

Washington's Economic and Community Recovery

Lisa Brown

DIRECTOR

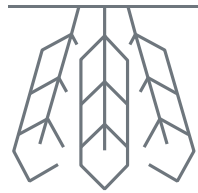
HOUSE COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

JANUARY 12, 2021



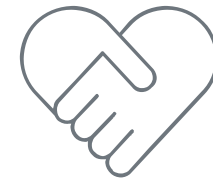
Washington State
Department of
Commerce

COVID response and recovery funding through Commerce



HOUSING, TRIBES & LOCAL GOVERNMENT

\$621.4M



BUSINESSES & NONPROFITS

\$197.2M

Total to date > \$800M

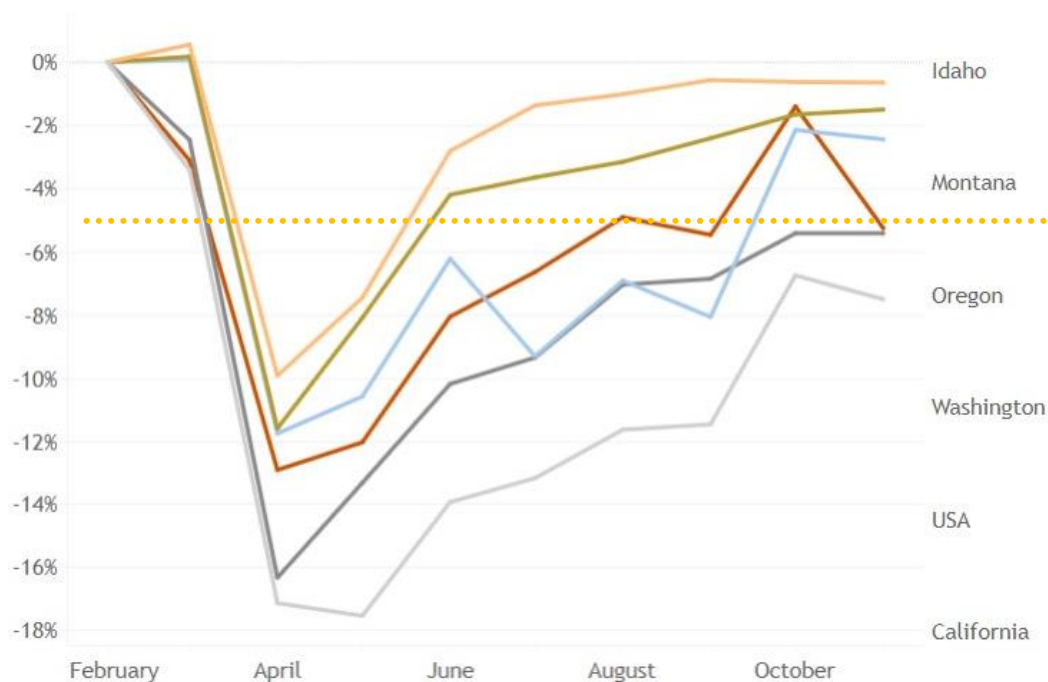
The economic impact of COVID-19 is unprecedented

Employment declines greater than the deepest point of the Great Recession

Dashboard screenshot: % change in total employment January through November 2020 by geography (seasonally adjusted)

Employment by state and month

% change since start of period



WA's deepest point in Great Recession (Aug 2008 to May 2011)

- Idaho (-1%)
- Montana (-2%)
- Washington (-5%)**
- Oregon (-2%)
- US (-5%)
- California (-8%)

Impact is deep

WA employment rates steadily improved until recently but the drop in total employment is still near Great Recession levels

WA tracking with other states

WA curve shaped similarly to other Western states, through Sept., but showing recent volatility.

Significant uncertainty around near-term recovery

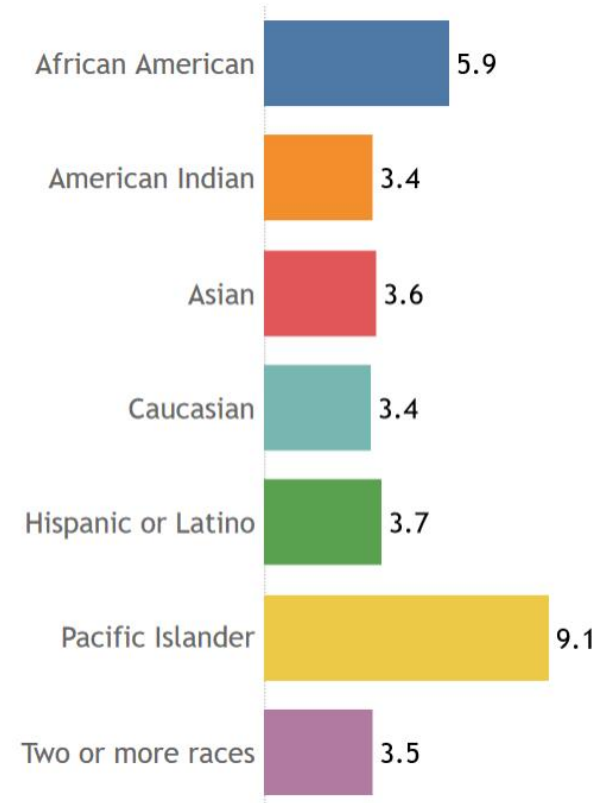
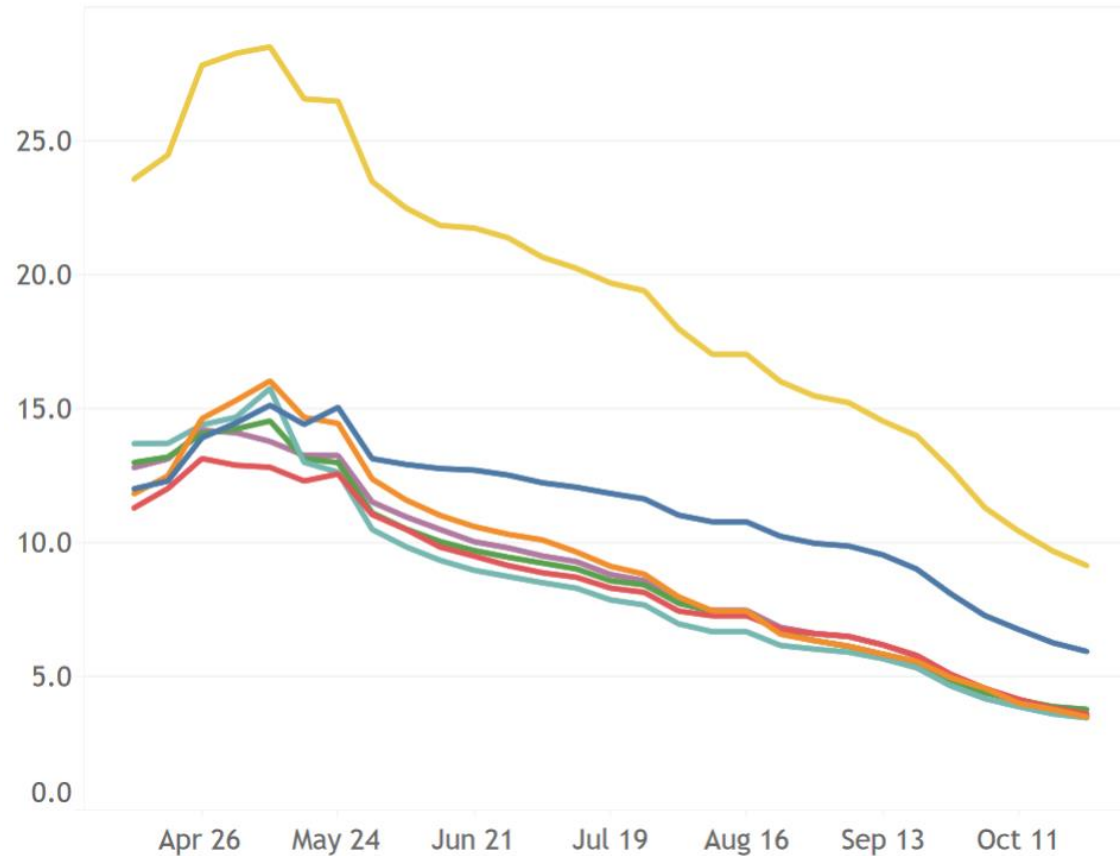
Alarming disease trajectory heading towards winter with no additional federal support

Source: Local Area Unemployment Statistics (LAUS) - Seasonally Adjusted, Bureau of Labor Statistics (Includes all workers in the labor force)

Trends: Demographic impacts

Continued claims per 100 workers by demographic group

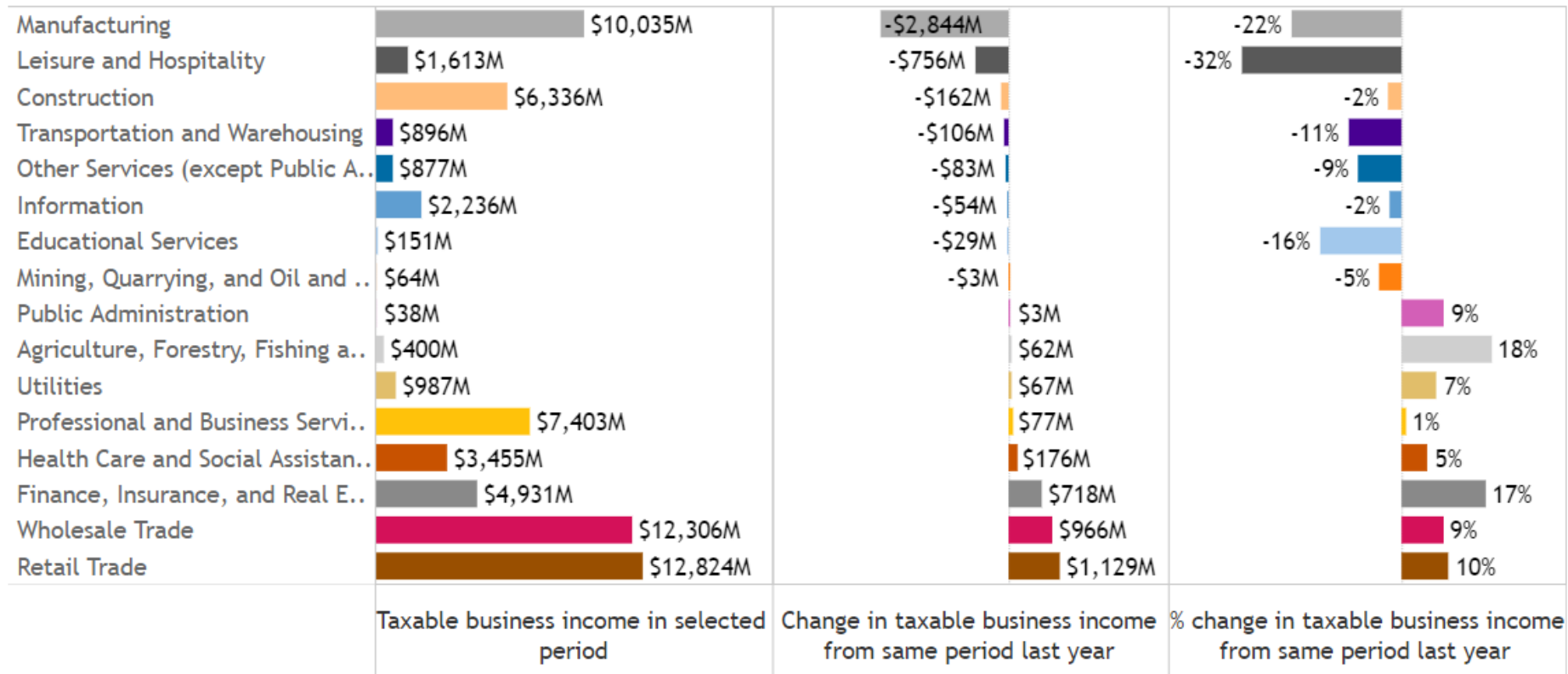
Only includes regular program claims (No PUA, PEUC, or Shared Work)



Trends: Industry sectors

Taxable business income by industry

Viewing 1 month ending October 2020



Select end of period:

October 2020

Select length of per...

1 month

View:

Industries

Our Economic Recovery Focus

EQUITY: Ensure equitable access to resources for underserved entrepreneurs and communities

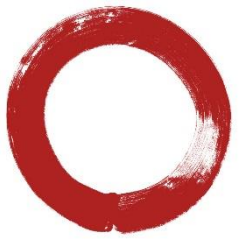
SMALL BUSINESS: Assist small businesses in retooling and pivoting for safe and successful operations

HIGH-IMPACT INVESTMENTS: Advocate for investment in innovation, sustainability, and resilience

DATA: Track and promote recovery in jobs and economic activity by sector, industry, and region



Odyssey World
International Education Services



ASIA
PACIFIC
CULTURAL
CENTER

Small Business Resiliency Network

**William
Factory**

SMALL BUSINESS INCUBATOR
@TACOMA COMMUNITY COLLEGE



Tacoma
Urban League



Recent Activities: Supporting Small Businesses

Federal CARES ACT

Working WA Small Business Emergency Grants

- Round 1: \$10M & 1400+ businesses funded
- Round 2: \$15M & 1500+ businesses & ADO network funded
- Resiliency Grant: \$18M & 2700 business funded
- Round 3: \$100M & 7800+ businesses funded
- Small Business Resiliency Network: \$2M

\$ 30 Million Revolving Loan Fund

LOOKING AHEAD: Next Steps

Equitable Accelerator Program

Innovation Clusters

Resiliency Network

Revolving Loan Fund

Technical Assistance Ecosystem

Governor's Budget

Small Business Equity

- Equitable Statewide Small Business - \$6.6 million
- Digital Navigators - \$6 million

Broadband/Infrastructure

- Broadband - \$3.1million (operating) and \$195 million (capital budget)
- Public Works Board - \$160 million (capital)

Clean Energy

- Clean Energy Fund - \$100 million (capital)

STRATEGIC RESERVE FUND

- SRF -\$6.9 million

Recent Activities: Strategic Reserve Fund

County	Project	Sector	Total Jobs	Capex	SRF Award
Grant	Lavender	Clean Tech	1,200	\$90,000,000	\$300,000
Skagit	Terminal	Maritime CleanTech	300	\$18,000,000	\$300,000
Snohomish	Electric Aviation	Aero/Clean Tech	70	\$2,800,000	\$350,000
Clark	Aerospace	Aerospace	25	\$7,000,000	\$75,000
Whatcom	Sapling	Construction	75	\$750,000	\$100,000

Working Together for Job Recovery & Economic Vitality Across Washington



Suzanne Dale Estey, WEDA Executive Director
Q1 2021



What We Do

- ▶ Washington State's *only* trade association laser-focused on economic development
- ▶ 25th Anniversary
- ▶ WEDA is committed to recovering, retaining, expanding and recruiting jobs and investment in Washington State
- ▶ ***Our Strategic Goals - since COVID-19***: Creating an imperative to empower communities across Washington with tools to recover from the COVID-19 crisis, assisting employers large and small in rebuilding, becoming globally competitive and growing jobs, while supporting an equitable economy and inclusive economic development.
- ▶ ***We Believe: The time is now*** to rebuild our economic vitality, increase the resiliency of our economy, and strengthen the economic development ecosystem at state, regional and local levels.



WEDA's Top Legislative Priorities

WEDA's 2021 Economic Recovery Legislative Agenda focuses on the most critical actions lawmakers can take to recover, retain and grow living wage jobs, foster vibrant communities, support equity and opportunity for all and spark re-investment across Washington State:

- ▶ ***Strengthen the Economic Development Ecosystem***
- ▶ ***Foster Catalysts for Job Recovery & Growth***
- ▶ ***Increase Prosperity for All of Washington***



COVID-19 Economic Response & Recovery

- ▶ Weekly members meetings; regular communication; best practices; Economic Resiliency Tool Box; Economic Recovery Resources Forum
- ▶ Advocacy for ecosystem & small business assistance
- ▶ Mobilizing & maximizing federal resources for WA small businesses & nonprofit employers
 - 2020: \$12B+ in PPP - over 102,000 small businesses + EIDL
 - Washington State Small Business Recovery Working Group
 - Goal - current PPP round: \$6B (per capita share)
 - Mobilizing multi-discipline teams statewide & regional (ADO, Commerce, SBDC, Commerce Resiliency Partners, banks/lenders, CDFIs, chambers, other economic development partners & community leaders)
- ▶ **Get Ready** campaign underway; need resources, support



Commerce Small Business Resiliency Partners



Lori Wada
Communications Director



Monica Simeon
Principal ♦ Vice President



Lyn Idahosa
Executive Director

Final Thoughts

- Equity – including regional equity
- Small Business / Main Street
- Global Competitiveness
- Industrial Transition
- Clean Energy Economy
- Creative Economy



Washington State
Department of
Commerce

www.commerce.wa.gov



Thank you.

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