

# WORKING TOGETHER FOR ECONOMIC VITALITY & OPPORTUNITY ACROSS WASHINGTON



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# ABOUT WEDA

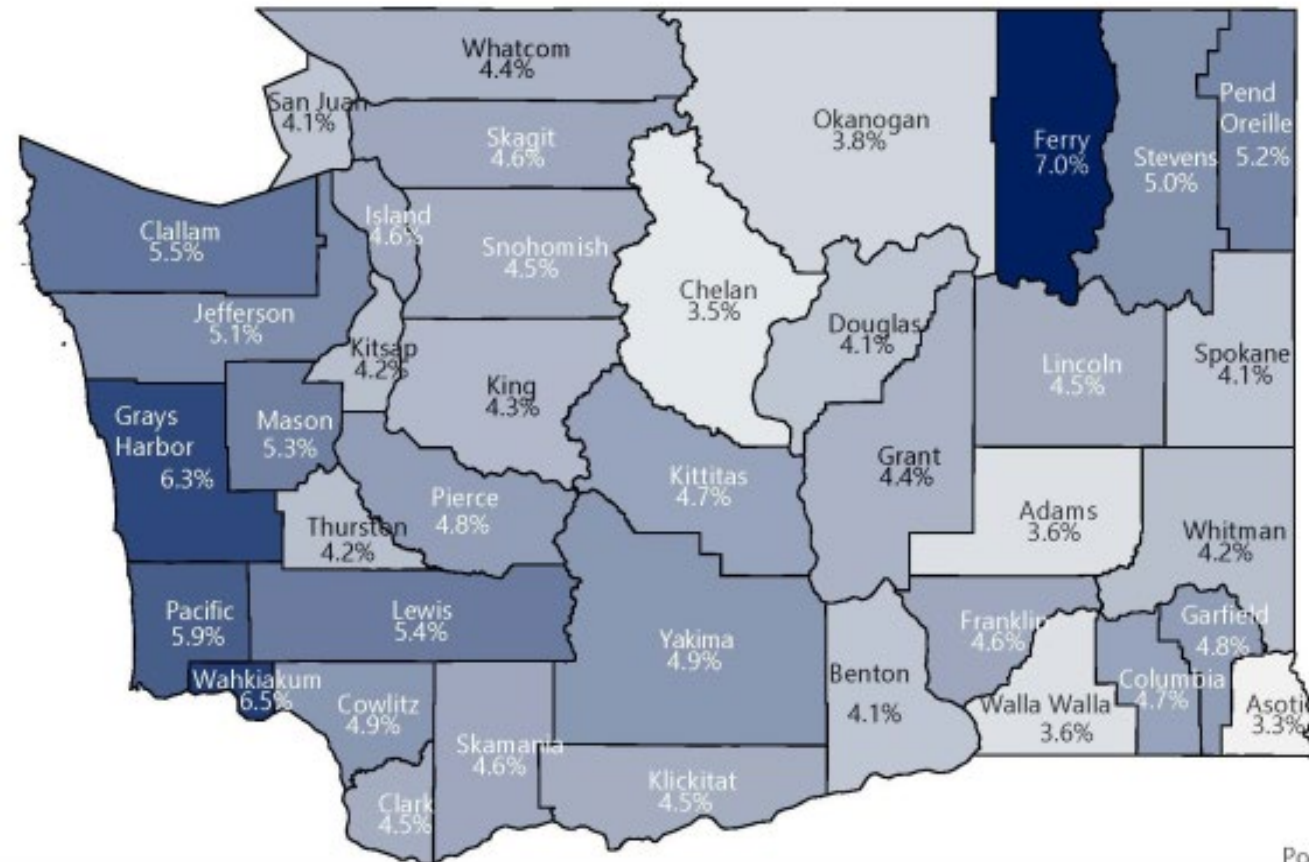
- Washington State's *only* trade association laser-focused on economic development
- WEDA is committed to retaining, expanding and recruiting jobs and investment across all of Washington State
- **Upcoming:** 30th Anniversary in 2025!
- **Our Strategic Goals:** Empower communities across Washington with tools to foster economic vitality and opportunity, assisting employers large and small in competing globally and growing jobs, while supporting an equitable economy and inclusive economic development.
- **We Believe:** The transition of Washington's Governor and a significant number of legislative seats creates a tremendous opportunity to recommit to economic competitiveness and establish a thoughtful and bold economic development strategic plan.



# STATEWIDE CHALLENGES BUT MAJOR PROGRESS

October 2024 Unemployment Rates by County

Unemployment rate range: 3.3% to 7.0%



## US Rate:

4.1% - 7M  
(down)

## WA State Rate:

4.7% - 188K  
(down)  
- was as high as  
16.3% in 4/20

Sources: WA State  
ESD; US BLS



# WEDA'S 2025 LEGISLATIVE AGENDA

*WEDA's 2025 Legislative Agenda focuses on the most critical actions lawmakers can take to retain and grow living wage jobs, foster vibrant and resilient communities, support equity and opportunity for all, increase Washington State's business competitiveness and spark investment across Washington.*

## --DRAFT-- 2025 LEGISLATIVE AGENDA

### *Working Together for Economic Vitality & Opportunity Across Washington*

- Strengthen the Economic Development Ecosystem
- Foster Catalysts for Job Growth & Economic Opportunity
- Increase Economic Vitality for all of Washington



# KEY COVID-19 AND IMPACTFUL POST-COVID LEARNINGS – *STILL CRITICAL*

- **Diversity, Equity & Inclusion** must be central to our work
- **Main Streets/small businesses** need more help; must continue work with lenders on flexibility in lending to small, Main Street and microenterprises; lower hurdles to access capital
- Continuing to address **broadband** infrastructure gaps is essential
- Critical need for **Child Care** infrastructure and options
- **Workforce Housing** is an economic imperative
- Economic developers, organizations and communities must share learnings/best practices broadly and ***work together!***

# STRENGTHEN THE ECONOMIC DEVELOPMENT ECOSYSTEM

**ECONOMIC  
DEVELOPMENT IS A  
TEAM SPORT**

## *There are many important economic development entities and players on the Team:*

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Washington State Department of Commerce, including Industry Sector Leads

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Other state & federal agencies, SBA, Commerce, Small Business Dev. Centers

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Economic Development Councils/Associate Development Organizations

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Ports (some are Associate Development Organizations)

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Local Government – Counties & Cities

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Tribes

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Association of Washington Business, Washington Roundtable, local Chambers of Commerce, private businesses, banks, Community Development Financial Institutions

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Colleges & Universities and workforce development partners

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Community-based Organizations/Non-profits including Washington Commerce's Small Business Resiliency Network

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State industry cluster/trade associations (Aerospace Futures Alliance, Washington Technology Industry Association, Life Sciences WA, WA Maritime Federation)

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Other coalitions/EDOs/regional EDOs/Economic Development Districts/MPOs

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Labor partners

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# STRENGTHEN THE ECONOMIC DEVELOPMENT ECOSYSTEM

**WEDA believes a robust economic development ecosystem at the state, regional and local levels is crucial for sustained economic vitality, resilience & job growth.**

## **2023-24 LEGISLATIVE RESULTS:**

- **Support state-level leadership** and funding for economic development, including Business Recruitment, Retention & Expansion programs

**2023-24 Results:** Maintenance level preserved, with a few increases including PTAC \$2.2M and ScaleUp \$450K; \$1M for SBDC and \$3M WSMA now *ongoing*

- **Increase funding for regional capacity** to coordinate and deliver economic development services.

***Ongoing \$5 million (annual) “ADO Innovation, Sustainability, Partnerships & Equity Fund” supported by Commerce, proposed to Governor & Legislature***

**2023-24 Results:** 2019/2021 \$2M restoration protected; 2023 - HB 1717 ADO Innovation bill died in Senate Ways & Means then 2024 - \$696K in new funding passed (*need to fix large urban county cap*); 2023 - HB 1783 \$1.4M for ADO Grant Writers *signed into law, program underway.*



# STRENGTHEN THE ECONOMIC DEVELOPMENT ECOSYSTEM

## Associate Development Organizations/Economic Development Councils

- Governor Booth Gardner created “Team Washington” network in 1985 – still high-performing 40 years later
- 35 regional economic development organizations serve all 39 counties; each region has unique economic needs, approach
- “**Ground game**” for Washington State Commerce department; underpin the State’s economic development programs and initiatives
- Enhance economic development service delivery and results statewide through public-private, state-local partnerships
- **Mission: *confidential, client-based economic development*** that public-private partnerships are uniquely equipped to provide
- Critical role as ***conveners & catalysts***



# STRENGTHEN THE ECONOMIC DEVELOPMENT ECOSYSTEM

## Associate Development Organizations/Economic Development Councils

### COLLECTIVE RESULTS *(measured and reported quarterly to Commerce):*

- Over the last five years, local ADO/EDCs have helped over **627 businesses** expand or develop new facilities and assisted **1,112 start ups**.
- These companies have invested over **\$10.2 billion** in land, buildings and equipment.
- These growing businesses have created over **20,444 new jobs and retained over 21,532 jobs**.
- EDC business clients generate over **\$100 million** in new tax revenues for Washington State and local communities annually. Every state dollar leverages a match of at least six dollars from other public and private sources.

### STRATEGIC DIRECTION & NEEDS:

- **New responsibilities** including equity and increased accountability *yet no* Cost-of-Living, inflation or annual population adjustments
- **Goal:** Support & align with state and regional initiatives underway to foster improved workforce development, innovation, sustainability, partnerships & collaboration for results-driven inclusive economic development.

# STRENGTHEN THE ECONOMIC DEVELOPMENT ECOSYSTEM

## **2025 REQUEST: \$5 million/year for Innovation, Sustainability, Partnerships & Equity Initiatives, including raising of funding “floor” & “cap”**

- **Goal:** Recover and grow jobs, retain and expand existing firms, recruit new business, support key industry clusters and support an equitable economy and inclusive economic development
- \$3M proposed by Commerce Department and under Governor/OFM consideration in 2025-27 Operating Budget decision package
- *Ongoing* \$5M (annual) in new funding, a formulaic “plus up” of state funding (ADOs now receive \$10M per biennium, with \$85K floor and \$300K cap – restored to Great Recession levels after multiple reductions; proposal to raise floor to \$150K and cap to \$500K – with \$5M in *new* funding)
- Would support and align with multiple state and regional initiatives underway and emerging to foster improved workforce development, innovation, sustainability and regional partnerships and collaboration for results-driven, inclusive economic development.

# FOSTER CATALYSTS FOR JOB GROWTH & ECONOMIC OPPORTUNITY

WEDA supports investments in infrastructure and programs – as well as matching funds – that catalyze business retention, expansion, recruitment and resiliency at the regional and local levels.

## 2023-24 LEGISLATIVE RESULTS & 2025 PRIORITIES

- Protect the TIF for Jobs tool (2021) now being employed/explored by over 25 jurisdictions **2023**  
**Result:** HB 1527 “TIF Fix” bill *passed* **2024 Result:** *protected*
- Support site readiness programs, and the creation of a site certification program
- Support **broadband** & clean energy capacity initiatives, investment & permitting
- Support state Tourism investments & catalytic opportunities through World Cup & FIFA26
- More state matching funds to improve WA’s competitiveness & attract out-of-state investment **2024**  
**Result:** HB 1870, “Moving Assets To Community Health (MATCH) Act” *passed*, \$500K in funding
- Support Catalytic Innovation & Investment Programs: pursuit of exports & “Go Global” website; disaster programs for small businesses, resources for microenterprises & entrepreneurs
- **Invest in infrastructure** through state public works programs which support expanding businesses (CERB core funding, Public Works, Transportation Improvement Board)
- Support increased investments in **road, rail and transit infrastructure, maintenance and services** to more efficiently move people and freight
- Protect **Economic Development Strategic Reserve Fund** **2023-24 Results:** *\$8.5M funding level*
- Protect targeted incentives to **foster innovation clusters** and private investment

# INCREASE ECONOMIC VITALITY FOR ALL OF WA

**WEDA supports policies and investments that ensure that all parts of the state, and all people, benefit in economic growth through inclusive economic development. The economic vitality of rural and underserved urban areas is critical to the long-term health of the entire state.**

## **2023-24 LEGISLATIVE RESULTS & 2025 REQUESTS**

- **Protect the .09 percent Sales & Use Tax for Public Facilities and economic development activities in Rural Counties**

Rural counties in WA have benefitted from up to a .09% “rebate” of locally-generated state sales & use tax for over 20 years. Tool has helped to build critical infrastructure, attract new industry and diversify economies, and create/retain jobs.

**2023 Result: HB 1267 *new law -- .09 extended to 2054***

- **Protect Diversity, Equity & Inclusion investments** (Small Business Resiliency Network, Small Business Online Tools, Equity Development staffing)

# ADDITIONAL WEDA PRIORITIES

## **2023-24 LEGISLATIVE RESULTS & 2025 REQUESTS:**

- **Workforce Development** **2024 Result:** EcSa program established in law, needs funding
  - Human capital essential for business innovation, growth and competitiveness
  - Support Washington's 12 Local Workforce Development Boards which leverage public and private resources to meet talent pipeline needs with innovative, data-driven solutions
  - Other important workforce programs include Job Skills Program, Customized Training, Apprenticeships, One-Stop WorkSource Centers, work-based learning & reskilling
  - Preservation & needed growth of state funding for post-secondary/higher education
  - Strong K-12 system and early learning -- must address severe childcare capacity gaps
- **Housing Affordability & Supply:** WEDA will support legislation to improve housing affordability and expand opportunities for housing at all income levels, particularly workforce and attainable housing. **2023 Results:** \$1B, HB 1110+ passed
- **Clean/Green Economy:** WEDA supports programs, funding and incentives to create jobs in the Clean Economy, while also maintaining a balanced approach.
- **Rulemaking:** WEDA supports permit streamlining/efficiency initiatives that increase predictability in development.

# WEDA 2025 LEGISLATIVE PRIORITIES

- ***Positioning & Prioritizing Economic Development through Governor Transition & Beyond*** – this is a critical moment to prioritize job growth strategies, capitalize on innovative opportunities & protect business competitiveness
- Same WEDA foundational “Pillars”: **Ecosystem, Toolbox & Equity**
- Ecosystem: ADO Funding
- Protection of TIF for Jobs
- Site Certification & Readiness
- MATCH Act 2.0 & Grantwriter Funding to Leverage Opportunities
- Small Business Support & Access to Capital – ScaleUp, Microenterprise
- International Economic Development – Bold Trade & Investment Strategy
- Creating Clean Energy Jobs & Addressing Energy Capacity Issues
- Tourism & Seizing the FIFA26 Opportunity for All of WA
- Workforce Development – Cradle to College & Career

# LET'S CONNECT

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