recommended scoring, which placed the City of Lakewood's project first, Bremerton second, Bellevue 3rd and Duvall 4th. An amendment was offered (Moser) to accept the staff recommendation but only recommend Lakewood and Bremerton's application to the EDA and omit the others.

Discussion: Staff explained that historically, all rankings were sent to the EDA to provide total information on staff's opinion of all of applications. Board members liked Bremerton's inclusion of neighborhoods of color, in attempts to build a balanced regional benefit for the project. EDD scoring includes regional priorities such as balance or equity, however, the EDA criteria does not. There is a category called "project of regional significance" that does recognize projects that supply jobs and address regional issues including poverty.

With two motions on the floor, the question was called (Graybill) There was a vote on the amended motion, and the motion failed. The original motion, to accept the EDD staff's scoring and include all 7 projects submitted, was voted on, and passed unanimously.

Next Meeting Date and Time: Wednesday, January 5th, 2011; 1:00 – 3:00 p.m., in the PSRC Board Room.

Adjournment
The meeting adjourned at 3 p.m..
[To listen to the discussion, please go to the video of the meeting: (best in Internet Explorer)
http://psrc.granicus.com/MediaPlayer.php?view_id=2&clip_id=161

You may also review any of the presentations from the discussion items at the PSRC website, http://psrc.org/about/boards/edd or contact the PSRC Information Center, 206-464-7532; e-mail info@psrc.org.]