State Economic Development Executives Network (SEDE)
Helping State Economic Development Leaders Thrive

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Meeting Notes Summary

May 4, 2026 – AC Hotel by Marriott National Harbor
156 Waterfront Street – National Harbor II Meeting Room

Monday, May 4th

Welcome and Introductions

SEDE Chair Sandra Watson, President and CEO of the Arizona Commerce Authority, opened the meeting and welcomed all attendees. She noted that SEDE continues to grow and noted that 30 states had registered for the meeting including many first-time attendees/states. Sandra also highlighted the importance of SEDE noting networking and relationship building. Eve Lieberman (CO) announced that the fall SEDE meeting will be hosted by Colorado's Office of Economic Development and International Trade (OEDIT) on October 14–16, 2026.

Bob Isaacson provided updates on SEDE operations, noting that meeting notes would be prepared and distributed, and reminding attendees of the Chatham House rule – no attribution of statements to specific individuals in the notes. He oriented participants to resources in the SEDE member folder, including CREC's 2026 Statement of Work, state contributions, and network accomplishments. He noted recent webinars and partnerships designed to support SEDE priorities as noted at the last meeting in New York – labor market data quality, energy, and university partnerships.

Bob highlighted recent website (stateeconomicdevelopment.org) updates including a salary survey and member contact information added behind the membership login. He also noted new partnerships with Brookings Institution, RMI, and Manufacturing Innovation Institutes (MIIs), as well as early-stage discussions with Heartland Forward.

In response to a question about the Brookings partnership, Bob Isaacson explained that given changes at the federal level in economic development, Brookings is examining how the field is evolving at the state level and what steps states can take to address key economic development challenges.

Attendee Introductions and State Issues

Each participant provided a brief introduction and described one key priority or challenge facing their state. The following 24 attendees and their respective states participated in the meeting:

- Ellen McNair (AL)
- Sandra Watson (AZ)
- Jennifer Emerson (AR)
- Eve Lieberman (CO)
- Noah Olson (DE)
- Paige Carter (LA)
- Eric Paley (MA)
- Subash Alias (MO)
- Tom Burns (NV)
- Andrew Gross (NJ)
- Hope Knight (NY)
- Chris Chung (NC)
- Rich Gardner (ND)
- Andrew Deye (OH)
- Sophorn Cheang (OR)
- Rick Siger (PA)
- Stefan Pryor (RI)
- Ashley Teasdel (SC)
- Ryan Starks (UT)
- Tayte Brooks (VT)
- Jason El Koubi (VA)
- Andrea Chartock (WA)
- Christine Davies (WV)
- John Miller (WI)
- Brandon Marshall (WY)

CREC staff in attendance included Ken Poole, Bob Isaacson, and Leif Olson. Individuals from six other states that registered for the meeting but were unable to come due to legislative or SelectUSA activities included Alaska, Arkansas, Illinois, Kansas, Oklahoma, and Texas.

Common themes across state introductions included:

- **Energy availability and cost.** Nearly every state cited energy as the top site selection factor, particularly for data centers and advanced manufacturing. Grid congestion, transmission constraints, and the role of nuclear energy were raised by multiple states.
- **Data center development.** States shared enthusiasm for the capital investment and tax revenue that data centers generate but also noted the significant concerns about NIMBYism, water consumption, local government opposition, and moratorium efforts. Several states are developing or have adopted grid contribution standards for data center projects.
- **Workforce development and participation.** Workforce shortages, demographic challenges, skills gaps, and the need for early career interventions were widely shared concerns. Several states described programs integrating workforce and economic development more closely, including skills-based hiring initiatives, talent attraction campaigns, and partnerships with community colleges.
- **Federal uncertainty and program volatility.** States reported significant disruption from changes to NIH research funding, WIOA workforce programs, STEP trade funding, and EDA grant programs. Multiple states noted that the combined effects of tariffs, R&D cuts, and shifting federal priorities are creating an unusually complex operating environment.
- **Defending economic development budgets and programs.** A striking number of states described growing stakeholder scrutiny of economic development spending, with growing pressure to demonstrate stronger ROI, methods to offset NIMBYism, and techniques to improve the case for the value of economic development.
- **Housing and site readiness.** Housing affordability, site development, shell building programs, and infrastructure challenges including water and transmission were highlighted by multiple states.
- **Leadership and agency transitions.** Several states are navigating governor or executive director transitions, creating both continuity challenges and opportunities to reframe agency direction and funding models. Some states are updating their strategic plans to ensure their activity meets new leadership needs. (Examples of state economic development plans can be found at CREC's Matrix of State and Local Economic Development Strategies.)
- **Opportunity Zones and incentive evaluation.** Interest in Opportunity Zones is growing across states, including for market-rate housing. Incentive effectiveness and the question of additionality were recurring concerns.
- **Nuclear power**. Nuclear power has emerged as an important policy issue with several states reporting a notable shift in public perception toward nuclear power, including reactor restarts and small modular reactor planning.

Break and Networking

Participants took a brief break to network and follow-up with colleagues on respective challenges.

Federal Speaker – Economic Development Administration

Presenters:
Caleb Spencer, Acting Chief of Staff, U.S. Economic Development Administration, cspencer3@eda.gov
Daria Daniel, Congressional Affairs Specialist, ddaniel@eda.gov

EDA Update

Caleb Spencer provided an overview of EDA priorities and new programming under the current administration. He noted that EDA is in the process of modernizing operations to better support administration priorities, including an AI Action Plan memo that outlines how the administration plans to prioritize AI adoption across the country. Examples he provided included:

- **AI Workforce Development Initiative:** A new NOFO is expected to be published in June for an AI workforce development program. EDA is looking to build coalitions to advance AI adoption and workforce training, with a focus on industry-specific problems. Applicants are encouraged to identify specific workforce challenges where AI tools can increase worker capability.
- **Disaster 2025 Program:** A new program established at the direction of Secretary Lutnick to support communities affected by nationally declared disasters (FEMA-mapped, 2023–2024) through three pathways:
  - Capacity building grants for communities planning for future or past disaster events
  - Infrastructure repair grants
  - Industry coalition grants tied to infrastructure rebuilding and economic recovery
  - Total program funding is $1.34 billion. Disasters from 2025 are not eligible. CEDS documents receive priority consideration in project review.
- **Economic Adjustment Assistance:** Continues to support workforce training facilities and related infrastructure. Eligible entities include state and local governments, tribal groups, and institutions of higher education.
- **Public Works Program:** Traditional program supporting water, sewer, utilities, telecommunications, and limited road and bridge projects in the $5–25 million range. Match is required. ROI, jobs created or retained, and alignment with relevant Executive Orders are key evaluation criteria. Private sector partnerships and demonstrated community need are valued.
- **Tech Hubs Program:** Strong administrative support for the program continues. Questions remain about whether prior Tech Hub recipients can apply for future funding rounds; EDA is still working through that process.

Discussion following the presentation raised several questions and concerns from state participants:

- Several states asked about the definition of eligible disasters and whether 2025 events would be included. EDA confirmed the program covers federally declared disasters from 2023–2024 only.
- Concerns were raised about lack of state-level coordination for EDA applications, with some worry that a first-come, first-served approach would disadvantage communities with less grant-writing capacity. EDA noted that CEDS-backed applications receive priority.
- Rural communities' difficulty with EDA reporting and compliance requirements was highlighted. EDA acknowledged the concern and noted ongoing coordination with regional representatives.
- A question was raised about whether the AI workforce program is being coordinated with NSF's hub-and-spoke model. EDA confirmed coordination with fellow agencies and noted that Department of Labor's future programs may be more comprehensive.

- States asked for EDA's help communicating the economic benefits of data centers and AI-related investment to resistant communities. EDA acknowledged the challenge as a broad and unresolved issue but hoping to provide solutions in the coming months.

Network Discussions

While several attendees representing states in the Colorado River Basin had a breakout session to discuss water issues, other attendees addressed two issues raised during registration and the morning session:

- **Funding Models for Economic Development Offices**

This discussion was initiated by Alabama's description of a new funding mechanism that allows the state's economic development department to receive funds from a business receiving property tax abatements. The state had formed a coalition of political and business leaders to advocate for a new funding structure modeled on an existing tourism department levy. For economic development, if a business received an abatement on their tax millage, the state has the authority to require the business to pay a fee equal to a portion of the abatement. The revenue is expected to ultimately result in a 4x increase in the economic development budget.

Other states shared comparable approaches:

- Missouri described a 2.5% fee on tax credits that generates approximately $3.5 million annually for economic development activities, paid by the companies receiving credits.
- Louisiana described a restructured jobs incentive program decoupled from construction phases, offering performance-based cash grants of 18–22% of wages over five years for companies paying above-average wages.

The group discussed trade-offs among sliding-scale general fund allocations, fee-on-incentive models, and direct appropriations, as well as how to structure programs so that success generates increased resources rather than reduced need. Bob noted that SEDE will be hosting a summer webinar that will discuss many of these topics.

Defending the Value of Economic Development

A candid and wide-ranging discussion emerged about the growing challenge of demonstrating the importance and relevance of economic development activities including understanding the ROI of incentives.

- Leaders noted the difficulty of documenting the certainty that an incentive was decisive in a company's expansion. Attendees noted that analysis can be completed to verify that a firm has locations options outside the state which improves the likelihood that incentives were important to a location decision. They also noted that companies have a fiduciary duty to pursue incentives even when not critical to the decision.
- Attendees also described the ongoing difficulty of defending cost-per-job figures to legislators for large capital-intensive projects and highlighted the importance of new ROI metrics.
- Leaders also noted that incentives should be targeted, strategic, and driven by data. States don't have the resources to assist every business – hence the need to prioritize incentives.
- Attendees also noted regional compacts as a potential structural solution: states could mutually agree either to not compete via incentives in certain industries, provide similar incentives to a given project, or share in regional revenue gains, allowing firms to locate in the best regional location.

- Following the meeting, an Ohio attendee forwarded an article published in *The Columbus Dispatch* that was written by a JobsOhio Board member. The article discussed the impacts of economic development activities on local communities and the State of Ohio.

The group also discussed practical approaches to communicating economic development impact more effectively:

- Automated plain-language ROI reports generated for each project, including projected tax revenues for schools, fire departments, and other local services
- Social media campaigns highlighting project wins with concrete community benefits
- Direct engagement with individual legislators who rely on ED achievements for their own reelection
- Connecting large projects to visible local infrastructure improvements or service expansions
- Customized tracking systems to measure incentive performance and outcomes over time

Box Lunch and Adjournment

The meeting concluded at noon with a box lunch. Attendees were reminded about the upcoming SEDE fall meeting, to be hosted by Colorado's Office of Economic Development and International Trade (OEDIT) on October 14–16, 2026.