



TO: Elizabeth Pauli, City Manager
FROM: Ricardo Noguera, Director, Community and Economic Development
COPY: Economic Development Committee
SUBJECT: Urban Clean Water Innovation Partnership Zone (IPZ)
DATE: June 13, 2017

SUMMARY:

Egils Milbergs, founder Center for Accelerating Innovation and Co-founder and Director, Pure Blue's Water Alliance Chair will provide the committee an information briefing on a new vision for the Urban Clean Water Innovation Partnership Zone (IPZ). During the past year, Mr. Milbergs has assessed the current competitive position and opportunities for the IPZ to be a vehicle for expanding Tacoma's research and education capacity in clean water related disciplines, promotion of entrepreneurship and strengthening regional economic development and job creation. Pure Blue's Clean Water Innovation Initiative (CWII) mission is to accelerate and streamline the development and implementation of impactful water-related innovations. This item is coming forward to the committee at the request of Councilmember Mello, to receive feedback on this vision, potential public-private partnership and the launching of Tacoma's first Water Technology Accelerator.

BACKGROUND:

The Puget Sound Region is a living laboratory for addressing clean water challenges through developing clean water solutions, products, services and processes for deployment throughout the world. With a facility such as the Center for Urban Waters, the City of Tacoma, University of Washington, Port of Tacoma, Pierce County and Washington State University have significant assets in clean water technology, intellectual talent and restoration. The Urban Clean Water Innovation Partnership Zone has huge economic development potential to develop solutions to storm water run-off, aging water infrastructure, regulatory inefficiencies, waste water treatment, energy efficiency, industrial water use and reuse, habitat restoration and quality of drinking water. With appropriate leadership, alignment of assets and committed partners, Tacoma can become a globally recognized water innovation hub--in education, research, development, certification and commercialization of solutions for urban water problems. The IPZ needs to be funded and professionally staffed to convene and engage an innovation ecosystem of partners throughout the region and the world. Improved and integrated management of drinking water, wastewater and storm water (One Water approach) will be a core mission and considered essential to sustaining urban resiliency and a high quality of life. The IPZ will also contribute to addressing water related issues such as workforce needs, infrastructure financing and regulatory reform. The government, business, non-profit, education, cultural and public will come to value and understand the enormous benefits of aggressive investment in water innovation.

ISSUE:

The Puget Sound region is home to a thriving entrepreneurial and innovation ecosystem with a unique geography that integrates ocean, lakes, estuaries, mountain ranges, and metropolitan, suburban, rural communities and cities. However, there exists no water accelerator/incubator which provides lab space, equipment, industry connections, and intellectual resources for startups working to prove technical



concepts and develop prototypes for disruptive water technologies, especially hardware solutions. Most local investors are only experienced with IT/software, communications, maritime and biotech/biomedical clusters, and thus, investments in water companies are rare. This funding gap creates a wide “valley of death” for entrepreneurs working to develop and commercialize disruptive innovations, especially water-related innovations.

ALTERNATIVES:

This is an information briefing. Mr. Milbergs seeks feedback and views of the committee on the best way to move forward to a more dynamic, innovative and economically impactful IPZ. There are no alternatives presented.

FISCAL IMPACT

Pure Blue is committing its own resources to jump start a public-private partnership. Fiscal impact cannot be determined now.

RECOMMENDATION:

Recommended strategies for implementing a new vision for the IPZ include: powering up the Tacoma Water Innovation Ecosystem; implementing an Accelerator to help clean water start-ups; standardizing across states a testing, validation and certification of storm water technologies; educating the next generation of water researchers and operators; expanding international partnerships and exports particularly with Asia.