Central Puget Sound Economic Development District Board

Wednesday, July 1, 2020 • 1:00 – 3:00 PM
Virtual Meeting via Teleconference

The meeting will be streamed live over the internet at [www.psrc.org](http://www.psrc.org).

PUBLIC NOTICE: In accordance with the Governor’s Safe Start, Stay Healthy emergency proclamation (Proclamation 20-28, as amended), PSRC’s offices are closed to the public. No in-person meeting attendance is permitted.

The public is encouraged to follow the meeting via live stream at [https://www.psrc.org/boards/watch-meetings](https://www.psrc.org/boards/watch-meetings) or listen by phone at 1-408-419-1715, Meeting ID: 275 426 105. Members of the public may submit comments via email to msvob@psrc.org up to one hour before the meeting and comments will be provided to Board members electronically during the meeting. Comments received after that deadline will be provided to Board members after the meeting.

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 February 5, 2020
6. Action Item (1:30)
7. Discussion Item (2:00)
   a. Comprehensive Economic Development Strategy Update Scope -- Jason Thibedeau
8. Next Meeting - October 7, 2020
9. 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 Mikayla Svob at msvob@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. العربية | 中文 | Chinese, Deutsch | German, Français | French, 한국어 | Korean, Русский | Russian, Español | Spanish, Tagalog, Tiếng việt | Vietnamese | (206) 587-4819.
CALL TO ORDER AND ROLL CALL

The meeting of the Central Puget Sound Economic Development District Board of Directors was called to order at 1:04 p.m. by Councilmember Terry Ryan, 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.iqm2.com/Citizens/Default.aspx.]

Members and Alternates that participated for all or part of the meeting included:
(*participation via teleconference)

Councilmember Terry Ryan, President
Tom Florino, Vice President
Councilmember Tammy Morales
Karl Stickel
Councilmember Conrad Lee
Councilmember Jeremy Barksdale
**Councilmember Ed Prince
Councilmember Lindsey Walsh
Councilmember Betsy Robertson
**Commissioner Charlotte Garrido
**Mayor Greg Wheeler
Councilmember Marty Campbell
Deputy Mayor Keith Blocker
Councilmember Joe Marine
Commissioner Axel Strakeljahn
Commissioner Sam Cho
Commissioner Kristin Ang
Andrea Reay
Elizabeth Court
A. Boungjaktha
Alex Pietsch
Kevin Clark
Tony To
Brian McGowan
**Patricia Iolavera
Members absent included:
(*alternate present)

Executive Dow Constantine
Councilmember Reagan Dunn
*Councilmember Lydia Assefa-Dawson
*Councilmember Robert Thoms
*Mayor Jenny Durkan
Councilmember Ed Stern
Councilmember Shannon Reynolds
Mayor Cassie Franklin
Chad Wright
Chairman Leonard Forsman
Commissioner Tom Stiger
Chris Green
John Powers
Patrick Pierce
Bruce Kendall
Larry Brown
Kevin Clark
Caroline King
Bob Drewel
Executive Dave Somers

COMMUNICATIONS AND CITIZEN COMMENT

No members of the public addressed the board.

PRESIDENT’S REMARKS

President Terry Ryan welcomed everyone to the February 5, 2020 meeting, where he asked all members to introduce themselves, their jurisdictions, and a board focus area of interest to them. He noted that the Nominating Committee would present recommendations for the officer positions of President and Vice President to the board. President Ryan also stated that the new board President would present recommendations for the 2020-2021 Executive Committee term, and the 2020-2022 Presidential Appointments term.

STAFF REPORT

Jason Thibedeau discussed the opportunity for board members to attend the PSRC Regional Connections tour of Snohomish County, with stops at the new Paine Field
terminal, OceanGate, Port of Everett, and other workforce development organizations. Jason then referenced the handouts, “Association of WA Cities Legislative Priorities 2020,” “Tax Increment Financing Fact Sheet,” and “House bill and joint resolution pave the way for TIF in Washington.” Councilmember Ed Stem requested these materials be provided to board members for consideration in his absence from the meeting.

President Ryan asked if the board would consider a statement supporting TIF and making this an option for communities, but not an endorsement of the specific bills set forth. Councilmember Conrad Lee proceeded to ask if “tool” rather than “option” be used to reference TIF.

**ACTION:** It was moved (Lee) and seconded (Marine) to endorse a statement of support for TIF as a tool. The motion passed on a voice vote with Port of Seattle Commissioner Sam Cho abstaining.

After the meeting adjourned, Councilmember Morales requested from PSRC staff that she also be recorded as an abstention on the vote regarding a statement of support for use of TIF as a tool.

**CONSENT AGENDA**

**ACTION:** It was moved (Strakeljahn) and seconded (Lee) to: (a) Approve Minutes of Meeting held December 4, 2019 and (b) Approve Voucher Dated October 28, 2019, through December 4, 2019, in the Amount of $701.50. The motion passed unanimously.

**ACTION ITEM**

**Election of Economic Development Board Officers**

President Ryan reported to the board that the Nominating Committee recommended Tom Florino to serve as President, and Commissioner Axel Strakeljahn to serve as Vice President for the 2020-2022 term.

**ACTION:** It was moved (Campbell) and seconded (Lee) to approve the Nominating Committee’s recommendation of Tom Florino as President and Axel Strakeljahn as Vice President for the 2020-2022 term. The motion passed unanimously.

**ACTION ITEM**

**Ratify Presidential Appointments for the 2020-2022 Term**

President Florino submitted the following individuals as presidential appointment seats for the 2020-2022 term:
• Brian McGowan
• Kevin Clark
• Alex Pietsch
• Tony To
• Terry Ryan

**ACTION**: It was moved (Campbell) and seconded (Lee) to ratify the Presidential Appointments for the 2020-2022 term. The motion passed unanimously.

**ACTION ITEM**

Ratify Executive Committee for the 2020-2021 Term

President Florino submitted the following individuals to serve as members of the Executive Committee for the 2020-2021 term:

• Axel Strakeljahn
• Terry Ryan
• Ed Stern
• Conrad Lee
• Patrick Pierce
• Brian McGowan
• Kristin Ang

**ACTION**: It was moved (Pietsch) and seconded (McGowan) to ratify the Executive Committee for the 2020-2021 term. The motion passed unanimously.

**DISCUSSION ITEM**

PSRC Housing Survey Results and Upcoming Housing Work

Laura Benjamin, PSRC Senior Planner, provided an update to the Board on the PSRC Housing Survey results and discussed next steps, including a work plan to develop the regional housing needs assessment as directed in the housing action H-Action-A in the VISION 2050 draft.

**INFORMATION ITEMS**

Included as information items in the agenda packet were the Draft Supplemental Biennial Budget and Work Program, Amazing Place Implementation Update, and the TOOLBOX Peer Networking: Access to Transit event flyer.

**NEXT MEETING**
The Central Puget Sound Economic Development District Board will next meet on Wednesday, May 6, 2020 from 1 – 3 p.m., via teleconference.

ADJOURN

The meeting adjourned at 2:47 p.m.

Adopted this 1st day of July, 2020.

Tom Florino, President
Central Puget Sound Economic Development District

ATTEST:

Josh Brown, Executive Director
CONSENT AGENDA

June 24, 2020

To: Central Puget Sound Economic Development District Board

From: Diana Lauderbach, Chief Financial Officer


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 CPSEDD Board as well.

RECOMMENDED ACTION

The CPSEDD Board should approve the following vouchers:

Approved Vouchers dated January 21, 2020 thru April 17, 2020 in the amount of $424.21.

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<th>WARRANT DATE</th>
<th>VOUCHER NUMBER</th>
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<td>1/21/2020</td>
<td>AP 11299</td>
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<tr>
<td>3/20/2020</td>
<td>AP 11402</td>
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For additional information, please contact Diana Lauderbach at 206-464-5416 or dlauderbach@psrc.org.

Attachments:
edd-2020july01-vouchers
A/P Check Batches

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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)):

Authorized District Signature __________ Date __________ Authorized District Signature __________ Date __________

Authorized District Signature __________ Date __________ Authorized District Signature __________ Date __________

Authorized District Signature __________ Date __________ Authorized District Signature __________ Date __________

EDD Voucher Approval Document - Jul2020.docx
## Check Summary Report

**Central Puget Sound Economic Development District Board Meeting - July 1, 2020**

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**Total** 424.21
ACTION ITEM

To: Central Puget Sound Economic Development District Board

From: Jason Thibedeau, Principal Economic Development Manager

Subject: Budget Amendment and Contract Authority for Consultant Services for CARES Act Pandemic Recovery and Resiliency Work

IN BRIEF

A request is being made to amend the budget to add new potential grant revenues from the U.S. Economic Development Administration (EDA) to perform pandemic recovery and resiliency work and to authorize the hiring of one or more consultants to assist staff in implementation. The budget amendment is contingent on final award decision by the EDA as well as approval from PSRC’s Executive Board. Authorization by the Executive Board is required for the Executive Director to enter into a contract in excess of $10,000 per year.

RECOMMENDED ACTION

Action 1: The Central Puget Sound Economic Development District Board of Directors should amend the Adopted Budget and Work Program for Fiscal Years 2020-2021 to add up to an additional $400,000 in funds contingent upon approval from the U.S. Economic Development Administration and PSRC’s Executive Board.

Action 2: The Central Puget Sound Economic Development District Board of Directors should authorize the Executive Director to enter into one or more consultant contracts for pandemic recovery and resiliency work as described below, not to exceed $250,000.

DISCUSSION

Budget Impact

The proposed work program amendment would increase the Economic Development District element of the adopted Budget and Work Program by $400,000 from $505,000 to $905,000. The expenditures supported by this grant are $150,000 to support the work of existing PSRC staff, and $250,000 for consultants as described.

Background
On May 8, the Central Puget Sound Economic Development District was invited by the U.S. Department of Commerce, Economic Development Administration to apply for supplemental funding made available through the CARES Act to help respond to the unusual and compelling urgency of the coronavirus pandemic.

Invitations were sent to certain institutional grantees, including Economic Development Districts (EDDs), that currently receive partnership planning grants from the EDA. The EDA has determined that these institutional partners, by virtue of their longstanding and substantial investment in building capacity to respond to economic shocks and their ongoing partnership with EDA, possess unique abilities to support the CARES Act Recovery Assistance initiative and that it is therefore in the public interest to make awards to these organizations on a non-competitive basis.

The invitation requires the district to undertake work items on a pre-approved scope of work that includes: (1) the development of an economic recovery and resilience plan, tied to the applicant’s approved Comprehensive Economic Development Strategy, to address the economic impacts of the coronavirus pandemic, (2) the deployment of disaster recovery coordinators to orchestrate a region’s response to the pandemic, (3) the provision of technical assistance, as necessary, to local governments, businesses, and other stakeholder organizations, and (4) the funding of appropriate technology and staff support for these pandemic-response activities. The maximum award is $400,000 and the EDA will cover 100% of the costs of the grant activities.

Once approved for funding, the EDD will have 60 days to develop a Grant Administration Plan that details the tasks to be undertaken pursuant to the scope of work, the staff responsible for the primary tasks, and the timeline for implementation of the tasks.

Staff Recommendation

Staff consulted with the EDD Executive Committee and recommends using the potential award funding to support both staff time to support regional recovery efforts and to fund one or more contracts to implement the pre-approved scope of work. Contracts will be pursued that target the following work areas:

1. Regional Recovery Coordination

Use funding to support coordination of disaster economic recovery efforts across the region. Building off existing local efforts to identify and develop regional recovery projects, these funds will support the development of larger regional coordination, identify partnership opportunities, and share best practices across the region. These efforts include technical assistance programs, worker training, infrastructure investments such as broadband, and others. Locally generated disaster recovery economic development projects will be identified, and work will be done to help identify funding opportunities to implement them.

The agency will pursue one or more contracts to support economic development planning and coordination to develop industry specific disaster recovery and resiliency plans. These efforts will target regional industry areas that have experienced significant negative impacts from recent economic shocks, including COVID-19. The identified targeted industries are:

**Aerospace:** The region’s aerospace industry has experienced supply chain challenges due to COVID-19 as well as impacts from a downturn in commercial aviation activity. Regional unemployment insurance claims show that Transportation Manufacturing, which include aerospace manufacturing, has experienced significant loss in employment, even with this industry being deemed as essential through work shutdowns. Early COVID-19 impact volumes of initial unemployment claims reflected nearly 40% of pre-COVID-19 level employment. Funding would be used to analyze gaps in Washington’s supply chain, including raw materials imported from foreign markets and components made in other states. This effort would work to identify market opportunities to recruit businesses to the region, expand local businesses into new markets, and market local sale opportunities to existing customers.

**Manufacturing:** Like impacts to the Aerospace industry, other manufacturing industries have been impacted by the pandemic. Unemployment insurance claims in the Machinery and Electronic Manufacturing sector reflect nearly a quarter of the pre-COVID-19 workforce, and Other Manufacturing has seen a loss of nearly a third. Funding would be used to support the diversification of regional advanced manufacturing capacity with an added focus on re-shoring of manufacturing activities to support regional supply chains in sectors such as Military and Defense, Information and Communication Technology, Life Sciences and Global Health, and others. The analysis will identify market opportunities for regional companies to expand production to meet the needs of regional manufacturing supply chains and increase resilience of regional industries to future supply chain shocks.

**Tourism:** The regional and national tourism industry is facing long-term structural challenges with how business is conducted. According to recent analysis by the U.S. Travel Bureau, 51% of the overall travel industry is now unemployed. Regional unemployment insurance claims mirror this large impact. Since the onset of the pandemic, Accommodations and Food Service workers and Arts & Entertainment have seen the largest volumes of unemployment claims. Given the impacts to general travel and tourism activity, as well as restrictions on larger gatherings, employment in this industry will likely persist longer than other industries. Funding will be used to identify strategies to support these industries in the near-term to remain viable, and to develop business strategies to survive the current and future pandemics.

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

To: Central Puget Sound Economic Development District Board
From: Jason Thibedeau, Principal Economic Development Manager
Subject: Comprehensive Economic Development Strategy Update Scope

IN BRIEF

The EDD Board adopted Amazing Place as the region’s Comprehensive Economic Development Strategy (CEDS) in 2017. This strategy enables regional organizations to receive federal funds through the U.S. Economic Development Administration and must be updated at least every five years. The EDD is required to develop and submit a new CEDS to the EDA by January 2022. At the July meeting, the EDD Board will discuss the scope, timeline, and focus for the update to this economic strategy.

DISCUSSION

EDA’s Comprehensive Economic Development Strategy (CEDS) Requirements

The Central Puget Sound Economic Development District is the federally designated Economic Development District for the central Puget Sound region, encompassing King, Snohomish, Pierce, and Kitsap counties. The U.S. Economic Development Administration (EDA) requires Economic Development Districts to establish a Comprehensive Economic Development Strategy (CEDS) at least every five years as a prerequisite for regional organizations to receive federal EDA funds.

An approved CEDS must leverage a robust stakeholder outreach process involving public, private and non-profit sectors to establish a strategic blueprint for regional collaboration, guiding the economic prosperity and resiliency of the region. The CEDS should integrate and leverage other regional planning and implementation efforts. According to EDA guidelines, a CEDS should include a summary of regional economic conditions, a SWOT analysis, an action plan, and an evaluation framework.

Updating Amazing Place

Amazing Place is the current CEDS for the region, adopted in September 2017 by the EDD board. The strategy aims to reach three important goals: open economic opportunities to everyone, compete globally, and sustain a high quality of life. Amazing Place identifies twenty-two implementation strategies, which collectively represent a comprehensive picture of what needs to be done to ensure future success of the region’s economy. Implementation of the strategies are pursued by many local,
regional, and state partners who each have unique roles. Many of the goals and strategies in Amazing Place are still applicable today. However, changes in the economy have occurred since adoption in 2017, including major impacts from COVID-19.

The Central Puget Sound Economic Development District is entering year one of a three-year annual planning grant from the EDA which includes funding for maintaining and updating the region’s CEDS. In addition, the EDD expects to receive additional funding through the CARES Act to support targeted regional recovery and resiliency efforts, which will be integrated into the updated strategy. The region’s Economic Development District is required to develop and submit a new CEDS to the EDA by January 2022.

For the strategy update, staff is making the following recommendations:

- Update and streamline Amazing Place to focus on core economic data, priority strategies and implementation.
- Target goals and strategy updates focusing on direction from the EDD Board, current economic development efforts, and stakeholder outreach.
- Strengthen the recovery and resiliency aspects of the strategy, including the integration of activities from current regional recovery work.
- Focus on implementation efforts needed in the region, including workplans and action plans by the EDD Board and other regional partners.

To being this update process, staff will facilitate a discussion with the EDD Board at the July meeting to gain input from members on the economic opportunities and challenges that the region faces, as well as areas of interest for board engagement in implementation.

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