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COMMISSION

AGENDA MEMORANDUM Item No. 11a

BRIEFING ITEM Date of Meeting July 12, 2022

DATE: June 24, 2022

TO: Stephen P. Metruck, Executive Director

FROM: David McFadden, Managing Director, Economic Development Division

SUBJECT: Maritime Blue Annual Report

EXECUTIVE SUMMARY

Three years ago, the Port of Seattle executed a memorandum of understanding (MOU) with Washington Maritime Blue (MB), the new nonprofit organization charged with implementing Washington State's Strategy for the Blue Economy. The Memorandum of Understanding laid out general areas of cooperation and subsequent service contracts have formalized the Port's partnership with MB on maritime innovation and workforce initiatives.

The MOU and Port service agreements with MB has yielded an effective partnership that is advancing development of Washington's Blue Economy. Over the past year we have jointly launched another successful maritime innovation accelerator, expanded the Youth Maritime Collaborative workforce development initiative, and initiated other efforts to advance sustainability within the maritime industry.

The partnership to build a Blue Economy is working. Over the next year our priorities include:

- Advancing a third round of the maritime innovation accelerator program
- Expanding Youth Maritime Collaborative internship opportunities
- Starting Quiet Sound initiative to reduce the impacts to Southern Resident Killer Whales from large commercial vessels
- Collaborate on greenhouse gas reduction initiatives that positively impact Port operations
- Diversify funding sources and developing MB Board capacity and expertise

This work going forward will be supported in part by a two-year \$300,000 contract we will ask Port Commissioners to authorize this summer.

MARITIME BLUE PROGRESS AND RESULTS

In 2019, the Port of Seattle helped Washington State develop a compelling long-term strategy for a Blue Economy. It outlined goals to modernize the maritime industry by accelerating its path towards sustainability. By advancing innovation, growing maritime gateways, reducing

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greenhouse gas emissions, and investing in workforce development, Washington's maritime industries and communities could prosper.

Maritime Blue, a new cluster-based organization was born to implement the Blue Economy Strategy. The organization reflects a partnership between private industry, government, education, and community-based organizations. Maritime Blue has grown significantly over the last two years. It now has 80+ members from national research labs to startups to global technology providers, and community-based workforce partners.

The Port of Seattle has played a pivotal role in the growth and development of Maritime Blue.

The Port and Maritime Blue signed a Memorandum of Understanding in July 2019 that formalized our support for the organization and its work to advance the Blue Economy.

Subsequent service agreements with Maritime Blue have supported the Maritime Blue Innovation Accelerator and the Maritime Youth Collaborative workforce development initiative (with a contract pending to support the new Quiet Sound initiative designed to protect Southern Resident Killer Whales).

Maritime Blue Innovation Accelerator

MB just finished running its second maritime innovation accelerator. The program was completely virtual, but the cohort nonetheless thrived and connected with one another effectively. Over 100 startups applied to the program and 11 companies were ultimately chosen for four-month immersive training program. Seven of these startups were from Washington state. Three companies featured women founders and two ventures were led by people of color.

Initial results from the accelerator are promising:

- Silverback Marine landed large contract with Port of Lopez w/ 1st wave company, Pure

Watercraft;

- Allosense secured non-dilutive funding from DoD;
- MM-Seas launched their platform during the program; and
- Puget Buoy won Alaska Airlines Innovation Challenge.

Maritime Blue's cadre of mentors expanded for the second accelerator and helped guide participating companies. The second accelerator featured weekly CEO roundtables with industry experts and hundreds of hours of individual meetings with each company. With the success of the first two maritime accelerator cohorts, Maritime Blue plans to run a third accelerator early next year. This accelerator will complement the Port of Tacoma's incubator and Bellingham's WA Clean Tech/Blue Tech program. Over time Maritime Blue hopes the accelerator program will serve as a hub for broader innovation programs like Tacoma and Bellingham's efforts.

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Youth Maritime Collaborative

Efforts to orient young women, low-income youth, and youth of color have progressed because of Maritime Blue's work on the Youth Maritime Collaborative, YMC.

Over the past year, MB implemented its Youth Maritime Accelerator Project (YMAP). Eleven interns from diverse backgrounds participated in eight-week paid internships and received a stipend at the end of their experiences. Youth were able to work with six maritime employers and participate in several experiential learning events as part of the YMAP.

MB supported 12 interns from Seattle Public School's Launch 206 project. Participating youth completed a four-week internship, received high school credit, and a \$1000 stipend.

As the YMC's initiatives like the YMAP gain momentum there are expanding opportunities for youth to experience on-the-water programming and maritime/ocean learning activities.

Funding partners like the City of Seattle and the Workforce Development Council of Seattle and King County have joined the Port to support broader maritime workforce programming for young women and people of color. More recently, Maritime Blue received a \$350,000 grant from the Builders Initiative, to further advance its career connected learning initiatives.

Joint Industry Projects/Quiet Sound

MB supports several Joint Innovation Projects (JIP) in partnership with government agencies and private maritime companies. As an example, MB is working closely with Washington State, Vigor industries and other partners on electric ferry development. More recently MB launched a joint industry project to develop a whale report alert system. This "Quiet Sound" initiative is just getting off the ground and will tackle noise and vessel disturbance issues that impact the survival of the Southern Resident Killer Whale population.

Public Forums

In addition to advancing maritime innovation, workforce development and key partnerships, MB typically organizes events, workshops, and public forums on key topics impacting Washington's maritime industry. The pandemic has put a damper on many of these vents but as Washington reopens there are good opportunities to gather again and host critical discussions using MB member expertise and outside thought leaders. Some potential topics could include:

- Equity in a 21st Century Maritime Workforce
- Offshore Wind Development Opportunities
- Smart Ports: Shipping Terminal Digitization

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Organization Growth and Development

Maritime Blue has made tremendous strides over the last two years since our Memorandum of Understanding was executed to help jumpstart this new cluster association. The organization has secured significant new grants and private funding to support its key projects and overall mission. Maritime Blue's annual budget is \$1.94 million of which \$250,000 comes from the Port of Seattle.

With more stable funding, the organization has filled several new staff positions and formalized Joshua Berger's position as MB's President and CEO. New staff include:

- Jennifer States, VP of Projects and Strategy
- Josh Carter, Program Director, Blue Ventures/Innovation Accelerator
- Veasna Hoy, Program Director, Youth Maritime Collaborative
- Karina Marija-Harris, Community and Events Coordinator

This continued partnership between the Port and Washington Maritime Blue helps galvanize the Port's commitment to the values of the State's Strategy for the Blue Economy; A growing maritime and ocean economy, healthy ocean and marine ecosystems, and equitable and resilient communities. The original MOU, coupled with committed funding allows Maritime Blue to utilize its growing network of private industry, public sector, research & academic institutions, and community & workforce organizations deliver our strategic goals to create herein Washington a:

- Thriving Low-Carbon Maritime Industry through Deep Decarbonization
- Global Innovation Hub through Joint Innovation and Entrepreneurship
- Green Gateway through Working Waterfronts that create safe jobs support climate & environmental action.
- Diverse and Equitable 21st Century Maritime Workforce
- World Class Cluster through a Strategic Alliance for Maritime Innovation and Sustainability

ATTACHMENTS TO THIS REQUEST

(1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

July 13, 2021 - The Commission was briefed on Maritime Blue's maritime innovation accelerator and other Blue initiatives

August 4, 2020 – The Commission authorized two-year contract with Maritime Blue to support innovation accelerator and other key Blue initiatives

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July 14, 2020 – The Commission was briefed on Maritime Blue's inaugural innovation accelerator and other Blue initiatives

July 23, 2019 – The Commission authorized one-year contract with Maritime Blue to implement priorities established in Memorandum of Understanding

July 9, 2019 – The Commission authorized executive of Memorandum of Understanding with Washington Maritime Blue to clarify partnership opportunities and responsibilities

May 14, 2019 – The Commission authorized design funding for the Maritime Innovation Center (Historic Ship Supply Building)

January 8, 2019 – Commission received a briefing regarding Maritime Blue Plan and the Maritime Innovation Center.

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