



Puget Sound Regional Council

Economic Development Board

Wednesday, December 6, 2017 • 1:00 PM – 3:00 PM

PSRC Board Room • 1011 Western Avenue, Suite 500, Seattle, WA 98104

The meeting will be streamed live over the internet at www.psrc.org

- 1. Call to Order and Roll Call (1:00)**
- 2. Communications and Public Comments**
- 3. President's Remarks**
- 4. Staff Report**
- 5. Consent Agenda (1:20)**
 - a. Approve Minutes of Meeting held September 6, 2017
 - b. Approve Vouchers Dated July 3, 2017 through October 18, 2017 in the Amount of \$24,807.92
 - c. Amendment to the EDD Bylaws -- *Deputy Mayor Catherine Stanford, President*
 - d. Approve 2018 Meeting Schedule -- *Deputy Mayor Catherine Stanford, President*
 - e. Ratify Nominating Committee for Election of Officers -- *Deputy Mayor Catherine Stanford, President*
- 6. Action Items (1:30)**
 - a. Adopt Implementation Action Item: Space Sector Study -- *Jason Thibedeau, Principal Economic Development Manager*
 - b. Adopt Implementation Action Item: Boeing New Market Airplane Opportunity -- *Emily Wittman, Associate Economic Policy Analyst*
- 7. Next Meeting - February 7, 2018, 1:00 – 3:00 p.m.**
- 8. Adjourn (3:00)**

Board members please submit proposed amendments and other materials prior to the meeting for distribution.

Organizations/individuals may submit information for distribution. Send to Ruth Wezeman at rwezeman@psrc.org, fax 206-587-4825, or mail.

Sign language and communication material in alternate formats can be arranged given sufficient notice by calling (206) 464-7090 or TTY Relay 711. 中文 | Chinese, 한국 | Korean, Русский | Russian, Español | Spanish, Tagalog, Tiếng việt | Vietnamese Call 206-587-4819.



Puget Sound Regional Council

MINUTES

**Puget Sound Regional Council Economic Development Board
Wednesday, September 6, 2017
PSRC Boardroom**

Call to Order and Roll Call

The meeting of the Economic Development Board was called to order at 1:05 p.m. by Deputy Mayor Catherine Stanford, President. The signatures on the attendance sheet, as well as documentation by staff, determined attendance and that a quorum was present.

[To watch a video of the meeting and hear the full discussion, please go to:
<http://psrcwa.ig2.com/Citizens/Default.aspx>]

Members and Alternates that participated for all or part of the meeting included:

(**participation via teleconference)

Deputy Mayor Catherine Stanford, President

Councilmember Terry Ryan, Vice President

Councilmember Jim Berrios

*Bob Bolerjack***

Betty Capestany**

Councilmember Dino Davis**

Councilmember Reagan Dunn**

Heather Engelbrecht

Commissioner Charlotte Garrido**

Regina Glenn

James Henderson

Councilmember Lisa Herbold

*Pat Iolavera***

Bruce Kendall

Councilmember Connie Ladenburg

Rebecca Lovell

Councilmember Conor McCarthy

Dave McFadden

Erin Monroe

Ralph Pease

Commissioner Clare Petrich

Patrick Pierce

John Powers

Paige Shevlin

Stan Sorscher

Councilmember Ed Stern

Councilmember John Stilin

Mayor Geoffrey Thomas
 Tony To
 Deputy Mayor Jason Whalen**

Members absent included:

(*alternate present)

Brian Bonlender
 Commissioner Stephanie Bowman
 Commissioner Cary Bozeman
 Executive Dow Constantine*
 Bob Drewel
 Leonard Forsman
 Mayor Jill Guernsey*
 Commissioner Troy McClelland
 David Mitchell
 Councilmember Jennifer Robertson*
 Executive Dave Somers
 Mayor Ray Stephanson*
 Chad Wright

Communications and Citizen Comments

The following citizens approached the board for comment: Hendrick W. Haynes and Alex Tsimerman.

President's Remarks

Deputy Mayor Catherine Stanford, President, made the following announcements:

- Reviewed recent history of board meetings and strategy development;
- Summarized the improvements that were made since the July board meeting; and
- Announced that a proposed amendment to the strategy would be introduced during the discussion.

Staff Reports

Josh Brown, Executive Director of Puget Sound Regional Council, made the following announcements:

- Thanked the board for all their contributions over the strategy development process;
- Thanked the President and Vice President for their leadership and work; and
- Thanked PSRC staff for their hard work.

Consent Agenda

ACTION: It was moved and seconded (Petrich/Thomas) to: (a) Approve Minutes of Meeting held July 12, 2017 and (b) Approve Vouchers Dated June 15, 2017 through June 27, 2017 in the Amount of \$24,486.75. The motion passed.

Action Items

Discuss Improvements Made to the Regional Economic Strategy/Adopt Regional Economic Strategy

Deputy Mayor Catherine Stanford, President, opened this portion of the meeting by calling for a

motion and second to proceed with discussion of the Regional Economic Strategy with an agreement to vote on adoption at the discussion's conclusion.

ACTION: It was moved and seconded (Glenn/Pease) to proceed with the discussion and vote on adoption of *Amazing Place: growing jobs and opportunity in the central Puget Sound region* and its companion volume *Economic Analysis of the Central Puget Sound Region* as the Comprehensive Economic Development Strategy for the Central Puget Sound after any amendments were finalized.

Two amendments to the RES were discussed and voted upon:

Amendment 1 – To order the three goals of the RES in the following order:

- Open Economic Opportunities to Everyone
- Compete Globally
- Sustain a High Quality of Life

ACTION: It was moved and seconded (To/Herbold) to order the goals as listed above. The motion passed.

Amendment 2 – To incorporate language into the strategy “Preserve, protect and support industrial lands, military installations, and maritime sites”. The language under discussion was, “*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.*”

ACTION: It was moved and seconded (Kendall/Ladenburg) to incorporate the language into the strategy. The motion passed via roll call vote which is filed in the meeting records.

ACTION: The adoption of *Amazing Place: growing jobs and opportunity in the central Puget Sound region* and its companion volume *Economic Analysis of the Central Puget Sound Region* as the Comprehensive Economic Development Strategy for the Central Puget Sound, with the above amendments as discussed, passed unanimously.

Analyzing the Region's Role in the Emerging Commercial Space Sector

The discussion and adoption of the Regional Economic Strategy took longer than anticipated; this action item will be reintroduced at the next meeting.

Next Meeting

The Economic Development District Board will next meet on Wednesday, December 6, 2017, from 1:00 – 3:00 p.m. in the PSRC Boardroom.

Adjourn

The meeting adjourned at 2:57 p.m.



Puget Sound Regional Council

CONSENT AGENDA

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Approve Vouchers Dated July 3, 2017 through October 18, 2017 in the Amount of \$24,807.92**

IN BRIEF

PSRC vouchers are reviewed by the Operations Committee and approved by the Executive Board. In order 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:

<u>REQUESTED</u>	<u>VOUCHER NUMBER</u>	<u>TOTALS</u>
<u>WARRANT DATE</u>		
7/3/2017	AP 9604	\$ 43.98
7/27/2017	AP 9656 & 9660	\$ 12,868.04
8/18/2017	AP 9715	\$ 1,383.00
8/23/2017	AP 9721	\$ 4,000.00
8/28/2017	AP 9731	\$ 45.75
9/21/2017	AP 9762 & 9767 - 9769	\$ 4,602.15
9/27/2017	AP 9789	\$ 400.00
10/18/2017	AP 9824 - 9825	\$ 1,465.00
		\$ 24,807.92

For additional information, please contact Diana Lauderbach at 206-464-5416; email dlauderbach@psrc.org.



Puget Sound Regional Council

CONSENT AGENDA

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Amendment to the EDD Bylaws**

IN BRIEF

At its December 6 meeting, the Economic Development Board will consider an amendment to its bylaws to change the requirement that its Annual Meeting be held in March. The proposed change is to designate the first meeting of the year as the Annual Meeting and eliminate the requirement of the month of March.

RECOMMENDED ACTION

The Economic Development Board should approve the amendment.

DISCUSSION

Currently, Article VII of the bylaws state:

“Section 1. The Annual Meeting shall be the regular meeting of the Board of Directors held in March.”

“Section 2. The Board shall designate a date and time for its meetings. Regular meetings of the Board of Directors shall be held a minimum of four (4) times each year; provided, however, that one of the meetings shall be designated the Annual Meeting and shall be held in the month of March, and that all meetings are coordinated with the Puget Sound Regional Council’s Executive Board.”

Below is the proposed new language:

“Section 1. The Annual Meeting shall be the first regular meeting of the calendar year.”

“Section 2. The Board shall designate a date and time for its meetings. Regular meetings of the Board of Directors shall be held a minimum of four (4) times each year; provided, however, that one of the meetings shall be designated the Annual Meeting and

that all meetings are coordinated with the Puget Sound Regional Council's Executive Board.”

If you have any questions or comments, please contact Ruth Wezeman at 206-464-7528 or rwezeman@psrc.org.



Puget Sound Regional Council

CONSENT AGENDA

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Approve 2018 Meeting Schedule**

IN BRIEF

Board officers and staff propose a schedule of five meetings for 2018. In the interest of providing sufficient notice of regular meetings of the Economic Development Board, the board will confirm the 2018 schedule at its December 6 meeting.

RECOMMENDED ACTION

It is recommended that the board approve the proposed 2018 schedule.

DISCUSSION

Below is the proposed meeting schedule for 2018.

- Wednesday, February 7th
- Wednesday, May 2nd
- Wednesday, July 11th
- Wednesday, October 3rd
- Wednesday, December 5th

If you have any questions or comments, please contact Ruth Wezeman at 206-464-7528 or rwezeman@psrc.org.



Puget Sound Regional Council

ACTION ITEM

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Ratify Nominating Committee for Election of Officers**

IN BRIEF

In accordance with the EDB bylaws, Deputy Mayor Stanford's term as President will be completed as of the February meeting in 2018. The positions of President and Vice President will become vacant. President Stanford will outline the process for filling these positions.

ACTION

At the December meeting, President Stanford will appoint a nominating committee, to be ratified by the board. President Stanford will chair the nominating committee, which will present its recommendations for both positions at the February 2018 meeting.

If you have any questions or comments, please contact Jason Thibedeau at 206-389-2879 or jthibedeau@psrc.org.



Puget Sound Regional Council

ACTION ITEM

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Adopt Implementation Action Item: Space Sector Study**

IN BRIEF

PSRC staff will discuss an Action Item to analyze the region's commercial space sector as an implementation project for *Amazing Place*.

RECOMMENDED ACTION

The Economic Development Board should adopt "Analyze the region's role in the emerging commercial space sector" as an implementation Action Item for *Amazing Place*.

DISCUSSION

The EDD board will hear from PSRC staff on the development of a report analyzing the region's commercial space sector. The development of this analysis will serve as an Action Item to help implement the region's economic strategy. *Amazing Place* includes the strategy to "strengthen, coordinate, and grow retention, expansion, and recruitment efforts" to support the goal to compete globally. Implementation guidance for this strategy calls for the identification, examination, and support of new industry growth opportunities across the region.

The region's commercial space sector has been identified as an emerging opportunity that builds upon the region's strengths in Aerospace and Information and Communication Technology. This analysis will help industry leaders, elected officials, policy makers and economic development professionals in their efforts to grow this sector in the region.

For more information, please contact Jason Thibedeau at 206-389-2879 or jthibedeau@psrc.org.

Attachments:
SpaceStudyActionItem

Commercial Space Sector Study

Regional Perspective

Space is in the DNA of the central Puget Sound region. The 1962 Century 21 Exposition introduced Seattle to the world and the Space Needle became a testament to the region's focus on innovation and the future. Two years later, the Boeing Space Center opened and, along with Aerojet Rocketdyne, helped drive NASA's early lunar and Mars exploration.



Today, local companies continue to be at the leading edge of all aspects of space exploration. Blue Origin is leading the way on a new era of reusable rockets. Spaceflight Industries is supporting testing and launch of satellite missions. With an office in Redmond, SpaceX is developing launch vehicles that are revolutionizing the market. Launches planned for the coming year will add excitement and grow interest in this important emerging field.

Recent growth in the Space sector has been built upon the talent base of the region's Aerospace and Information Technology workforces. An expert supply chain extends across the region, including Janicki Industries, Crane Aerospace & Electronics, and Idea-International Inc., supporting a thriving network of companies and talent in this promising sector.

The region is positioned to be a leader in the Space sector, but competition is fierce. More information is needed to understand the competitive environment the region faces for future jobs and investments in this sector.

Project Details

PSRC is leading an effort to commission a Commercial Space Sector Study. This effort will identify the state and region's assets in the Space sector and collect data to understand the sector with an emphasis on areas of significant potential. The study's analysis will help identify strengths to build on and weaknesses to shore up. It will identify other areas in the U.S. that the region is competing with, and guide the region's efforts to grow this sector.

PSRC is convening a public and private effort to launch this effort in December of 2017 and complete this project in spring of 2018.





Puget Sound Regional Council

ACTION ITEM

November 29, 2017

To: Economic Development Board
From: Josh Brown, Executive Director
Subject: **Adopt Implementation Action Item: Boeing New Market Airplane Opportunity**

IN BRIEF

PSRC staff will discuss an Action Item to support efforts to secure final assembly of Boeing's expected middle-of-the-market jet in the state as an implementation project for *Amazing Place*.

RECOMMENDED ACTION

The Economic Development Board should adopt "Support efforts to secure final assembly of the Boeing new market airplane in Washington state" as an implementation Action Item for *Amazing Place*.

DISCUSSION

The EDD board will hear from PSRC staff on the statewide efforts of stakeholders to organize, fund, advocate, communicate, and secure final assembly of Boeing's new market airplane (NMA) in Washington.

The Boeing Company has released early details of a potential middle-of-the-market jet, featuring a widebody composite fuselage and other composite components. As a global leader in aerospace manufacturing, the region is well positioned to be the final assembly site for the NMA, and for future Boeing planes.

Support of a statewide effort to secure final assembly will serve as an Action Item to help implement the region's economic strategy. *Amazing Place* includes a strategy to "Strengthen, coordinate, and grow retention, expansion, and recruitment efforts" as a component of the Goal: Compete Globally.

For more information, please contact Emily Wittman at 206-971-3051 or ewittman@psrc.org.

Attachments:
 Boeing NMA Opportunity

Amazing Place: growing jobs and opportunity in the central Puget Sound region

ACTION ITEM: Support efforts to secure final assembly of the Boeing new market airplane in Washington state

A statewide effort will reinforce Washington's status as the national leader in aerospace by securing final assembly of Boeing's new, middle-of-the-market jet and prepare the state for future build opportunities.

Opportunity

Washington state is the nation's leader in aerospace. In 2015, the industry generated \$69.9 billion in economic activity in the state and supported 136,100 direct jobs at 1,400 related companies.

The industry is truly statewide as each of the Washington's 39 counties is home to at least one aerospace-related company.

For over 100-years, The Boeing Company has revolutionized flight from the Pacific Northwest. Its supply chain extends across the state, supporting a total 192,200 jobs.

In June 2017, Boeing revealed early details of its potential new market airplane. The new, middle-of-the-market jet could serve medium range routes between 3,000-5,200 nautical miles, or 10 hours of flight. It would seat between 220 and 270 passengers. The widebody jet is expected to feature a first-of-its-kind composite fuselage as well as composite wings.

Boeing has opened a program "study" office in Renton and launch is expected in the next six to eight months, ramping up to 2020. Boeing has not made a decision on the location of final assembly.

Regional Perspective

The central Puget Sound region is the global hub for aerospace. The region supports 93,000 of the state's jobs in this cluster — 11 times the nation's average concentration of aerospace jobs.

Boeing has a long history of engineering and manufacturing in the Puget Sound area. From industrial centers throughout the region, Boeing builds the 737 MAX, the P-8 military aircraft, carbon-fiber composite wings and tail for the 777X, and the 747, 767, and Air Force One.

In 2016, Boeing opened its \$1 billion 777X Composite Wing Center in Everett – manufacturing the world's largest composite wings. Assets such as the CWC as well as the state's established supply chain, modernizing infrastructure, highly-skilled workforce, spirit of innovation, and deep pool of talent make it a prime location for final assembly of the NMA.



Boeing new market airplane (Credit: Boeing)

Final assembly of the Boeing NMA would reinforce the state's strength in the aerospace industry and engage another generation in Boeing's Pacific Northwest legacy. It would also prepare the state for post-NMA build opportunities.

Project Details

Stakeholders representing aerospace-related communities and industries will work to organize, fund, advocate, communicate, and secure final assembly of the Boeing NMA. This work will increase positive public perception of the aerospace industry, strengthen the state's economy, and prepare the state to build many or all facets of the NMA and post-NMA Boeing airplanes.

Next steps: PSRC will provide support for the state's effort to secure final assembly of the NMA in Washington state.

Success measures: Increased public relationship with the aerospace industry, strengthened workforce and economy, and final assembly of the Boeing NMA and post-NMA airplane in the state.

connection to economic strategy

Amazing Place GOAL: COMPETE GLOBALLY

STRATEGY: Strengthen, coordinate, and grow retention, expansion, and recruitment efforts

This strategy calls for the identification, examination, and support of new industry growth opportunities across the region, specifically mentioning future Boeing airplane opportunities.

