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TO: Board Members, Central Puget Sound Economic Development District
CC: Ruth Wezeman, Sam Kaplan, Jason Thibedeau, Chris Mefford
FROM: Bruce Kendall, EDD Board Member *BK*
DATE: September 6, 2017
RE: Amendment to the Draft RES

On August 23, 2017 Ruth Wezeman emailed each EDD board member an amendment to the Regional Economic Development Strategy that I will be offering today.

This amendment has wide support in Pierce County, including our County Executive and the Chair of the Pierce County Council. A joint letter from Executive Dammeier and Council Chair Richardson is attached. I have heard from supporters in other counties as well and look forward to their comments at today's meeting.

On September 1, 2017 I sent each of you an email outlining the rationale for the amendment and how it provides language essential to the preservation and support of industrial lands in each of the four counties.

For your convenience, this memo summarizes the amendment. The amendment is attached with one technical correction in in the last sentence.

What is the amendment? The amendment adds four lines to page 22 of the RES which clarifies the EDD board's position that industrial lands in each county should be treated fairly and equally when competing for regional resources. It emphasizes that these lands and the jobs they produce are important components of thriving communities.

Are there any objections to this language? The only objections that have been shared with me are hazy and purely process oriented. I do not believe these objections rise to the level of overriding the need for the amendment. In addition, the fact that all but one of the people objecting have chosen to remain anonymous is troubling.

Here are the objections as contained in an email from Sam Kaplan, followed by my replies.

HAZY OBJECTION: "...the recommended language is a policy recommendation they don't think fits into the RES..."

FACT: The RES is loaded with dozens of policy recommendations in a variety of areas including transportation, federal trade policy, education, social welfare, the arts, etc, etc, etc. If the RES is not going to make policy recommendations then it will be a very thin document.

HAZY OBJECTION: "...it is a subject for the (PSRC) Growth Management Board..."

FACT: It is also a subject for the EDD. In fact, it is closer to the EDD's core mission than it is to that of the Growth Management Board. Protecting and enhancing our manufacturing industrial centers is fundamental to high wage job creation and economic prosperity – and that is the job of the EDD and this strategy.

HAZY OBJECTION: "...the EDD Board does not have expertise in this matter and the Board has not delved into the issue with any depth..."

FACT: False and false. First, at the EDD board table we have astute leaders from all four county governments, ports, numerous cities and multiple economic development organizations. I would stake their expertise on this subject against any other group. Second, the EDD Board has indeed delved into this issue at two separate board meetings. And, each board member has had access to the public comments made on this subject going back to at least May 2017.

ATTACHMENTS

- Amendment to page 22 of the RES
- September 5, 2017 letter from Pierce County Executive Bruce Dammeier and Pierce County Council Chair Doug Richardson to EDD Chair Catherine Stanford

RES - AMENDMENT

On page 22 of Amazing Place, EDD Board member Bruce Kendall and other representatives from Pierce County are proposing the addition of the highlighted language below:

Strategy: Preserve, protect, and support industrial lands, military installations, and maritime sites

[Selected section]

One-third of regional employment tied to industrial lands

According to the Puget Sound Regional Council's Industrial Lands Analysis, industrial-zoned and designated land supports 473,700 jobs – nearly one-third of the region's total employment. Annual wages for industrial jobs on these lands average \$80,000 – a third higher than the average annual wage in the region. Industrial lands are expected to support over 560,000 jobs by 2040.

PSRC's industrial lands analysis recognized that concentrations of industrial activity across the region have different characteristics and functions, but each plays a vital role in the community where they are situated. Thirteen industrial subareas were identified and analyzed: 405 Corridor, Arlington-Marysville, Auburn-Sumner, Dupont-Gray Field, Duwamish-North Tukwila, Frederickson-Lakewood, Interbay-Ship Canal, Kent-Renton, North-Central Everett, PSIC-Bremerton-Sinclair Inlet, SeaTac-Des Moines, Southwest Everett, and Tacoma-Puyallup. Each should be valued for the unique role it plays in its host community, recognized for its contribution to the regional economy and its future potential, and should be treated similarly at the regional level as important components of thriving communities. Regional planning efforts should not attempt to tier or segregate industrial centers in such a way that favors some over others when competing for regional resources.

Each of the region's designated manufacturing industrial centers is a significant contributor to prosperity and growth, and offer space and assets for further development. Non-designated industrial lands continue to be sites of new economic opportunity for manufacturing and advanced technology uses. Both designated and other industrial lands play an essential role in supporting major employers in the region's key export industries, including Maritime, Aerospace, and Logistics & Distribution, and Life Sciences.

military & Defense

* Amendments



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September 5, 2017

Catherine Stanford, Chair
Economic Development District Board
c/o PSRC
ATTN Ruth Wezeman
1011 Western Ave., Suite 500
Seattle, WA 98104-1035

Dear Chair Stanford:

This letter is in reference to the proposed update to the Regional Economic Strategy (RES) currently being considered by the board of the Economic Development District (EDD).

We would like to express our thanks for your personal efforts, as well as those of the staff and consultants involved with RES development, as you met over the past several months with greater Pierce County area representatives to hear concerns regarding earlier versions of the RES. The new draft RES is much improved and better reflects the needs and viewpoints of EDD's entire geographic region. Thank you for this result.

However, there is one more item that should be included: the language proposed by Tacoma-Pierce County Economic Development Board representative Bruce Kendall that would treat all industrial sites equally. The new language would amend the section titled 'One-third of regional employment tied to industrial lands'. In the second paragraph, delete everything after "potential," and insert "and should be treated similarly at the regional level as important components of thriving communities. Regional planning efforts should not attempt to tier or segregate industrial centers in such a way that favors some over others when competing for regional resources."

We are in complete support of Mr. Kendall's proposed amendment to the draft RES. We must have the ability to protect our industrial lands so we can create a better balance of jobs and housing for our region. We urge you to accept this amendment in the spirit it was offered: to create a level "playing field" for ALL of our critical industrial lands. The Economic Strategy is a document to guide our economic development efforts in the future. This language must be included.

Catherine Stanford
September 5, 2017
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The jobs and economic impact of Frederickson and Joint Base Lewis-McChord must be recognized in PSRC's planning process. Including the proposed amendment in the RES will also help inform the ongoing discussions occurring at the PSRC's Growth Management Policy Board (GMPB) regarding the Centers Framework Update. The latter addresses identification and potential transportation funding of Manufacturing-Industrial Centers (MICs), and it makes sense for the EDDB, as the expert regional organization on economic development in the PSRC area, to take a position as promoting and preserving all MICs in order to ensure all EDD and PSRC subregions can enjoy healthy economies over time.

Thank you for your attention to these comments.

Sincerely,



Bruce F. Dammeier
Pierce County Executive



Douglas G. Richardson
Pierce County Council Chair