

Quarterly Economic Development Report – Q2 2023

This report highlights the significant accomplishments in various areas of economic development, including Business Recruitment and Expansion (BRE), New Company Attractions, Education and Workforce Development, Department of Commerce Grants, and other notable achievements. The achievements showcase the EASC's dedication to promoting economic growth, attracting investments, fostering partnerships, and supporting the development of a skilled workforce in the Snohomish County region. Q2 accomplishments:

- EASC effectively executed our Department of Commerce biennium ADO contract goals and metrics for the reporting period of July 1, 2021, to July 1, 2023, demonstrating our commitment to driving economic development in Snohomish County. Our efforts have encompassed many initiatives, including business recruitment and expansion, workforce development, industry collaborations, and support for entrepreneurship and innovation. In this period, we provided 133 unique Business Recruitment and Expansion interactions, managed 121 recruitment projects, counseled 38 start-ups, provided Export Assistance to 11 companies, and offered 28 training sessions.
- EASC also completed all the deliverables outlined in the Scope of Work for No Meat
 Factory Strategic Reserve Fund contract with the Department of Commerce. The \$200,000 grant
 aimed to recruit and create 150 manufacturing jobs in Washington State, with funding allocated
 for planning, design, and engineering expenses associated with purchasing and rehabilitating the
 Twin City Foods facility in Stanwood, WA. The private investment was 28 million.
- EASC completed all the deliverables outlined in the Scope of Work for **ZeroAvia** Strategic Reserve Fund contract with the Department of Commerce. The \$700,000 grant aimed to recruit and create 450 manufacturing jobs in Washington State, with funding allocated for planning, design, and engineering expenses associated with the rehabilitation of Hangars C1 and C5 at Paine Field Airport. The private investment was 6 million.
- EASC completed all the deliverables outlined in the Scope of Work for **IonQ** Evergreen Growth Manufacturing contract with the Department of Commerce. The \$200,000 grant aimed to recruit and create 150 manufacturing jobs in Washington State, with funding allocated for planning, design, and engineering expenses associated with Hangars C1 and C5 rehabilitation at Paine Field Airport. The private investment was 7.1 million.

Select USA

In May, Garry Clark, Wendy Poischbeg, and Snohomish County Workforce Chief James Henderson attended the Select USA Investment Summit in Washington, DC, representing Snohomish County and Washington State along with partners from the Department of Commerce, Greater Spokane Incorporated, Port of Pasco, and Greater Seattle Partners. The team met numerous companies from around the globe and continues to follow up with three companies that maintain interest in Snohomish County.

International Study Mission

In May, regional leaders embarked on a study mission to Iceland and Norway to explore economic and cultural synergies between the regions. The mission, sponsored by the Greater Seattle Partners and the Seattle Chamber of Commerce, included Snohomish County Executive Dave Somers, Honorary Counsel for Norway Viggo Forde, Deputy Executive Eric Parks, Executive Director A Boungjaktha, and Wendy Poischbeg representing EASC. Propeller Airports CEO Brett Smith, Seattle Mayor Bruce Harrell, and Port of Seattle Director Stephen Metruck were among other regional officials.

The study mission commenced in Iceland with a visit to the renowned Blue Lagoon, followed by a warm welcome from Mayor Eggertsson at Höfði House during a reception hosted by the City of Reykjavik. The delegation also attended a briefing at the U.S. Embassy by Ambassador Patman, held meetings with <u>Business Iceland</u> and <u>Marel</u> (an innovative automation company supporting the food processing industry), and enjoyed a reception with President Johannesson, graciously sponsored by The Boeing Company.

In Norway, the delegation engaged in discussions with U.S. Ambassador to Norway, Marc Nathanson, and participated in a program organized by <u>Avinor</u>. The Avinor program centered around green aviation, electrification, sustainable aviation fuel, and hydrogen technologies. Additionally, the Snohomish County delegation held fruitful meetings with representatives from <u>Widerøe</u>, a Swiss aerospace company, and <u>Norwegian Air</u> to explore collaboration opportunities ranging from waste reduction and circular economy practices to air travel improvements.

The study mission was a platform for exchanging ideas, establishing valuable connections, and exploring potential collaborations among dignitaries, business leaders, innovative companies, and aerospace experts. The delegation also identified opportunities for future cultural and business exchanges, including a possible study mission to Snohomish County in November 2023.

Paris Air Show

Garry Clark and Wendy Poischbeg represented EASC at the Paris Air Show, held June 21st – 24th. The air show is crucial in our organization's strategic engagement and partnership initiatives within the aerospace industry. We had the privilege of conducting meetings with key industry players, including Senior Aerospace AMT, Valence Surface Technologies, Eviation, Zeroavia, Crane Aerospace, Norsk Titanium, Leggett & Platt, Korea Aerospace Industries Assoc, Mitsubishi Aircraft, Safran America, magniX, MTorres America, Umbra Cuscinetti, Thales North America, Daher, PCC Aerostructures, Stack Metallurgical, Cotesa, and M.T. Aerospace.

Other members of the Snohomish County delegation included County Councilman and Representative Sam Low, Representative Julio Cortes, City of Everett Economic Development Director Dan Eernissee, and Aerospace Economic Development Director Terry Ryan.

These meetings spanned Business Retention and Expansion (BRE) discussions and relationship expansion and creation meetings. Our conversations touched upon a diverse range of topics, such as market trends,

business opportunities, production capabilities, non-Boeing business prospects, and workforce challenges faced by the industry.

Business Retention and Expansion (BRE): The EASC team facilitated 37 visits during the quarter, including visits to Jemco, Collins Aerospace, Modern Hydrogen, and MagniX.

New Company Attraction: EASC received and began working on six new company attraction leads during the quarter. These include a food recycling service seeking 20,000 sq.ft. of space, an avionics engineering from Belgium, a life science company looking for 40 acres for a campus, and a hardware manufacturing company in the energy sector, for which EASC submitted a detailed Request for Information (RFI) report.

The accomplishments outlined in this report reflect the organization's commitment to driving economic development, attracting investments, fostering partnerships, and supporting education and workforce development initiatives. Through successful recruitment and expansion efforts, collaboration with key industry players, securing grants, and active participation in industry events, the organization has made significant contributions to the economic growth and prosperity of the Snohomish County region.

Snohomish County Report Q2

1. Business Retention & Expansion Technical Assistance Program

Deliverable: Conduct 20 visits to local businesses focusing on advanced manufacturing companies to better understand the opportunities and obstacles for job creation and investment to support the expansion of those companies in Snohomish County.

ACTION	Q1	Q2
Number of visits conducted:	38	37
Number of Advanced	12	9
Manufacturing companies		
visited:		
TOTAL	50	46

Key Performance Indicators (KPIs):

Business Retention and Expansion Visits

- **BrioTech, Everett, Briotech** is a world-class manufacturer of pure, novel, stabilized hypochlorous (HOCl) and a pioneer of innovation for the creation of the world's first geographically dispersed HOCl manufacturing networks, BrioWHISH[®] Systems. The company will expand from 40 employees to 70 in 2023.
- **Mill, Mukilteo**, an innovative system to remove food waste from landfills, has signed a lease in Mukilteo. This recruitment project, led by Snohomish County and supported by EASC, will provide roughly 100 additional jobs in 2023.
- **Penn Cove Brewing, Lake Stevens**, Whidbey Island's largest craft brewery, recently expanded to Lake Stevens. EASC connected the owners to the local brewing community and Worksource for new-hire employment opportunities.
- **MagniX, Everett,** coordinated a higher learning visit for WorkSource, EVCC, WSU, and U.W. MagniX is leading the electrification of aviation and needs engineers.

- Jemco, Kirkland, Jemco is looking to move out of Kirkland and is seeking 100 20,000 sqft in Snohomish County.
- **Helion Energy, Everett,** Proposing a co-op marketing campaign between energy cluster businesses in Snohomish County to attract new talent to the area.
- Xinca Foods, Arlington, the first Salvadorian food line in the U.S. market. This woman-owned business makes a line of pupusas that are getting picked up by major grocers.
- **Tulalip Tribes, Tulalip,** Met with Chad Wright, CEO of Tulalip Tribes. The Tribes have separated their business and municipality interests. Quilceda Village will now focus on planning, zoning, and typical city functions, and the Tulalip Tribes Fe will focus on business recruitment and expansion, specifically new hotels and attractions. They are interested in establishing a manufacturing coordinator for the right fit company, .i.e, impacts on traffic, total number of jobs, and cap ex.
- **Collins Aerospace**, Everett Collins Aerospace's landing gear systems, which include the main, nose, and wing landing gear assemblies, are assembled in Everett. They are integrated with steering, braking, and control systems. Brian Doyle and I met with Ian Kopp, GM. Currently working to consolidate domestic divisions to Everett. No workforce issues at this time steady labor.
- **Umbra Cuscinetti, Everett,** Met with CEO Kathleen Moodie. EASC will connect her with AJAC and Worksource for training. The workforce is their major challenge.
- Nexel USA, Mukilteo, a South Korean Bioengineering company, met with Business Manager Henry Hwang and Courtney Chang. They have signed a ten-year lease in Mukilteo, seeking tax and grant incentives.

2. Business Retention and Expansion Ecosystem Strengthening Deliverable Q2

Deliverable: Hold quarterly meetings starting in Q2 with economic and workforce development partners to discuss the results of the business retention and expansion program to date, types of technical assistance provided to companies, state of the advanced manufacturing industry, county-wide business climate, and lead a brainstorming session to discuss how the economic development and workforce partners can work together more effectively and identify additional technical assistance services to support businesses.

 Facilitated an in-person Eco Devo Partners Meeting at the PUD. PUD presented its incentive packages and looked at its Electric Vehicle strategy. Representatives from the City of Everett, NWIRC, EASC, City of Snohomish, Snohomish County, City of Edmonds, City of Lynnwood, City of Bothell, and the City of Stanwood attended the meeting.

Upcoming Deliverables:

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- 3. Business Retention and Expansion Technical Assistance Program -Create a menu of technical assistance services for companies Deliverable Q3.
- 4. Business Retention & Expansion Technical Assistance Program Conduct county-wide survey Deliverable Q3
- 5. Business Retention & Expansion Technical Assistance Program Identify two businesses for export assistance Deliverable Q4
- 6. Business Retention & Expansion Technical Assistance Program Deliverable Q1
- 7. Develop and analyze options for a financing mechanism to support local business expansion.