

**WHATCOM COUNTY CONTRACT
INFORMATION SHEET**

Whatcom County Contract No.

201907032

Originating Department:	Executive
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Non-Departmental/EDI Program (Pub Util Impr Fund)
Contract or Grant Administrator:	Suzanne Mildner
Contractor's / Agency Name:	City of Blaine
Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____	
Does contract require Council Approval? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If No, include WCC: _____ Already approved? Council Approved Date: _____ (Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)	
Is this a grant agreement? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, grantor agency contract number(s): _____ CFDA#: _____	
Is this contract grant funded? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, Whatcom County grant contract number(s): _____	
Is this contract the result of a RFP or Bid process? Contract _____ Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, RFP and Bid number(s): _____ Cost Center: <u>332239</u>	
Is this agreement excluded from E-Verify? No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> If no, include Attachment D Contractor Declaration form.	
If YES, indicate exclusion(s) below: <input type="checkbox"/> Professional services agreement for certified/licensed professional. <input type="checkbox"/> Contract work is for less than \$100,000. <input type="checkbox"/> Contract for Commercial off the shelf items (COTS). <input type="checkbox"/> Contract work is for less than 120 days. <input type="checkbox"/> Work related subcontract less than \$25,000. <input checked="" type="checkbox"/> Interlocal Agreement (between Governments). <input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.	
Contract Amount:(sum of original contract amount and any prior amendments): \$ <u>\$2,650,000.00</u> This Amendment Amount: \$ _____ Total Amended Amount: \$ _____	Council approval required for; all property leases, contracts or bid awards exceeding \$40,000 , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, except when: 1. Exercising an option contained in a contract previously approved by the council. 2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance. 3. Bid or award is for supplies. 4. Equipment is included in Exhibit "B" of the Budget Ordinance 5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.
Summary of Scope: Interlocal Loan and Grant Agreement with the City of Blaine utilizing EDI Program funding (from the Public Utilities Improvement Fund) for use in Blaine's Gateway Regional Stormwater & Wetland Facility Project.	
Term of Contract: 15 Years	Expiration Date: Approx. 12/31/2034

Contract Routing:	1. Prepared by: <u>sm</u>	Date: <u>7/24/19</u>
	2. Attorney signoff: <u>KNF</u>	Date: <u>7/24/19</u>
	3. AS Finance reviewed: <u>bennett</u>	Date: <u>7/24/19</u>
	4. IT reviewed (if IT related): _____	Date: _____
	5. Contractor signed: _____	Date: _____
	6. Submitted to Exec.: _____	Date: <u>7-25-19</u>
	7. Council approved (if necessary): _____	Date: <u>8-7-19</u>
	8. Executive signed: _____	Date: <u>8-8-19</u>
	9. Original to Council: _____	Date: <u>8-16-19</u>

Whatcom County
Contract No.
201907032

**Economic Development Investment Program
Interlocal Loan & Grant Agreement**

I PARTIES

This Agreement is made by and between **Whatcom County** (hereinafter referred to as **the County**), and **the City of Blaine** (hereinafter referred to as **the City**).

II TERM

This Agreement takes effect upon execution hereof by the authorized representatives of both parties and continues in effect until all payments required under Section V, MUTUAL CONSIDERATION, Subsection C, REPAYMENT OF COUNTY LOAN, have been made or until terminated as provided for in Section VIII, TERMINATION.

III PURPOSE

The purpose of this Agreement is to provide funding support for the Gateway Regional Stormwater and Wetland Facility Project (hereinafter referred to as **the Project**) using certain County funds designated for such infrastructure development. These funds will be used to complete the Project as outlined in the Economic Development Investment (EDI) Program Application as attached (Attachment C).

IV RECITALS

The Parties make this Agreement based on and in recognition of certain relevant facts and circumstances including:

- A. Sales and use taxes are collected in and for the County under authority of RCW 82.14.370 and Whatcom County Code 2.130 for the purpose of financing public facilities in the County, and the proceeds are deposited in the Whatcom County Public Utilities Improvement Fund.
- B. The City will construct the Project. The Project will be partially funded by a **\$1,766,666 loan from the Whatcom County Public Utilities Improvement Fund, an \$883,333 grant from the Whatcom County Public Utilities Improvement Fund**, and the balance of the Project will be funded by the City of Blaine, as outlined in Attachment C. The Project improvements, when complete, will be owned and maintained by City of Blaine.
- C. RCW 82.14.370 was adopted to serve the goals of promoting the ongoing operation of business in rural distressed areas, promoting the expansion of existing businesses in

rural distressed areas, attracting and developing new businesses, and providing family wage jobs and the development of communities of excellence in such areas. The parties expect the Project to further these goals.

- D. RCW 82.14.370 defines public facilities to include bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroad, electricity, natural gas, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, and Port facilities in the state of Washington.
- E. The County has created the EDI Board to review applications for loans and grants from the Public Utilities Improvement Fund and to make recommendations for Public Utilities Improvement Fund investments based on commitment of other funds, potential for resulting job creation, and other factors.
- F. The EDI Board has reviewed the application for Public Utilities Improvement Funds and has recommended approval to the Whatcom County Council.
- G. The County EDI Board has reviewed and recommended this project application be approved with a recommendation of a loan in the amount of \$1,766,666.00 and a grant in the amount of \$883,333.00 for a total of \$2,650,000. A copy of the EDI application for this project is attached by reference to this Agreement.
- H. The Whatcom County Council reviewed the recommendation, and approved a loan to the City from the Public Utilities Improvement Fund in the amount of \$1,766,666.00, and a grant to the City from the Public Utilities Improvement Fund in the amount of \$883,333.00.
- I. The Public Utilities Improvement Fund balance is sufficient to make the requested loan and grant to the Project.
- J. RCW 39.34 authorizes interlocal agreements whereby municipal governments may jointly exercise the powers granted to each.

V MUTUAL CONSIDERATION

The parties do not intend to create any new or separate legal or administrative entity by this Agreement but intend for this mutual Agreement to govern the County's financial support for the Project. The terms and conditions contained herein reflect the voluntary participation of the parties.

- A. **CITY OF BLAINE RESPONSIBILITIES:** The City hereby agrees as follows:
 - (i) If after the award of the construction contract, the scope of the Project or the Project budget has changed, the City shall provide the County the following updated documents: 1) a detailed description of the project; 2) a project budget itemizing major improvements together with the estimated cost of the improvements; and 3) a schedule showing

sources and uses of funding for the project, if any of the aforementioned documents varies from those that were submitted with the City's application for EDI funding.

- (ii) The City shall be responsible for all aspects of the design and construction of the project.
- (iii) The City shall be responsible for all aspects of the public works construction contract administration, which shall include, but not be limited to, advertising, bidding, and awarding the contract. The City will comply with all applicable laws, rules and regulations relating to bidding the project. The County shall have no responsibility for the Project other than the funding set forth herein.
- (iv) The City shall provide the County with a final report showing the actual cost of the project and the actual sources and uses of funding for the project.
- (v) The City shall repay the loan in full in accordance with the terms of Section V.C below and the amortization schedule set forth in Attachment A, attached hereto.

B. WHATCOM COUNTY'S RESPONSIBILITIES: The County hereby agrees as follows:

- (i) COUNTY LOAN—The County shall *loan* One Million Seven Hundred Sixty-six Thousand, Six Hundred Sixty-six Dollars (\$1,766,666.00) for the Project described herein (the "Loan"). This Loan shall be by County warrant drawn on the Public Utilities Improvement Fund and payable to the City, available upon written request after approval and execution of this agreement by the Whatcom County Council and the City, and pursuant to the terms contained in (iii) Payout of Loan and Grant Funding.
- (ii) COUNTY GRANT—The County shall issue a *grant* to the City for up to Eight Hundred and Eighty-three Thousand Three Hundred Thirty-three Dollars (\$883,333.00) for the Project described herein. This grant shall be by County warrant drawn on the Public Utilities Improvement Fund and payable to the City upon approval of this agreement by the Whatcom County Council and the City, and pursuant to the terms contained in (iii), Payout of Loan and Grant Funding, below.
- (iii) PAYOUT OF LOAN AND GRANT FUNDING—The County shall pay out the loan and grant funding to the City up to a maximum of Two Million Six Hundred Fifty Thousand Dollars and Zero Cents (\$2,650,000.00) of the total project costs. This amount shall be paid in accordance with Attachment B, attached hereto. Disbursements of grant and loan funding shall be made contingent upon and subject to the continued commitment of the other project funding sources.
- (iv) Unless the parties to this agreement mutually agree in writing to modify the consideration, the funding identified herein is all the County is obligated to pay towards this project. The City agrees to protect the County from, hold it harmless from, and indemnify it for, any charges that may be levied in excess of the agreed amount.

C. REPAYMENT OF COUNTY LOAN—The City shall repay the Loan as follows:

- (i) The term of the Loan shall be fifteen years, commencing from the date that the County disburses the Loan proceeds to the City. Interest shall accrue on the unpaid principal at

a rate of 1% per annum. Interest shall begin accruing from the date of disbursement of loan funds.

- (ii) The City will make loan payments to the County annually on or before the anniversary date of receiving loan proceeds in accordance with the attached amortization schedule (Attachment A). Loan payments must be delivered to the Whatcom County Executive Dept., Suite 108, 311 Grand Avenue, Bellingham, WA 98225.
- (iii) Failure to make the payment in the required amount by the date it is due according to the amortization schedule hereto attached shall constitute an event of default by the City. In the event that the City fails timely to make a Loan payment hereunder, the County shall notify the City of the failure and the City shall have fourteen (14) days to cure its failure. At the option of the County, such an event of default and the City's failure to cure within the stated time period is a sufficient basis upon which the County may take action to collect the amount that is delinquent, and if the County takes action to collect pursuant to this provision, the City shall pay to the County not only the amount owing, but also any collection of reasonable costs incurred by the County. Furthermore, if the City fails to make a payment on the Loan within thirty (30) days of the date it is due, and if the County has provided the City with the notice provided for in this section, then the County may choose to declare the remaining balance of the loan due and owing.
- (iv) There is no prepayment penalty should the City desire to retire this debt early, either in whole or in part.

VI RECORDS, REPORTS AND AUDITS

The City agrees to maintain such records, make such reports and follow such procedures pertaining to this Agreement as may be reasonably required by the County and as are typically maintained and made by the City in the undertaking of a project of this nature. All City records pertaining to this Agreement and the Project work shall be retained by the City for a period of three (3) years after final audit unless a longer period is required to resolve audit findings or litigation. The County and other authorized representatives of the State government shall have access to any books, documents, papers, and records of the City which pertain to this Agreement or the Project work for the purpose of making audit, examination, excerpts, and transcriptions.

VII RELATIONSHIP OF PARTIES AND AGENTS

Neither the City nor the County shall have authority to execute contracts or to make commitments on behalf of the other, and nothing contained herein shall be deemed to create the relationship of employer and employee or principal and agent between the County and the City. This agreement does not create, either implicitly or explicitly, any right, duty or obligation that is not expressly provided for herein.

The City represents that it has or will secure at its own expense all personnel, contractors, and/or subcontractors required in order to perform the Project work. Such personnel shall not

be employees of, or contractors with the County for purposes of the project described herein. All such personnel, contractors, and/or subcontractors shall be fully qualified (as determined by the City in its sole discretion) and authorized/permitted under State and/or local law to perform such services.

VIII TERMINATION

If the City fails to comply with the terms and conditions of this Agreement, the County may pursue such remedies as are legally available, including, but not limited to, the termination or closeout of this Agreement in the manner specified herein:

A. **TERMINATION FOR CAUSE**— if the City fails to comply with the terms and conditions of this Agreement, the County will give notice to the City in writing of its failure to comply. The City will be given thirty (30) days from date of notice to comply with the terms of the Agreement or submit a plan acceptable to the County to bring the City into compliance with the Agreement within a time period reasonably acceptable to the County. Failure to comply with the terms and conditions of this Agreement by either party shall constitute an event of default. In the event of default by the City and a failure by the City to cure as provided for herein, the County may take such remedial actions under the law as are available to cure the default, including the imposition of the reasonable costs of collection. In the event of default by the County, the City may take such remedial actions under the law as are available to cure the default, including specific performance.

B. **TERMINATION FOR OTHER GROUNDS**—This Agreement may be terminated in whole or in part by mutual consent and written agreement between the parties, duly authorized and executed, setting forth the conditions of termination, including effective date and, in case of termination in part, that Portion to be terminated.

IX COMPLIANCE WITH LAWS

The County and the City shall comply with all applicable laws, ordinances, and codes of the Federal, State and local governments with regard to the performance of this Agreement.

X INTEREST OF MEMBERS OF THE COUNTY AND THE CITY

No member of the governing body of either party and no other officer, employee, or agent of either party who exercises any functions or responsibilities in connection with the planning or carrying out of the Project shall have any personal financial interest, direct or indirect, in this Agreement.

XI HOLD HARMLESS AND INDEMNITY

To the extent permitted by law, the City shall indemnify and hold harmless the County, its officers, agents, and employees, from all liability, loss or damage, including costs of defense they may suffer as a result of claims, demands, actions, costs, or judgments which result from the activities to be performed by the City, its agents, employees, or subcontractors pursuant to this Agreement.

XII ASSIGNABILITY

The City shall not assign any interest in this Agreement and shall not transfer any interest in this Agreement (whether by assignment or novation) without prior written consent of the County thereto, provided, however, that claims for money by the City from the County under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the County by the City.

XIII NON-WAIVER

The failure of either party to insist upon strict performance of any provision of this Agreement or to exercise any right based upon a breach thereof or the acceptance of any performance during such breach shall not constitute a waiver of any right under this Agreement.

XIV CONTRACT MODIFICATIONS

No modification or waiver of any clause or condition of this Agreement shall be binding upon either party unless such modification or waiver is in writing and duly authorized and executed by the County and the City.

XV SEVERABILITY

If any Portion of this Agreement is changed per mutual agreement or any Portion is held invalid, the remainder of this Agreement shall remain in full force and effect.

XVI NOTICES

Unless stated otherwise herein, all notices and demands shall be in writing and sent or hand-delivered to the parties to their addresses as follows:

TO CITY:
Michael Jones, City Manager
City of Blaine
435 Martin Street
Blaine, WA 98230

TO COUNTY:
Brad Bennett, Finance Manager
c/o Whatcom County Executive's Office
311 Grand Avenue, Suite 108
Bellingham, WA 98225

or to such other addresses as the parties may hereafter designate in writing. Notices and/or demands shall be sent by registered or certified mail, postage prepaid, or hand-delivered. Such notices shall be deemed effective when mailed or hand-delivered at the addresses specified above.

XVII INTEGRATION

This Agreement contains all terms and conditions to which the County and the City agreed, and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this loan and grant transaction. There are no other oral or written agreements between the City and County as to the loan and grant terms contained herein. No changes or additions to this Agreement shall be valid or binding upon either party unless such change or addition be in writing, duly authorized and executed by both parties.

XVIII GOVERNING LAW AND VENUE

All questions of the validity, construction, and application of this Agreement shall be governed by the laws of the State of Washington. Venue for any suit between the parties arising out of this Agreement shall be the Superior Court of the State of Washington in and for Skagit County, Washington.

XIX RECORDING

Upon execution of this agreement by the parties hereto, the County shall cause it to be recorded with the Whatcom County Auditor, or otherwise published pursuant to the requirement contained within RCW 39.34.040.


IN WITNESS WHEREOF, the County and the City have executed this Agreement as of the date and year last written below.

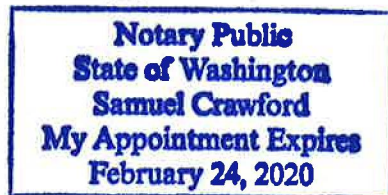
EXECUTED, this 12th day of August, 2019, for the **CITY OF BLAINE**:


Michael Jones, City Manager

STATE OF WASHINGTON)
) ss.
COUNTY OF Whatcom)

On this 12th day of August, 2019, before me personally appeared **MICHAEL JONES**, to me known to be the **City Manager** of the City of Blaine and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.


NOTARY PUBLIC in and for the State of Washington,
residing at Bellingham, WA.
My commission expires 2/24/2020.



ATTACHMENT A

**WHATCOM COUNTY
EDI Loan City of Blaine**

Principal	\$1,766,666
Interest Rate	1.00%
Term	15

#	Year	Beginning Balance	Payment	Interest	Principal	Ending Balance
1	2019	\$1,766,666	(\$127,419)	17,667	(\$109,752)	\$1,656,914
2	2020	\$1,656,914	(\$127,419)	16,569	(\$110,850)	\$1,546,065
3	2021	\$1,546,065	(\$127,419)	15,461	(\$111,958)	\$1,434,107
4	2022	\$1,434,107	(\$127,419)	14,341	(\$113,078)	\$1,321,029
5	2023	\$1,321,029	(\$127,419)	13,210	(\$114,209)	\$1,206,821
6	2024	\$1,206,821	(\$127,419)	12,068	(\$115,351)	\$1,091,470
7	2025	\$1,091,470	(\$127,419)	10,915	(\$116,504)	\$974,967
8	2026	\$974,967	(\$127,419)	9,750	(\$117,669)	\$857,298
9	2027	\$857,298	(\$127,419)	8,573	(\$118,846)	\$738,452
10	2028	\$738,452	(\$127,419)	7,385	(\$120,034)	\$618,419
11	2029	\$618,419	(\$127,419)	6,184	(\$121,235)	\$497,184
12	2030	\$497,184	(\$127,419)	4,972	(\$122,447)	\$374,737
13	2031	\$374,737	(\$127,419)	3,747	(\$123,672)	\$251,066
14	2032	\$251,066	(\$127,419)	2,511	(\$124,908)	\$126,158
15	2033	\$126,158	(\$127,421)	1,262	(\$126,159)	\$0
			<u>(1,274,186)</u>	<u>125,939</u>	<u>(\$1,766,666)</u>	

ATTACHMENT B

GATEWAY REGIONAL STORMWATER & WETLAND FACILITY PROJECT Loan and Grant Draw Down Requirements

The \$1,766,666.00 loan will be disbursed prior to grant funding.

The loan will be disbursed in full, (\$1,766,666), upon written request for the funds from Ravyn Whitewolf, Public Works Director of the City of Blaine. The request for funds is to be addressed to the Whatcom County Executive's office, 311 Grand Avenue, Suite 108, Bellingham, WA 98225 and should reference the Whatcom County assigned interlocal agreement number. The loan will be disbursed by warrant within 30 days of receipt of request.

Grant funding will be disbursed after project construction has begun, upon written request from Ravyn Whitewolf, Public Works Director of the City of Blaine, supported by proof of work performed and/or allowable expenses otherwise incurred on the Project at a cost commensurate with the amount requested, and not otherwise specifically reimbursed. The request for funds is to be addressed to the Whatcom County Executive's office, 311 Grand Avenue, Suite 108, Bellingham, WA 98225 and should reference the Whatcom County assigned interlocal agreement number. The grant will be disbursed by warrant within 30 days of receipt of request.

Attachment "C"

App. #2019-03
CITY OF BLAINE

RECEIVED

JUN 10 2019

JACK LOUWS
COUNTY EXECUTIVE

Whatcom County
Economic Development
Investments Program

Application for Funding



Jack Louws, Whatcom County Executive

Whatcom County Economic Development Investment (EDI) Program

Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

Preliminary Information and Application

Note: The intent of this Program is to be consistent with State law, RCW 82.14.370

- 1. Who is eligible to apply:** Local general or special-purpose governments and higher education.
- 2. What projects are covered:** Construction of publically-owned infrastructure, facilities, and related improvements, which enable or encourage the creation or retention of private sector businesses and jobs in Whatcom County consistent with EDI Program Policy Objectives.
- 3. What activities are fundable:** New construction, refurbishment, replacement, rehabilitation, renovation or repair. Demolition is allowable if tied to construction. Soft costs allowed within scope of construction budget. No land acquisition except right-of-way included in a construction project.
- 4. What can you use the funds for:** Transportation (roads, bridges, rail), utility services (water, sewer, storm, energy, telecom) and public buildings or structures.
- 5. Other Limitations:** Planning/feasibility only projects are not eligible. Minimum local match is 10% of EDI request. EDI Board will make recommendations to the County Council which makes the final decision.

Preferential Project Types

First Preference – “JOBS IN HAND PROJECTS” – These types of projects will allow for the immediate creation and/or retention of jobs by providing public infrastructure that directly supports jobs. A perfect example would be a private business that will build or move into a facility and hire employees if a road is built or if water/sewer lines are extended to the site. These types of proposals would include a commitment by the private sector employer to create jobs and provide private investment.

Second Preference – “BUILD IT AND JOBS WILL COME PROJECTS” – These types of projects will construct public infrastructure but are not associated with a specific commitment from a private business to locate and/or create jobs. A perfect example would be the construction of roads and utility infrastructure to serve a new business park that would benefit multiple businesses.

Third Preference – COMMUNITY ENHANCEMENT PROJECTS” – These types of projects generally improve the physical appearance or create community assets to enhance the business climate. Examples would be boardwalk, streetscaping, downtown structures, and other publicly-owned facilities that make a community or region more attractive to existing or future businesses.

Whatcom County Economic Development Investment (EDI) Program
Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

Preferential Project Terms

First Preference – EDI LOAN – Due to the preferred revolving nature of EDI funds, proposals that are loan only will receive higher scoring. Loan terms and interest rate structure matches the Public Works Trust Fund program. The county will maintain discretion to modify such as including a deferral period.

Second Preference – LOAN/GRANT COMBINATION – The preferred combination of grant funds and loan funds is 1/3 grant, 2/3 loan.

Third Preference – EDI GRANT – Due to the “one-shot” nature of grants, projects of equal scoring requesting a grant only will be scored lower than another similar project requesting a loan/grant mix.

Preferential* Project Amounts (Guidelines)

JOBS IN HAND PROJECTS - \$1,000,000 limit if grant only. \$2,000,000 limit if combination of grant and loan. \$3,000,000 limit if loan only.

BUILD IT AND JOBS WILL COME PROJECTS - \$500,000 limit if grant only. \$1,000,000 limit if combination of grant and loan. \$1,500,000 limit if loan only.

COMMUNITY ENHANCEMENT PROJECTS - \$250,000 limit if grant only. \$500,000 limit if combination of grant and loan. \$750,000 limit if loan only.

*Based on compelling reasons, the EDI Board and County Council may consider exceptions.

Past Performance

Have you received EDI Program funding in the past? X ; Yes No

If yes, provide project name and EDI grant/loan awarded: Blaine Boardwalk

If yes, EDI Program staff and/or the EDI Board may conduct an audit to review performance measures against projected outcomes, such as job creation projections.

Has your jurisdiction received any audit findings from the Washington State Auditor in the past 10 years?
 Yes; X No. If yes, provide details:

Whatcom County Economic Development Investment (EDI) Program
Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

THRESHOLD PROJECT CRITERIA

Evidence of Planning

YES	NO
<u>X</u>	_____
<u>X</u>	_____
<u>X</u>	_____

Project included on an adopted regional economic strategy (“CEDS” list).
 Project included in the applicant’s Comprehensive Plan.
 Project included in the applicant’s Capital Expenditure Plan or adopted budget.

COMMENTS: _____

THRESHOLD PROJECT SCORING

POINTS

Preferential Project Type

17

<input checked="" type="checkbox"/>	Jobs In Hand	<i>10 points</i>
<input checked="" type="checkbox"/>	Build It And Jobs Will Come	<i>5 points</i>
<input checked="" type="checkbox"/>	Community Enhancement	<i>2 points</i>

5

Preferential Project Terms

<input type="checkbox"/>	Loan Only	<i>10 points</i>
<input checked="" type="checkbox"/>	Loan/Grant	<i>5 points</i>
<input type="checkbox"/>	Grant Only	<i>2 points</i>

5

Preferential Project Amounts

<input checked="" type="checkbox"/>	Within Dollar Limits	<i>5 points</i>
<input type="checkbox"/>	Outside Preferred Dollar Limits	<i>0 points</i>

27

TOTAL POINTS

To proceed to other parts of the application and to receive EDI Board review, a proposed project must score 10 or more points on the above section.

Whatcom County Economic Development Investment (EDI) Program
Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

PROJECT APPLICANT

Applicant Name: City of Blaine

Applicant Address: 1200 Yew Avenue, Blaine

Applicant Contact Person: Ravyn Whitewolf, Public Works Director

Applicant Email and Phone Number: rwhitewolf@cityofblaine.com

PROJECT TITLE

Gateway Regional Stormwater & Wetland Facility

PROJECT AMOUNT REQUESTED

\$ 2,650,000 EDI TOTAL – (Loan \$1,766,666; Grant \$883,333)
\$ 350,000 Local Match – (10% of EDI request minimum)

PROJECT TYPE

Jobs In Hand

Build It And Jobs Will Come

Community Enhancement

PROJECT TERMS

Loan Only

Grant/Loan Grant Only If a loan, term requested: _____ (years)

Whatcom County Economic Development Investment (EDI) Program

Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

PROJECT DESCRIPTION

(one page limit)

The City is developing a regional storm water & wetland facility for the Gateway Industrial/Commercial area. The service zone is bordered by H Street, Odell Road, Pipeline Road, and SR 543. The facility will consolidate stormwater from many commercial and industrial properties into one location and provide developable parcels with stormwater connections for off-site detention instead of encumbering multiple properties with significant on-site systems; allowing these commercial/industrial entities to more fully and efficiently use the entire square footage of their property for businesses operations. With the closure of the City airport approximately 20 additional acres of property was made available for development in the Gateway Zone (mixed use) to the approximately 345 total acres in the Manufacturing District.

The city has been planning the facility for about 10 years and it is included in the Whatcom County CEDS project list. The timing for the project is now here, with planned developments coming together to utilize this available property. Without this regional stormwater project, individual parcels will be required to mitigate for their stormwater impacts individually. This will require the use of high value property for these purposes creating several independent, costly, private systems. In addition, many of these parcels contain small, low quality wetlands that pose significant development challenges and restrictions. This project includes a Regional Wetlands area that would provide collective mitigation enhancing an existing wetland that supports a large bird population.

This project will complement other projects the city has performed since 2009 (closure of municipal airport) to enhance the District and make it more attractive for private development. These improvements include: Boblett Street Project, Boblett Court (industrial access), Circuit 16/17 Loop Improvements (provides redundant three phase industrial grade power to the region), sewer & water system upgrades, and economic analysis. Storm water is the last remaining service which does not address the commercial/industrial needs on a comprehensive basis. Not only will the facility create jobs in construction, it will allow for the maximum growth potential of these properties where high-paying family-wage jobs are most prevalent.

The project consists of the following elements:

- *Design (currently at 80%)*
- *Permitting*
- *Construction*
 - *Regional pond*
 - *Conveyance system (10% of the conveyance was installed as part of earlier projects)*
 - *Trail Corridor that will tie to Skallman Park and part of Blaine Athletic Field Trail.*

All other utilities are available to and the creation of this regional storm water facility would complete the City utilities needed for the future development of all these properties.

Whatcom County Economic Development Investment (EDI) Program

Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

BASIC PROJECT INFORMATION

1. Complete the public project budget and status of funds below. If EDI funds are approved is funding 100% complete? Yes No

<u>Funding Source</u>	<u>Amount</u>	<u>Planned/Applied For</u>		<u>Secured</u>	
Federal Dollars	\$ _____	Yes ___	No ___	Yes ___	No ___
State Dollars	\$ _____	Yes ___	No ___	Yes ___	No ___
Local Dollars	\$ 350,000	Yes ___	No ___	Yes X	No ___
EDI Funding	<u>\$2,650,000</u>	Yes ___	No ___	Yes ___	No ___
TOTAL	\$3,000,000				

2. Describe the amount of outside (private) funding committed to the project (eg. Plant and equipment).

The City of Blaine, as part of the development of the Gateway Binding Site Plan, has taken steps to establish a Local Improvement District to fund the construction of the regional storm facility. The Gateway District has attracted Chuckanut Bay Foods as a new business and the expansion of two other Blaine Businesses (Jobs in Hand). The Gateway District still has land available with SR543 frontage for sale (Build It and They Will Come). These properties, as well as available adjacent properties will all have use of the Gateway Regional Storm Facility.

3. Describe the public infrastructure being proposed. Include engineering estimates and a site map detailing the proposed improvements as Attachments A and B.

The project includes the design and construction of a Stormwater "wet" pond to treat quality and mitigate quantity of storm water leaving the Gateway Manufacturing District in the City of Blaine. The District consists of a number of small (2-7 acre) sites that are fully serviced with city utilities. The Gateway Regional Storm Facility will support development of over 30 acres of industrially-zoned property once part of the Blaine Municipal Airport. This project provides for a storm water facility and associated conveyance piping to mitigate storm water impacts so that these parcels can efficiently develop. The facility will provide flow control and water quality treatment required for converting the area from its existing condition to industrial/manufacturing.

4. Describe how these improvements will enhance or encourage community vitality and stimulate other private development in the area.

The project makes more land available for development by eliminating small, individual Stormwater facilities or expensive underground facilities. In addition, the project incorporates a trail element which is desperately needed in the area. The maintenance access road and Stormwater conveyance from Boblett

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The City will be forming a local improvement district to pay back the EDI loan. The project will be spurring indirect revenues in the form of property tax and business and occupation tax that could be used to pay for the park/trail portions of the project.

9. What other revenue sources are available for this project and have they been considered. This includes forming a Local Improvement District (LID or ULID), issuing Councilmanic Bonds, Revenue Bonds, or other source(s).

The City is pursuing a Local Improvement District to pay back the EDI loan. Other sources of revenue that have been explored include a CERB Private Partner Grant (State) and an EDA Grant (Federal). The CERB grant is infeasible because while the project will be creating jobs, the jobs don't exceed the State median wage requirement. Because the EDA grant is Federal, the additional requirements and timelines make the grant infeasible. The city has considered revenue and general obligation bonds, but do not feel it is appropriate to impact the rate payers for a project that has such specific beneficiaries. In discussions with county officials, the EDI grant/loan was determined to be the best fit for the project.

10. Describe the private development project that will be supported by this public facility project. If there is a committed private sector partner include Contingency Agreement (Attachment C).

All of the developers that are purchasing or have purchased property in the Gateway District have signed a no-protest to formation of Local Improvement District and are looking forward to construction of improvements.

11. Explain why the private development requires the proposed public improvement(s).

Blaine has adopted the most current version of the Department of Ecology Stormwater Management Manual for Western Washington. The Manual requires all projects that create or modify impervious surface mitigate for those improvements. Without the project, each development would require individual detention and treatment of Stormwater to comply. This would reduce the area available for development or require expensive underground structure. By utilizing a regional approach, permitting timelines are reduced, development areas are maximized and uncertainty eliminated, making the area more attractive to new development.

12. What is the status of the associated private development review and permits. List all permits required and give the current status (applied for, being reviewed, issued).

	<u>Permit</u>	<u>In Process</u>	<u>Date Completed</u>
<i>Mercer</i>	--	--	<i>2011 Construction Complete</i>
<i>Chuckanut Foods</i>	--	--	<i>2018 Construction Complete</i>
<i>IK Trucking</i>	<i>Civil Plans</i>	<i>X</i>	
<i>Yorkston</i>	<i>Civil Plans</i>	<i>X</i>	
<i>*Unknown</i>			

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13. Describe the type of industry or economic activity the public development will attract. What is the strategy to attract industry to the project site?

The beauty of the Gateway District is that the zoning allows for a broad range of uses. Because it is adjacent to SR543 (Truck Route), it provides easy access for the trucking industry. Three of the uses that have selected to locate in the District relate to the trucking industry: one for inspection, the others for parking/retail and repair of trucks. Chuckanut Bay Foods, which recently completed construction, located in the district because of the easy access to the Manufacturing District, where refrigeration/storage is available. The City is actively listing the remainder of the district for sale with a local real estate broker. As part of the sale to Yorkston Fuel, the city traded a portion of the land in order to have SR543 exposure. We are hoping this last parcel for sale will include a combination of retail, medical and/or lodging.

14. List the number of projected jobs, by type, to be retained and/or created by the private entity.

Occupation	Current Jobs Retained** (In FTEs)	# Of Jobs Created Year 1 (In FTEs)	# Of Jobs Created by Year 5 (In FTEs)	Hourly Wage of current or new position	Local Occupational Hourly Wages***
Mgmt./Admin*	8	1	4	Unknown*	
Technical/Prof	12	4	10	Unknown*	
Office/Clerical				Unknown*	
Production	90	20	60	Unknown*	
Sales	2	3	4	Unknown*	
Skilled Crafts	8	Unknown	Unknown	Unknown*	
Others –					
Totals	120	28	78	N/A	N/A

* Indicate Management positions in annual salary.

** Retained jobs are defined as jobs that would otherwise be lost from the county without this project.

*** This column will be populated with data from the state before application is distributed and revised annually.

PLEASE NOTE: Numbers listed are for only 2 of the properties that will benefit from the project. We anticipate many more jobs will be created from the remaining properties when they develop; however, that information was not available at the time of this application.

a. Projected annual gross payroll for all job classifications

**This information is exempt from disclosure to the extent permitted by RCW 42.17.*

b. Describe fringe benefits the company offers to regular full time employees?

(health insurance, retirement plans, etc.) *Medical, Sick, Vacation, Holiday*

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15. How does this project support the economy of Whatcom County and how does it fit into a county-wide economic development strategy?

Blaine's Comprehensive Plan (Chapter 3, Economic Development) Goal 4 includes the development of clean manufacturing facilities and business parks in the Manufacturing and Gateway zoning districts. Policy 4.3 of the plan states that "The City supports developing the infrastructure necessary to support the development and expansion of manufacturing facilities and business parks and will act as a partner to seek funds and develop infrastructure improvement programs." This proposal facilitates the expansion of Blaine's Manufacturing District by the development of the Gateway District.

The principal purpose of the Comprehensive Economic Development Strategy (CEDS), written with the goal "to strengthen and sustain the regional economy...is to facilitate the retention and creation of living-wage jobs and to foster a stable and diversified regional economy." This proposal supports the economy of Whatcom County by facilitating the creation of new family-wage jobs and further diversifies the regional economy by tapping into Blaine's strengths (border proximity, access to busiest truck crossing in the country) with new businesses that want to take advantage of those assets.

The Whatcom County Comprehensive Plan describes economic vitality as "public and private action designed to achieve.... job retention, job creation,.... public and private capital investment and business and community capacity-building to allow businesses or community groups to do the job themselves. This funding proposal supports economic vitality (part of a county-wide economic strategy), by facilitating the development of new or expanded businesses in Blaine's Manufacturing District, building of public-private partnerships and creation/retention of family-wage jobs in Whatcom County.

16. What will the effect of this project be on the natural environment – does the project address any issues related to public health, pollution, or quality of life?

The project will improve the natural environment by enhancing adjacent wetlands, incorporation of a new trail, and enhancement of an existing park. Because the regional pond will treat as well as detain pollution-generating Stormwater from the District, water quality in adjacent Cain Creek will be improved. The enhancement of area wetlands will also improve the quality of life for our citizens who live and work in Whatcom County because of its natural beauty. In addition, the project will also include an athletic trail that will tie into the neighboring park. Furthermore, the stormwater facility itself will have a trail around the perimeter and will invite citizens to enjoy and nearby workers and employees to take a break.

17. Does this project address any existing issues related to public safety and/or does it increase public safety in the future or address a potential future public safety issue?

There are no issues with public safety that will be helped or hindered because of our project.

18. Describe specific quantifiable measures of the outcomes, other than purely jobs, that will demonstrate project success. Describe how you will measure this and explain what you expect to show as progress toward the outcome.

All requirements of the DOE Stormwater Management Manual for Western Washington and the Clean Water Act will be met by the project. In so doing, it will also create efficiencies and maximize square

Whatcom County Economic Development Investment (EDI) Program

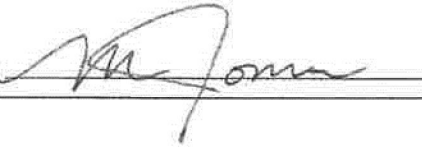
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footage of developable property, reduce costs for all parties, and reduce uncertainty for new owners. Ultimately, the success of the project will be measured by the new businesses coming to Blaine.

Application for Funding – Certification

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IN THIS APPLICATION TO WHATCOM COUNTY FOR INVESTMENTS IN ECONOMIC DEVELOPMENT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature of Responsible Public Official:



Date 6/10/19



City of Blaine

1200 Yew Ave, Blaine, WA
 Bus (360) 332-8820
 FAX (360) 332-1724

Gateway Regional Pond
 Engineers Estimate
 Prepared by:
 Ravyn Whitewolf, P.E.
 Public Works Director
 6/10/2019

DESIGN and PERMITTING				\$350,000
CONSTRUCTION				
Pond				\$1,943,120
Trail				\$50,381
Storm Conveyance				\$96,180
Mitigation				\$60,900
Subtotal	\$2,150,581			
Sales Tax				\$187,101
Total Construction				\$2,337,682
CONSTRUCTION ENGINEERING				\$250,000
CONTINGENCY				\$62,000

TOTAL				\$2,999,682
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Local			\$350,000.00
Balance	\$2,649,681.55		
EDI			
Loan		2/3	\$1,766,454.36
Grant		1/3	\$883,227.18

Funding Needed: \$2,650,000

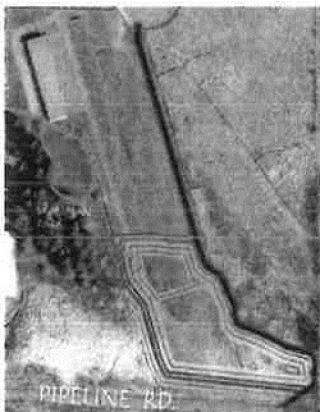
Public Works
1200 Yew Ave, Blaine
(360)332-8820

GATEWAY REGIONAL POND



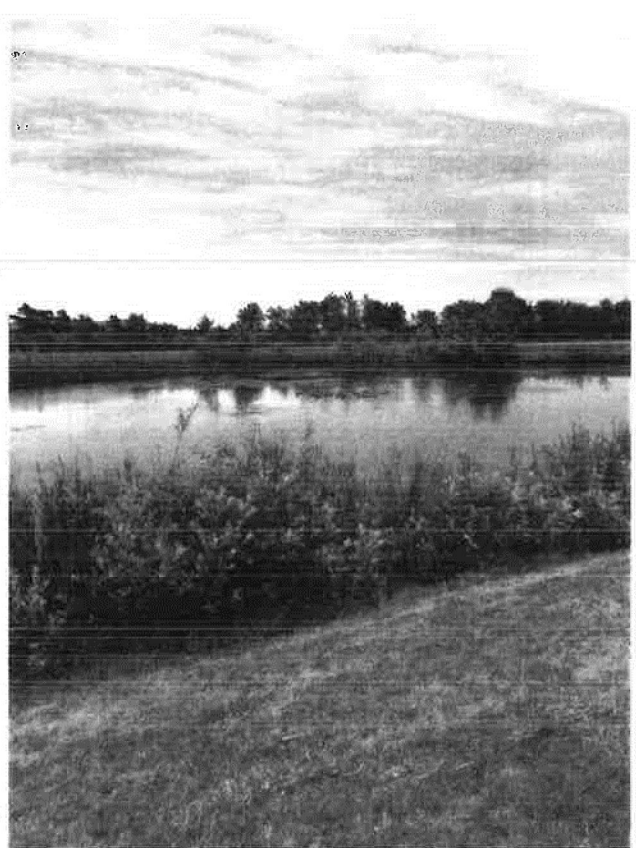
Project Goals

- Storm water treatment for water quality and flow control.
- Habitat creation with wetland enhancements.
- Maximizes use of available land, facilitating development.
- Job creation in hand for various uses.
- LID commitments in hand from land owners developing the properties in the area.
- Multi-modal trail around perimeter and connecting to trail system.



REGIONAL SOLUTION TO STORM WATER MANAGEMENT MADE POSSIBLE

The Blaine Manufacturing District consists of a number of small (2-7 acre) sites that are fully serviced with city utilities. The Gateway Regional Storm Facility will support development of over 30 acres of industrially-zoned property once part of the Blaine Municipal Airport. This project provides for a storm water facility and associated conveyance piping to mitigate storm water impacts so that these parcels can efficiently develop. The facility will provide flow control and water quality treatment required for converting the area from its existing condition to industrial/manufacturing. The city has been planning the facility for about 10 years and it is included in the Whatcom County CEDS project list. The timing for the project is now here, with planned developments coming together to utilize this available property.

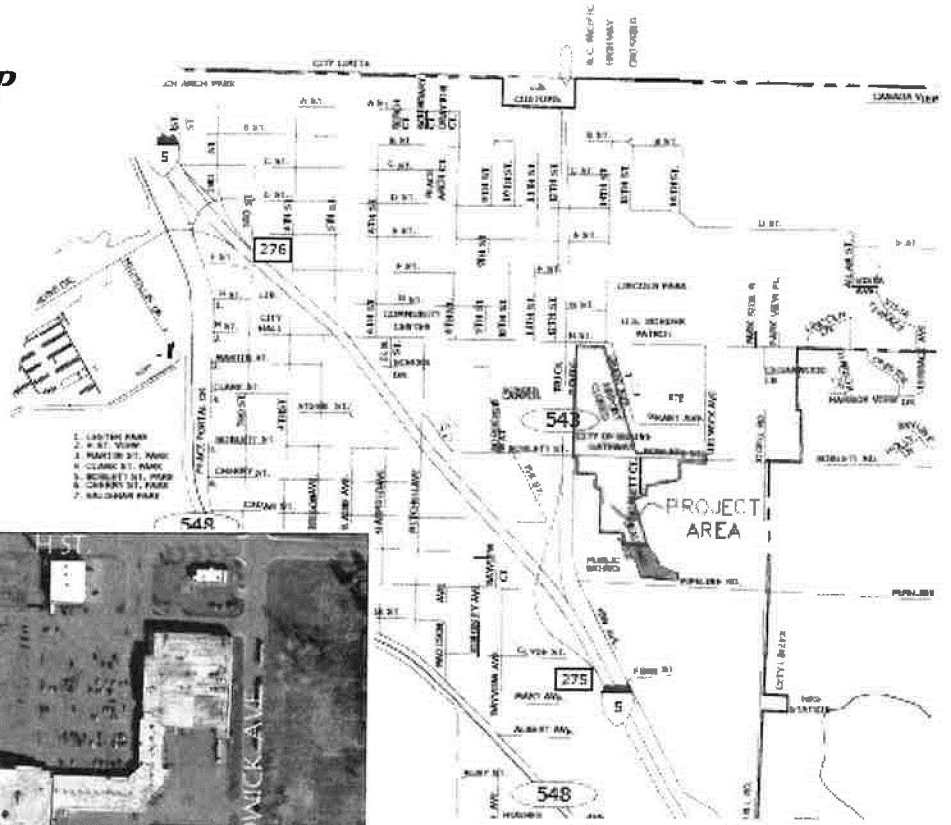


PROJECT FACILITATES JOB CREATION

The project facilitates job creation by maximizing development of properties within the Gateway District, formally the site of the Blaine Municipal Airport. The city acquired the airport in 2008 with the specific purpose of selling it for development. The city council has authorized purchase and sale agreements for border inspection services, food manufacturing, truck stop with convenience store and restaurant, and a truck and trailer repair and supply company. One parcel remains for sale, and could include a motel or restaurant.

Contact: Ben Kuiken, P.E. bkuiken@cityofblaine.com

VICINITY MAP



CONTRIBUTING DRAINAGE AREA

**WHATCOM COUNTY
EXECUTIVE'S OFFICE**

County Courthouse
311 Grand Avenue, Suite #108
Bellingham, WA 98225-4082



Jack Louws
County Executive

MEMORANDUM

TO: Whatcom County Council members

FROM: Jack Louws, County Executive

RE: EDI Program - Interlocal Loan and Grant Agreement with
The City of Blaine

DATE: July 25, 2019

Enclosed are two (2) originals of an Interlocal Loan and Grant Agreement between Whatcom County and the City of Blaine for your review and approval.

▪ **Background and Purpose**

On July 10, 2019, the EDI Board voted unanimously to recommend to Council to provide funding through the EDI Program for the City of Blaine's Gateway Regional Stormwater project.

The City of Blaine is ready to commence construction on this project. At their request, we are expediting the approvals process for both EDI fund approval (and supplemental budget approval) and approval of the Interlocal Loan and Grant Agreement. The EDI Board recommendations are being submitted for Council's consideration at the August 7th meeting as a separate agenda item. If approved, we respectfully request your authorization for the County Executive to execute this agreement.

▪ **Funding Amount and Source**

\$2,650,000.00 will be drawn from the EDI Program's loan and grant program (\$1,766,666 loan and \$883,333 grant), which funding is derived from the Public Utilities Improvement Fund.

Please contact me with any questions or concerns regarding the terms of this agreement.

Enclosure