



Puget Sound Regional Council

Central Puget Sound Economic Development District Board

Wednesday, June 3, 2026 • 10:00 a.m. – 12:00 p.m.

Hybrid Meeting – PSRC Board Room: 1201 Third Avenue, Suite 500, Seattle, WA 98101

Watch or listen

- Watch the meeting live at <https://www.psrc.org/watch-meetings>.
- Listen by phone at 833 548 0276 US Toll-free and enter Meeting ID: 859 0877 3748 and Passcode: 236288.

Attend

- The public can attend meetings at [PSRC's office](#).
- PSRC staff will be available to provide floor access 10 minutes before the meeting's start time and up to 15 minutes after the meeting's start time.
- If you arrive outside of these times, please call 206-464-7090 for assistance.

Provide public comment

- **Public comment must relate to an action or discussion item on the agenda. Each member of the public will have 2 minutes to speak.**
- **In-person:**
Public comments may be made in person at PSRC's office.
- **Comments during the meeting by Zoom or phone:**
[Registration](#) is required and closes at 8:00 a.m. the day of the meeting. Late registrations will not be accepted.
- **Written comments:**
Comments may be submitted via email to msovob@psrc.org by 8:00 a.m. the day of the meeting. Comments will be shared with board members.

Public comments are public records and may be subject to disclosure pursuant to the Public Records Act, RCW Chapter [42.56](#).

1. Call to Order (10:00) – Councilmember Dave Morell, EDD President

2. Communications and Public Comment

Public comment must relate to an action or discussion item on the agenda.

3. President's Remarks (10:15)

4. Consent Agenda – Action Items (10:20)

- a. Approve Minutes of Central Puget Sound Economic Development District Board Meeting held March 4, 2026
- b. Approve Vouchers dated February 28, 2026, through March 31, 2026, in the Amount of \$963.83

5. Staff Report & Regional Update (10:25)

6. Action Item (10:40)

- a. Establishment of Bylaws & Memorandum of Agreement Review Committee – *Jason Thibedeau, PSRC*

7. Discussion Item (10:50)

- a. Regional Economic Strategy Update – *Jason Thibedeau, PSRC*

8. Discussion Item (11:30)

- a. Military & Defense Sector Implementation – *Katie Enders, PSRC*

9. Information Items

- a. TOOLBOX Series: Local Approaches to Housing and Supportive Services Flyer
- b. Opportunity Zones 2.0 Selection Process Update
- c. EDA Update: U.S. Department of Commerce Announces \$25 Million Notice of Funding Opportunity to Upskill American Workers in Using Artificial Intelligence

10. Next Meeting: September 2, 2026, 10:00 a.m. – 12:00 p.m.

11. Adjourn (12:00)

Board members please submit proposed amendments and materials prior to the meeting for distribution. Organizations/individuals may submit information for distribution. Send to Mikayla Svob, msvob@psrc.org, or mail.

For language or ADA assistance at PSRC board meetings, please contact us at 206-464-7090 at least 72 hours in advance of the meeting. For TTY-based telecommunications relay service, dial 711.

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Puget Sound Regional Council

MINUTES

Central Puget Sound Economic Development District Board

Wednesday, March 4, 2026

Hybrid Meeting – PSRC Board Room: 1201 Third Avenue, Suite 500, Seattle, WA 98101

CALL TO ORDER AND ROLL CALL

The meeting of the Central Puget Sound Economic Development District Board of Directors was called to order at 10:00 a.m. by Councilmember Dave Morell, Vice President. To determine attendance and a quorum was present, a verbal roll call was conducted by staff.

To watch a video of the meeting and hear the full discussion, please go to:
<https://www.psrc.org/boards/watch-meetings>.

COMMUNICATIONS AND PUBLIC COMMENT

There was no public comment.

PRESIDENT'S REMARKS

Vice President Morell shared that the board would hold an election for EDD board officers, ratify presidential appointments, and ratify the EDD Executive Committee. The remainder of the meeting would include briefings on the legislative update and the Regional Economic Strategy update with PSRC staff, followed by a discussion with guest presenters Governor Christine Gregoire, Stephanie Formas, and Sean Mathewson on the Challenge Seattle Economic Plan Development.

STAFF REPORT

Jason Thibedeau, Economic Development Program Manager, updated the board on PSRC projects and events. This section was shifted to the beginning of the Regional Economic Strategy Update discussion.

CONSENT AGENDA

- a. Approve Minutes of Meeting held December 3, 2025

- b. Approve Vouchers dated October 21, 2025 through February 9, 2026 in the amount of \$3,433.14

ACTION: It was moved and seconded (Stern/Simpson) to adopt the Consent Agenda. The motion passed.

ACTION ITEM: ELECTION OF ECONOMIC DEVELOPMENT DISTRICT BOARD OFFICERS

The bylaws of the Central Puget Sound Economic Development Board state that the Board of Directors must elect their President and Vice President for a two-year term at the annual meeting. The nominating committee recommended that Councilmember Dave Morell serve as President and Ray Stephanson as Vice President for the 2026-2027 term.

ACTION: It was moved and seconded (Simpson/Buffington) to ratify the Nominating Committee's recommendation of Councilmember Dave Morell as President and Ray Stephanson as Vice President for the 2026-2027 term. The motion passed.

ACTION ITEM: RATIFICATION OF PRESIDENTIAL APPOINTMENTS

The bylaws of the Central Puget Sound Economic Development District give the board President authority to make appointments to the board to ensure adequate representation and diversity in the makeup of the board.

The Presidential Appointments include:

- Stacey Crnich, CEO, GoodRoots Northwest
- Maria Tobin, Program Manager, South Sound Military and Communities Partnership
- Julien Loh, Local Government Affairs and Public Policy Manager, Puget Sound Energy
- Nikki Malcom, CEO & Executive Director, Pacific Northwest Aerospace Alliance

ACTION: It was moved and seconded (Strakeljahn/Moon) to ratify the proposed list of Presidential Appointment seats on the board for the 2026-2027 term. The motion passed.

ACTION ITEM: RATIFICATION OF EXECUTIVE COMMITTEE

The bylaws of the Central Puget Sound Economic Development District state that the board shall have an Executive Committee, which is appointed by the President and ratified by the board.

The Executive Committee members include:

- Councilmember Dave Morell, Pierce County, EDD President

- Ray Stephanson, Economic Alliance Snohomish County, EDD Vice President
- Michael Catsi, Economic Development Board for Tacoma-Pierce County
- Joe Morrison, Kitsap Economic Development Alliance
- Lynnette Buffington, Seattle Metropolitan Chamber of Commerce
- Stacey Crnich, GoodRoots Northwest
- Maria Tobin, South Sound Military and Communities Partnership

ACTION: It was moved and seconded (Stephanson/Assefa-Dawson) to ratify the proposed list of Executive Committee members for the 2026-2027 term, ending at the annual meeting in March 2027. The motion passed.

DISCUSSION ITEM: LEGISLATIVE UPDATE

Robin Koskey, Director of Government Relations and Communications, and Alyssa Quinn, Senior Government Relations Specialist, briefed the board on federal and state legislative updates.

DISCUSSION ITEM: REGIONAL ECONOMIC STRATEGY UPDATE

Jason Thibedeau, Economic Development Program Manager, updated the board on the development of the Regional Economic Strategy and gathered input from the board on prioritization of implementation efforts.

DISCUSSION ITEM: CHALLENGE SEATTLE ECONOMIC PLAN DEVELOPMENT

Former Governor Christine Gregoire, Stephanie Formas, and Sean Matthewson presented an upcoming Challenge Seattle project to develop a regional economic development plan.

NEXT MEETING

The board will meet on Wednesday, June 3, 2026, 10:00 a.m. – 12:00 p.m.

ADJOURN

The meeting adjourned at 11:58 a.m.

Adopted this 3rd day of June 2026.

Councilmember Dave Morell, President
Central Puget Sound Economic Development District

ATTEST: _____
Josh Brown, Executive Director
Puget Sound Regional Council

ATTACHMENT

- EDD Member Attendance for the March 4, 2026, Meeting

Central Puget Sound Economic Development District Board			
Voting Members			Voting Members
King County	2	EXEC Girmay Zahilay	Ports
		Vacant Alt	Port of Bremerton
		Ashton Allison Alt	1 COM Axel Strakeljahn
		CM Reagan Dunn	COM Cary Bozeman Alt
		Vacant Alt	Port of Everett
		Cody Eccles Alt	1 COM David Simpson
Seattle	2	CM Alexis Mercedes Rinck	COM Glen Bachman Alt
		CM Debora Juarez Alt	Port of Seattle
		Vacant	1 COM Sam Cho
		Vacant Alt	Vacant Alt
			Annie Tran Alt
			1 COM Deanna Keller
			Port of Tacoma
			1 COM Kristin Ang Alt
Bellevue	1	CM Claire Sumadiriwira	1 Commerce
		CM Lynne Robinson Alt	WA Dept. of Commerce
		Corbin Hart Alt	1 Andrea Chartock
			Keith Swenson Alt
			1
Cities/Towns	2	CM Lydia Assefa-Dawson, Federal Way	1 Chambers of Commerce
		CM James Alberson, Renton	1 Vacant
		CM Tracy Taylor-Turner, Auburn Alt	Vacant Alt
		CM Michelle Evans, Woodinville Alt	1 Economic Development
			EDC - Seattle & King
Kitsap County	1	COM Oran Root	1 Joe Nguyen
		COM Christine Rolfes Alt	Lynnette Buffington Alt*
			1
Bremerton	1	MYR Greg Wheeler	KEDA - Kitsap
		CP Jane Rebelowski Alt	1 Joe Morrison*
			James Davis Alt
			1 Ray Stephanson*
Cities/Towns	1	MYR Ed Stern, Poulsbo	EASC - Snohomish
		CM John Morrissey, Port Orchard Alt	1 Daniel Tappana Alt
			1
			1 Michael Catsi*
Pierce County	1	CM Dave Morell*	EDB - Tacoma & Pierce
		CM Bryan Yambe Alt	1 Vacant Alt
			Workforce Development Councils
Tacoma	1	CM Olgy Diaz	1 WDC - Olympic
		CM Latasha Palmer Alt	1 William Dowling
			Marie Kurose Alt
			1
Cities/Towns	1	Mayor Dave Olson, Edgewood Alt	1 Organized Labor
		CM Greg Reinke, Sumner Alt	1 WSLC
			1 April Sims, WSLC President
Snohomish County	1	CM Jared Mead	Chelsea Mason-Placek Alt
		CM Megan Dunn Alt	
			Presidential Appointments
Everett	1	CM Ben Zarlingo	1 Julien Loh, Puget Sound Energy
		Vacant Alt	Matt Perry, Puget Sound Energy
			1
			1 Stacey Crnich, Goodroots Northwest*
Cities/Towns	1	CM Jason Moon, Mukilteo	1 Maria Tobin, SSMCP*
		CM Chris Eck, Edmonds Alt	1 Nikki Malcom, PNAA
			1
			Non-voting Members
Federally Recognized Tribes			
Puyallup Tribe of Indians	1	Vacant	PSRC President, Ex-Officio
		Vacant Alt	Bob Drewel
			PSRC President
			EXEC Dave Somers
Suquamish Tribe	1	CHR Leonard Forsman	Navy Region NW
		CM Jay Mills Alt	Bill Bulis, Executive Director
			Russell Byrd, CPLO Alt
			1
			Abbreviations
			CM Councilmember
			* Executive Committee
Voting	32	(Quorum = 13) Quorum Total	24 COM Commissioner
			1 = Voting Member for Meeting
			CHR Chair



Puget Sound Regional Council

June 3, 2026

CONSENT AGENDA

To: Central Puget Sound Economic Development District Board
From: Jason Thibedeau, Economic Development Program Manager
Subject: **Approve Vouchers Dated February 28, 2026, through March 31, 2026, in the Amount of \$963.83**

IN BRIEF

PSRC vouchers are reviewed by the Operations Committee and approved by the Executive Board. To comply fully with RCW 42.24.080, vouchers for the Central Puget Sound Economic Development District (CPSEDD) should be approved by the EDD Board as well.

RECOMMENDED ACTION

The EDD Board should approve the following vouchers:

Approved Vouchers dated February 28, 2026 through March 31, 2026 in the amount of			
	\$963.83		
REQUESTED			
<u>WARRANT DATE</u>	<u>VOUCHER NUMBER</u>		<u>TOTALS</u>
2/28/2026	AP 000970	\$	608.00
2/28/2026	AP 000975	\$	20.00
3/31/2026	AP 001039	\$	236.83
3/31/2026	AP 001044	\$	99.00
		\$	963.83

For additional information, please contact Andrew Werfelmann, Budget Manager, at awerfelmann@psrc.org.

ATTACHMENTS

- A. A/P Check Batches



Puget Sound Regional Council

Date: June 3, 2026

A/P Check Batches		
Dated	Check Numbers	Amount
02/28/26 – 03/31/26	AP 000970; 000975; 001039; 001044	\$ 963.83
Payroll Checks		\$ 0.00
Total		<u>\$963.83</u>

Payment Certification RCW(42.24.080)

We, the undersigned, do hereby certify under penalty of perjury, that the materials have been furnished, the services rendered, the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim(s) is(are) just, due and unpaid obligations against the above-named governmental unit, that we are authorized to authenticate and certify to said claim(s).

Authorized District Signature(s) for Payment Claims (Auditing Officer(s) or Board Member(s)):

<u>Andrew Werfelmann</u>	<u>05/06/26</u>	_____	_____
Authorized District Signature	Date	Authorized District Signature	Date
_____	_____	_____	_____
Authorized District Signature	Date	Authorized District Signature	Date

Check Summary Report

Central Puget Sound Economic Development District Board Meeting - June 3, 2026

Check Number	Date	Vendor	Description	Amount
000970	2/28/2026	WEDA	Conference Registration - Enders	608.00
000975	2/28/2026	WA State Secretary of State	CY2026 Certification of Existence	20.00
001039	3/31/2026	KEDA	Conference Registration - Enders	101.91
001039	3/31/2026	Holiday Inn	Hotel for WEDA Conf - Enders	134.92
001044	3/31/2026	CIC	Conference Registration - Thibedeau	99.00
Total				963.83



Puget Sound Regional Council

June 3, 2026

ACTION ITEM

To: Central Puget Sound Economic Development District Board

From: Jason Thibedeau, Economic Development Program Manager

Subject: **Establishment of Bylaws & Memorandum of Agreement Review Committee**

IN BRIEF

EDD Board President Dave Morell is asking for Board approval to form an ad hoc committee to review the EDD bylaws and the Memorandum of Agreement (MOA) between the EDD and PSRC and make recommendations for changes.

RECOMMENDED ACTION

Approve the establishment of a Board committee to review the EDD bylaws and the Memorandum of Agreement (MOA) between the EDD and PSRC and make recommendations for changes.

DISCUSSION

The Central Puget Sound Economic Development District (EDD) is a not-for-profit organization chartered in the State of Washington to facilitate economic development in the region. The EDD Bylaws were last amended in December 2017 and contain a set of rules for the management of the board and the work of the organization. This includes rules on budgeting process, composition of the board, board member terms, meeting requirements, processes for elections, establishment of committees, and other areas. Any changes to the bylaws require a two-thirds vote of the EDD Board.

The work of the EDD is done by PSRC through a Memorandum of Agreement (MOA) between the two organizations that was last updated in August 2015. The MOA provides terms and conditions between the two agencies, including PSRC providing staffing, shared services, use of office space and boardroom space, and implementation of the EDD workplan. The U.S. Economic Development Administration has requested

that PSRC and the EDD review the MOA and make any necessary updates. Any changes to the EDD Bylaws or the MOA may require review and approval by PSRC's Executive Board.

Per Article IV, Section 3 of the Central Puget Sound Economic Development District Bylaws, the Board President may appoint a committee to advise or assist the Board in its function. The passage states:

“ARTICLE IV, COMMITTEES, Section 3. In addition, the President may appoint or the Board may require the President to appoint ad hoc or standing Board committees to advise or assist the Board in its function. Ad hoc Board Committees shall have a specific charge, within a given time frame, with a required and stated product, and shall cease to exist after their function is performed. The members of all Board committees shall be recommended by the President to the Board for approval and membership of such committees may include elected officials, local government staffs, citizens, professionals in the field, or other experts.”

The identified committee members include EDD President Dave Morell, Mayor Ed Stern, Commissioner Axel Strakeljahn, Michael Catsi, and Stacey Crnich. The committee will work with PSRC staff to review the bylaws and MOA and make recommendations to the EDD Board at its December 2026 meeting.

For more information, contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org or 206-389-2879.



Puget Sound Regional Council

June 3, 2026

DISCUSSION ITEM

To: Central Puget Sound Economic Development District Board
From: Jason Thibedeau, Economic Development Program Manager
Subject: **Regional Economic Strategy Update**

IN BRIEF

At the June meeting, staff from PSRC and Challenge Seattle will provide an update on the development of the Regional Economic Strategy and Challenge Seattle's development of a regional economic development plan.

DISCUSSION

PSRC is home to the region's Economic Development District (EDD) which is authorized by the U.S. Economic Development Administration (EDA). The EDD is responsible for updating the region's Comprehensive Economic Development Strategy (CEDS), which is a specific type of strategy which meets EDA requirements. After adoption by the EDD Board, the CEDS is then approved by the EDA, which enables local jurisdictions and eligible organizations to qualify for funding under EDA programs.

A CEDS is designed to build capacity and guide the economic prosperity and resilience of a region, building off other regional planning efforts. The CEDS is required to be updated every five years and includes a summary background of the region's economic conditions, a strengths, weaknesses, opportunities, and threats (SWOT) analysis and a set of strategies to address the identified challenges and opportunities.

The EDD Board adopted the current CEDS, referred to locally as the Regional Economic Strategy, at its December 2021 meeting. The strategy covers the period from 2022-2026. The EDD Board is required to adopt an updated 5-year CEDS by the end of 2026 for the 2027-2031 period.

Throughout 2025 and early 2026, PSRC engaged with stakeholders and reviewed existing regional economic development strategies. This work informed the development of a regional profile, a SWOT analysis, and a strategic blueprint for

addressing the challenges and opportunities identified in the SWOT analysis over a five-year period. These elements, which have been shared and discussed with the EDD Board at prior meetings, were used to develop a draft strategy which is currently available on PSRC's website.

Implementation of the RES is accomplished by a broad ecosystem of partners including state agencies, local jurisdictions, ports, workforce development organizations, chambers of commerce, industry sector organizations, and other economic development partners. Near term implementation areas will be identified for inclusion in the RES which is scheduled to be adopted by the EDD Board at its December 2, 2026 meeting. Throughout the five-year period, new implementation initiatives will be formed. Other regional partners are encouraged to identify initiatives that implement the strategies in the RES. The EDD Board and staff will work to engage with these partners and efforts, show alignment to the adopted RES, track progress, and support and amplify these initiatives as needed.

Since early 2026, PSRC has been coordinating the RES update with an effort by Challenge Seattle to develop a regional economic development plan. Challenge Seattle, led by former Washington State Governor Christine Gregoire, is an alliance of organizations who represent some of the Seattle region's largest employers and most successful innovators. Challenge Seattle aims to tackle the region's most pressing civic challenges, partnering with leadership across the region's business community, government, academia and non-profit organizations.

Challenge Seattle is working on a project with Boston Consulting Group (BCG) to develop a targeted and actionable regional economic development plan. At the March EDD Board meeting, Challenge Seattle and BCG gathered input from the EDD Board on the scope of this project, which kicked off in April 2026. Since that time, Challenge Seattle has been performing stakeholder outreach, data analysis, and has worked to develop draft implementation recommendations.

At the June EDD Board meeting, staff from PSRC and Challenge Seattle will lead a discussion on the effort to update the RES, the Challenge Seattle plan, and discuss next steps for finalizing the identification of implementation areas.

For more information, contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org or 206-389-2879.



Puget Sound Regional Council

June 3, 2026

DISCUSSION ITEM

To: Central Puget Sound Economic Development District Board

From: Jason Thibedeau, Economic Development Program Manager

Subject: **Military & Defense Sector Implementation**

IN BRIEF

The draft Regional Economic Strategy includes Strategy G1: Support growth and diversification of the region's key industry sectors. At the June meeting, staff will facilitate a conversation with the EDD Board to discuss identifying the Military & Defense sector as an implementation area for the new Regional Economic Strategy.

DISCUSSION

Military installations in Washington State play a critical role in national defense, while providing significant economic benefits to the central Puget Sound region. The state is home to six major military installations. In the central Puget Sound region this includes Joint Base Lewis-McChord (JBLM), Naval Base Kitsap, Naval Station Everett and U.S. Coast Guard Base Seattle. Outside the region, Fairchild Air Force Base in Spokane County and Naval Air Station Whidbey Island are also significant installations. According to the Department of Defense's Defense Manpower Data Center report, there were over 105,000 active duty, reserve, and Department of Defense civilian personnel employed in Washington in 2025.

In addition to the direct employment of military personnel, the state's defense sector supports a significant network of private defense contractors and subcontractors as well as a diverse workforce across the region. This robust defense ecosystem leads to innovation in other key regional sectors including maritime and aerospace. The Washington Statewide Defense Economic Impact Study found that defense expenditures, including direct, indirect, and induced effects, supported nearly 255,000 jobs and added \$30.9 billion to the state's GDP in fiscal year 2023.

Investments in military and defense infrastructure are currently underway in the region. The Navy is expanding with a new multi-mission dry dock capable of supporting Gerald

R. Ford-class aircraft carriers at Navy Base Kitsap and other infrastructure improvements. Investments have already totaled over \$800 million, with the full upgrade process expected to represent a multi-billion-dollar investment in the region.

Washington supports a significant military and defense presence. The Department of Defense 2024 Personnel Report found that Washington was one of six states ranked in the top ten for both total military personnel and the ratio of personnel to total population, ranked 7th and 8th respectively. Other top-ranking states for both the number and concentration of military personnel include Virginia, North Carolina, Hawaii, Colorado, and Kentucky. Washington ranks lower when examining the Department of Defense spending that flows to the state. According to the Department of Defense and Office of Local Defense Community Cooperation Fiscal Year 2024 report, Washington ranked 11th in total defense spending and dropped to 17th when considering Department of Defense spending per resident.

Through initial conversations with partners, including regional ADOs and military and defense sector stakeholders, two primary opportunities for coordination have emerged. First, is the need for an avenue for regional and statewide discussions between military installations and the economic development ecosystem. In the past, the now defunct Washington Defense Partnership and Washington Military Alliance efforts helped serve this role. Second, stakeholders have identified the lack of a Military and Defense sector economic development strategy as a critical gap. Through reestablishing communication between the military and defense community and economic developers, new strategic actions can be identified to help increase the share of defense spending that flows into the state to create broader economic benefit.

This effort will work to implement Strategy G1: Support growth and diversification of the region's key industry sectors. At the June meeting, staff will lead a discussion about including an implementation area focusing on supporting the Military and Defense sector as part of the new Regional Economic Strategy.

For additional information, please contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org or 206-389-2879.



TOOLBOX SERIES

Local Approaches to Housing and Supportive Services



Time: 10:00 a.m. – 11:30 a.m.
Date: June 26, 2026
Format: Zoom

This TOOLBOX session will explore how local jurisdictions of all sizes are responding to homelessness and expanding supporting services in their communities. Speakers from across the region will share local approaches and highlight strategies being implemented in our region.

SPEAKERS

Kimberly Hendrickson

Housing, Health, and Human Services Director,
City of Poulsbo

Amanda Judd

Human Services Coordinator, City of Kirkland

Mary Jane Brell Vujovic

Human Services Director, Snohomish County

Participants will be eligible to claim one AICP CM credit.

Sessions are open to the public. Materials and video from past sessions can be found on [PSRC's website](#).



Puget Sound Regional Council



Puget Sound Regional Council

June 3, 2026

INFORMATION ITEM

To: Central Puget Sound Economic Development District Board
From: Jason Thibedeau, Economic Development Program Manager
Subject: **Opportunity Zones 2.0 Selection Process**

IN BRIEF

The Washington State Department of Commerce is facilitating a process to recommend census tracts in Washington State to Governor Ferguson as part of the federal Opportunity Zones 2.0 program. Applications for nominations were due to Commerce by May 28, 2026.

DISCUSSION

Opportunity Zones 1.0

Opportunity Zones were first introduced in the 2017 *Tax Cuts and Jobs Act* as a temporary program to spur investment in low-income areas by offering capital gains tax benefits. Under the “Opportunity Zones 1.0” program Washington established 139 OZs across the state, 45 of which are in the central Puget Sound region. The Opportunity Zones program has been heavily utilized since its creation, averaging more than \$20 billion in annual investments across the country.

The Opportunity Zones 1.0 program included limited reporting requirements, making tracking total program outcomes difficult. [A recent working paper from Economic Innovation Group](#) found that nationally, OZ designated tracts roughly doubled their housing production over the study period, although critics argue that much of the investment in OZs would have taken place regardless of the program. Another notable outcome of the OZ 1.0 program is that 93% of investments through 2022 were funneled to urban tracts rather than rural tracts.

Opportunity Zones 2.0

In response to the program's widespread use, Opportunity Zones were made permanent in 2025 as part of the *One Big Beautiful Bill Act*. There were several changes introduced in the updated "Opportunity Zones 2.0" program, including more stringent eligibility criteria, increased incentives for rural areas and more transparent reporting criteria.

The Washington State Department of Commerce (Commerce) is administering a process to support Governor Ferguson in nominating up to 25% of Washington's eligible low-income census tracts to be Opportunity Zones. In February, Commerce published an [Opportunity Zone Eligibility Details dashboard](#), which used new 2.0 federal criteria to identify 394 eligible census tracts statewide, 173 of which are located in the central Puget Sound region. With the more stringent qualifications under OZ 2.0, the overall number of designated OZs in Washington will be reduced from 139 to 98 statewide.

On April 28, Commerce issued a request for applications for the OZ 2.0 designation process, which included scoring methodology for selection. Applications are being evaluated across three scoring criteria: community needs, market/investment readiness, and policy alignment. Under the policy alignment category, an application can receive points for alignment with each of two areas that are relevant to PSRC's work: alignment with a region's Comprehensive Economic Development Strategy, and alignment with a regional growth strategy or regional growth center. PSRC worked with the four regional Associate Development Organizations to identify regional applications and provide support to demonstrate alignment with regionally adopted plans.

The deadline for submitting applications was May 28, 2026. Commerce is reviewing applications and will make its recommendations to Governor Ferguson's office for review and submission to U.S. Treasury by July 1, 2026.

Commerce's Opportunity Zone 2.0 selection process timeline is as follows:

- **April 28, 2026:** Commerce portal opens for Opportunity Zone (OZ) designation applications.
- **May 28, 2026:** Application portal closes.
- **June 2026:** Commerce recommendations provided to Governor Bob Ferguson.
- **July 1, 2026:** Washington nominations for new OZs due to U.S. Treasury.
- **January 1, 2027:** New OZs made official.

For additional information, please contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org or 206-389-2879.



Puget Sound Regional Council

June 3, 2026

INFORMATION ITEM

To: Central Puget Sound Economic Development District Board

From: Jason Thibedeau, Economic Development Program Manager

Subject: **U.S. Department of Commerce Announces \$25 Million Notice of Funding Opportunity to Upskill American Workers in Using Artificial Intelligence**

The U.S. Department of Commerce's Economic Development Administration (EDA) has announced that it is making available \$25 million in funding as part of a new AI Upskill Accelerator Pilot Program. Text from the press release has been reproduced in this memo or may be found on the [EDA's website](#).

For additional information, contact Jason Thibedeau, Economic Development Program Manager, at jthibedeau@psrc.org.

Press Release

May 11, 2026

U.S. DEPARTMENT OF COMMERCE ANNOUNCES \$25 MILLION NOTICE OF FUNDING OPPORTUNITY TO UPSKILL AMERICAN WORKERS IN USING ARTIFICIAL INTELLIGENCE

WASHINGTON –Today, the U.S. Department of Commerce's Economic Development Administration (EDA) announced that it is making available approximately \$25 million in funding as part of a new AI Upskill Accelerator Pilot Program. This initiative will support the design and implementation of artificial intelligence (AI) workforce training, helping to train workers and grow industries that are integral to regional economies.

In 2025, the Trump Administration released the [Artificial Intelligence Action Plan](#), which aims to accelerate the development and distribution of new AI technologies across every industry and ensure American dominance in the AI race. The pilot program announced today exemplifies EDA's important role in fostering the growth of AI

technology in the American workplace, helping businesses and workers develop the skills they need to leverage this expanding technology.

“AI is increasingly becoming a core driver of productivity and growth across industries. It is essential to equip American workers with the AI skills needed to ensure that regions can attract investment, adopt advanced technologies, and sustain long-term economic growth,” said Deputy Assistant Secretary and Chief Operating Officer Ben Page, performing the nonexclusive duties and functions of the Assistant Secretary. “This program will support workforce development in this critical emerging technology, ensuring American workers contribute to the nation’s leadership in artificial intelligence.”

This program is designed to support innovative, future-oriented workforce development models that can scale, adapt, and become self-sustaining as AI continues to evolve. For more information on how to apply, please visit eda.gov/ai-upskill.

About the U.S. Economic Development Administration (www.eda.gov/)

The mission of the U.S. Economic Development Administration (EDA) is to lead the federal economic development agenda by promoting competitiveness and preparing the nation’s regions for growth and success in the worldwide economy. An agency within the U.S. Department of Commerce, EDA invests in communities and supports regional collaboration to create jobs for U.S. workers, promote American innovation, and accelerate long-term sustainable economic growth.