



# Whatcom County

COUNTY COURTHOUSE  
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## Agenda Bill Report

File Number: AB2023-696

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<b>File ID:</b>	AB2023-696	<b>Version:</b>	1	<b>Status:</b>	Substitute Approved
<b>File Created:</b>	10/17/2023	<b>Entered by:</b>	CHalka@co.whatcom.wa.us		
<b>Department:</b>	Council Office	<b>File Type:</b>	Resolution		
<b>Assigned to:</b>	Council Committee of the Whole			<b>Final Action:</b>	10/24/2023
<b>Agenda Date:</b>	10/24/2023			<b>Enactment #:</b>	RES 2023-043
<b>Related Files:</b>					

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**TITLE FOR AGENDA ITEM:**

Resolution supporting the use of Economic Development Investment (EDI) funds for affordable housing

**SUMMARY STATEMENT OR LEGAL NOTICE LANGUAGE:**

Resolution supporting the use of Economic Development Investment (EDI) funds for affordable housing

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**HISTORY OF LEGISLATIVE FILE**

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<b>Date:</b>	<b>Acting Body:</b>	<b>Action:</b>	<b>Sent To:</b>
10/24/2023	Council Committee of the Whole	RECOMMENDED FOR APPROVAL	
		Aye: 7 Buchanan, Byrd, Donovan, Elenbaas, Frazey, Galloway, and Kershner	
		Nay: 0	
10/24/2023	Council	SUBSTITUTE APPROVED	
		Aye: 7 Buchanan, Byrd, Donovan, Elenbaas, Frazey, Galloway, and Kershner	
		Nay: 0	

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**Attachments:** Proposed Resolution, Substitute Resolution, Letter from Sustainable Connections

**RESOLUTION NO. 2023 - 043**

**SUPPORTING THE USE OF ECONOMIC DEVELOPMENT INVESTMENT (EDI) FUNDS FOR AFFORDABLE HOUSING**

**WHEREAS**, housing is an important element of economic development, especially workforce housing that supports business recruitment and retention; and

**WHEREAS**, a lack of available and affordable housing for all economic segments of our community remains a significant challenge in Whatcom County; and

**WHEREAS**, the City of Bellingham estimates that less than 30% of Whatcom County housing is affordable to a household earning the median family income, and a more balanced proportion is around 50%; and

**WHEREAS**, the Washington State Department of Commerce projects Whatcom County will need to build 34,377 new homes by the year 2044, 18,053 of which need to be affordable to households earning less than 50% of Area Median Income; and

**WHEREAS**, Whatcom County needs to take a more holistic, system-wide approach to our community's housing issues, addressing housing availability and affordability through both a health and human services approach as well as a land use and planning approach; and

**WHEREAS**, on January 10, 2023, the Whatcom County Business and Commerce Advisory Committee transmitted their proposal to increase access to housing for all income levels, which included recommendations to:

- Reduce the complexity and the cost of compliance of code,
- Prioritize density in existing city boundaries and urban growth areas while supporting limited annexations,
- Provide incentives for permanently affordable home ownership and rentals for occupants whose incomes range from 50% to 150% of area median income; and

**WHEREAS**, on August 8, 2023, the Whatcom County Council approved Resolution 2023-020 affirming the housing affordability and homelessness are a public health crisis requiring systemwide actions; and

**WHEREAS**, the Economic Development Investment (EDI) Board was created to make recommendations to the Whatcom County Council to invest in economic development and public facilities consistent with RCW 82.14.370; and

**WHEREAS**, RCW 82.14.370 authorizes Whatcom County to retain a portion of sales and use tax to finance public facilities, including affordable housing infrastructure or facilities, with the goal of improving the economy by stimulating and creating ongoing private sector jobs; and

**WHEREAS**, RCW 82.14.370 defines "Affordable workforce housing infrastructure or facilities" as housing infrastructure or facilities that a qualifying provider uses for housing for a

1 single person, family, or unrelated persons living together whose income is no more than 120  
2 percent of the median income, adjusted for housing size, for the county where the housing is  
3 located; and  
4

5 **WHEREAS**, RCW 82.14.370 defines "Qualifying provider" as a nonprofit entity as defined  
6 in RCW 84.36.560, a nonprofit entity or qualified cooperative association as defined in  
7 RCW 84.36.049, a housing authority created under RCW 35.82.030 or 35.82.300, a public  
8 corporation established under RCW 35.21.660 or 35.21.730, or a county or municipal  
9 corporation; and  
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11 **WHEREAS**, the Whatcom County Executive manages the EDI Program, which makes  
12 grants and low interest loans to assist in financing public facilities required by businesses to  
13 create or retain jobs; and  
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15 **WHEREAS**, the Whatcom County Council makes the final loan and grant approval  
16 decisions for all EDI projects; and  
17

18 **WHEREAS**, the EDI Board makes recommendations aligned with the following goals to:  
19 1. Increase the number of family wage jobs available to the citizens of the county,  
20 2. Retain existing businesses within the county,  
21 3. Facilitate the expansion of existing businesses,  
22 4. Attract new businesses to Whatcom County, and  
23 5. Sustain the EDI Program through repayment of EDI loans; and  
24

25 **WHEREAS**, Whatcom County's 2022-2026 Comprehensive Economic Development  
26 Strategy (CEDS) aims to strengthen and sustain the regional economy through the retention  
27 and creation of living-wage jobs and to foster a stable and diversified regional economy; and  
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29 **WHEREAS**, the CEDS identifies housing availability and affordability as high priority  
30 issues affecting Whatcom County's ability to grow economically; and  
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32 **WHEREAS**, the CEDS identifies an objective to work with local jurisdictions and service  
33 providers to inform and assist with the development of affordable and available housing choices  
34 for all income levels in Whatcom County; and  
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1           **WHEREAS**, the CEDS identifies a strategy to promote and support immediate solutions  
2 to the housing crisis, including

- 3           1. Support and promote the urgent need for affordable housing for workers, in areas
- 4           near services, throughout Whatcom County.
- 5           2. Support efforts to address houselessness issues throughout Whatcom County.
- 6           3. Support and advocate for local businesses impacted by the housing crises.
- 7           4. Support and promote a diverse array of housing solutions, housing choice, and
- 8           affordable housing types that address the housing crisis.
- 9           5. Support housing development and modular construction companies that develop
- 10          innovative and environmentally sustainable housing solutions.
- 11          6. Support increased mixed-use zoning in order to encourage different housing choices
- 12          and creating different yet sustainable and innovative live-work spaces.
- 13          7. Support nonprofits that work on innovative housing solutions.
- 14          8. Participate on boards and committees working to address the housing crisis.
- 15          9. Collaborate with the Whatcom Housing Alliance to conduct a workforce housing
- 16          feasibility study; and

17  
18           **WHEREAS**, Substitute House Bill 1267 amended RCW 82.14.370 in May 2023, to extend  
19 the authorization for the sales and use tax for public facilities in rural counties through  
20 December 31, 2054; and

21  
22           **WHEREAS**, Whatcom County Administrative Services projects an estimated EDI program  
23 cash balance of \$20,371,669 by December 31, 2023 with an additional \$9,058,926 in  
24 outstanding loan repayments; and; and

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26           **WHEREAS**, the EDI fund is expected to generate \$6,034,610 in revenue in 2024; and

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28           **WHEREAS**, since the inception of Whatcom County’s Homes Affordable for the Workforce  
29 (HAFTW) EDI loan program in 2011, the EDI program has assisted in the construction of 139  
30 new homes through \$2.54million in low-interest loans; and

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32           **WHEREAS**, Whatcom County needs to commit additional local funds in order to keep  
33 pace with the increasing community need.

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1 **NOW, THEREFORE, BE IT RESOLVED** that the Whatcom County Council supports  
2 increasing the use of Economic Development Investment (EDI) funds for housing affordability  
3 efforts as authorized in RCW 82.14.370; and  
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5 **BE IT FURTHER RESOLVED** that the Whatcom County Council supports making housing  
6 affordability and homelessness a top legislative priority and working with State Legislators to  
7 advocate for any technical fixes or clarification bills necessary to maximize the County's ability  
8 to use EDI funding for housing affordability efforts; and  
9

10 **BE IT FINALLY RESOLVED** that the Whatcom County Council recommends that the EDI  
11 Board:

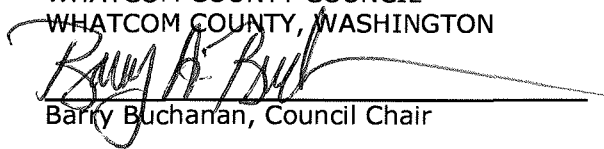
- 12 1. Consider a proactive and planned investment strategy for fund balance and revolving
- 13 loan repayments, inclusive of affordable and workforce housing,
- 14 2. Consider prioritizing affordable and workforce housing projects, up to 120 percent of area
- 15 median income, for economic development,
- 16 3. Consult community and issue a recommendation to Council for dedicating a percentage
- 17 of the EDI fund balance and a percentage of ongoing revenues to contribute toward
- 18 housing affordability projects as allowed by state law,
- 19 4. Updates guidelines and an application process to request the use of EDI funds for
- 20 affordable and workforce housing projects,
- 21 5. Propose updates to Board membership to promote more diverse representation amongst
- 22 economic development sectors, including affordable and workforce housing,
- 23 6. Reports to the County Council by December 31, 2024 on recent program changes,
- 24 proposed program considerations, and recommendations related to the EDI program's
- 25 role in housing affordability investments.

26  
27 **APPROVED** this 24th day of October, 2023.

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29  
30 ATTEST

31   
32 Dana Brown-Davis, Clerk of the Council

33 WHATCOM COUNTY COUNCIL  
34 WHATCOM COUNTY, WASHINGTON

35   
36 Barry Buchanan, Council Chair

37 APPROVED AS TO FORM:

38 Karen Frakes (by email 10/17/2023)

39 Civil Deputy Prosecutor