

**WHATCOM COUNTY CONTRACT
INFORMATION SHEET**

Whatcom County Contract No.
202106035

Originating Department:	Executive Office
Division/Program: <i>(i.e. Dept. Division and Program)</i>	Non Departmental
Contract or Grant Administrator:	Suzanne Mildner
Contractor's / Agency Name:	Bellingham Housing Authority
Is this a New Contract? If not, is this an Amendment or Renewal to an Existing Contract? Yes <input type="radio"/> No <input checked="" type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #: _____	
Does contract require Council Approval? Yes <input checked="" type="radio"/> No <input type="radio"/> If No, include WCC: <u>3.08.100</u> 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="radio"/> No <input checked="" type="radio"/> If yes, grantor agency contract number(s): _____ CFDA#: _____	
Is this contract grant funded? Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, Whatcom County grant contract number(s): _____	
Is this contract the result of a RFP or Bid process? Contract Yes <input type="radio"/> No <input checked="" type="radio"/> If yes, RFP and Bid number(s): _____ Cost Center: <u>332242</u>	
Is this agreement excluded from E-Verify? No <input type="radio"/> Yes <input checked="" type="radio"/> 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"/> Goods and services provided due to an emergency <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>725,000</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: _____	
This new loan agreement is to provide funding support for the Samish Way Development Project.	
Term of Contract: 20 Years	Expiration Date: 12/31/2040

Contract Routing:	1. Prepared by: <u>twh</u>	Date: <u>08/30/2021</u>
	2. Attorney signoff: <u>Christopher Quinn</u>	Date: <u>8/30/2021</u>
	3. AS Finance reviewed: <u>Bbennett</u>	Date: <u>8/30/2021</u>
	4. IT reviewed (if IT related): _____	Date: _____
	5. Contractor signed: <u>(DocuSign routing)</u>	Date: <u>10-22-21</u>
	6. Submitted to Exec.: _____	Date: _____
	7. Council approved (if necessary): <u>✓ AB2021-535</u>	Date: <u>9-14-21</u>
	8. Executive signed: _____	Date: <u>10/24/2021</u>
	9. Original to Council: _____	Date: _____

Whatcom County
Contract No.
202106035

Economic Development Investment Program Interlocal Loan Agreement

I PARTIES

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

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 Samish Way Redevelopment Project, Phase 3 (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. Samish Family Housing LLLP, a Washington limited liability limited partnership (hereinafter referred to as **the Partnership**) will construct the Project. The BHA is the general partners of the Partnership and the developer of the Project. The Project will be partially funded by a **\$725,000 loan from the Whatcom County Public Utilities Improvement Fund**, and the balance of the Project will be funded by the BHA, the City of Bellingham, private

equity and other sources as outlined in Attachment C. The Project improvements, when complete, will be leased from the BHA by, and maintained by, the Partnership.

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 \$725,000.00. 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 BHA from the Public Utilities Improvement Fund in the amount of \$725,000.00.

I. The Public Utilities Improvement Fund balance is sufficient to make the requested loan 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. **BHA RESPONSIBILITIES:** The BHA hereby agrees as follows:

- (i) If after the award of the construction contract, the scope of the Project or the Project budget has materially changed, the BHA 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 materially varies from those that were submitted with the BHA's application for EDI funding.
- (ii) The BHA shall be responsible for all aspects of the design and construction of the Project.
- (iii) The BHA shall be responsible for all aspects of the construction contract administration, which shall include, but not be limited to, advertising, bidding, and awarding the contract. The BHA 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 BHA 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 BHA 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* Seven Hundred Twenty-Five Thousand Dollars and Zero Cents (\$725,000.00) 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 BHA, available upon written request after approval and execution of this agreement by the Whatcom County Council and the BHA, and pursuant to the terms contained in (iii) Payout of Loan Funding.
- (ii) PAYOUT OF LOAN FUNDING—The County shall pay out the loan funding to the BHA up to a maximum of Seven Hundred Twenty-Five Thousand Dollars and Zero Cents (\$725,000.00) of the total project costs. This amount shall be paid in accordance with Attachment B, attached hereto. Disbursements of loan funding shall be made contingent upon and subject to the continued commitment of the other project funding sources.
- (iii) 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, with the exception of an additional EDI loan which is secured under a separate agreement. The BHA 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 BHA shall repay the Loan as follows:

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

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

- (ii) BHA will make no payments year 1 through year 10. The BHA will make annual interest only payments to the County beginning on the 11th anniversary date of receiving loan proceeds in accordance with the attached amortization schedule (Attachment A). A balloon payment including principal and unpaid interest is due on the 20th anniversary date of receiving loan proceeds. 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 BHA. In the event that the BHA fails timely to make a Loan payment hereunder, the County shall notify the BHA of the failure and the BHA shall have fourteen (14) days to cure its failure. At the option of the County, such an event of default and the BHA'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 BHA shall pay to the County not only the amount owing, but also any collection of reasonable costs incurred by the County. Furthermore, if the BHA 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 BHA 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 BHA desire to retire this debt early, either in whole or in part.

VI RECORDS, REPORTS AND AUDITS

The BHA 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 BHA in the undertaking of a project of this nature. All BHA records pertaining to this Agreement and the Project work shall be retained by the BHA 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 BHA 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 BHA 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

BHA. This agreement does not create, either implicitly or explicitly, any right, duty or obligation that is not expressly provided for herein.

The BHA 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 BHA in its sole discretion) and authorized/permitted under State and/or local law to perform such services.

VIII TERMINATION

If the BHA 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 BHA fails to comply with the terms and conditions of this Agreement, the County will give notice to the BHA, the Partnership and the Partnership's limited partners in writing of its failure to comply. The BHA 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 BHA 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 BHA and a failure by the BHA or the Partnership's limited partners 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 BHA, the Partnership or the Partnership's limited partners may take such remedial actions under the law as are available to cure the default, including specific performance. A cure pursued by the Partnership's limited partners shall be accepted or rejected on the same basis as a cure by the Partnership or the BHA.

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 BHA 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 BHA

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 and with the exception of events arising from the gross negligence or willful misconduct of the County, the BHA 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 third-party claims, demands, actions, or judgments which result from the activities to be performed by the BHA, its agents, employees, or subcontractors pursuant to this Agreement.

XII ASSIGNABILITY

The BHA 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 BHA 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 BHA.

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 BHA.

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 THE BHA and to the Partnership: Housing Authority of the City of Bellingham
Attn. Executive Director
208 Unity Street
Bellingham, WA 98225

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

Partnership's limited partner: RBC-Samish Way III, LLC
c/o RBC Community Investments, LLC
600 Superior Avenue
Suite 2300
Cleveland, OH 44144
Attention: President and General Counsel

With a copy to: Bocarsly Emden Cowan Esmail & Arndt LLP
633 West Fifth Street, 64th Floor
Los Angeles, CA 90071
Attention: Kyle Arndt

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 BHA 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 BHA 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 Whatcom County, Washington.

XIX RECORDING

Upon execution of this agreement by the parties hereto, the County shall cause it to be posted on the County website, or otherwise published pursuant to the requirement contained within RCW 39.34.040.

Each signatory below to this agreement represents and warrants that he or she is duly authorized agent of the respective party and has legal authority to enter into the agreement and to bind the party thereto.

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

EXECUTED, this _____ day of 10/24/2021, 2021, for the **HOUSING AUTHORITY OF THE CITY OF BELLINGHAM:**

DocuSigned by:
Brien Thane
183F9FA630B3463...
Brien Thane, Executive Director

EXECUTED, this _____ day of 10/24/2021, 2021, for **WHATCOM COUNTY:**

Approved: Accepted for Whatcom County:

DocuSigned by:
Satpal Sidhu
119207C18B864E3...
Satpal Sidhu, Whatcom County Executive

Approved as to form:

Christopher Quinn per email 06.29.2021 & 9/17/21
Chief Civil Deputy Prosecutor Date

Attachment B

Bellingham Housing Authority – Samish Way Development Phase 3
Loan Draw Down Requirements

Following commencement of project construction, the loan may be disbursed in full (\$725,000) upon written request for the funds from Jennifer Weinstein, Director of Asset Development for Bellingham Housing Authority. 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.

Attachment C

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: Housing Authority of the City of Bellingham

Applicant Address: 208 Unity Street, Bellingham, WA 98225

Applicant Contact Person: Jenny Weinstein

Applicant Email and Phone Number: jenny.weinstein@bellinghamhousing.org and 360-715-7325

PROJECT TITLE

Samish Way Redevelopment Phase 3 – Public Infrastructure

PROJECT AMOUNT REQUESTED

\$ 725,000 EDI TOTAL - (Loan \$ 725,000 ; Grant \$ See page 4)

\$ 7,000,000+ Local Match (10% of EDI request minimum)

PROJECT TYPE

Jobs In Hand Build It And Jobs Will Come Community Enhancement

PROJECT TERMS

Loan Only p. 4? _____ Grant/Loan _____ Grant Only
If a loan, term requested: 20 (years)

PROJECT LOCATION: 1331 E. Laurel Street, Bellingham WA

PROJECT DESCRIPTION

(one page limit)

The Housing Authority of the City of Bellingham (“BHA”) is continuing its multi-phase mixed-use development. Samish Way Redevelopment Phase 3 (“Samish Commons Family”) is at the north end of the Samish Way Urban Village, an area targeted by the City of Bellingham (“CoB”) for development. Since our first phase of construction was planned the urban village has seen an explosion of growth, demonstrating the market for development and need for new infrastructure to accommodate the market. In addition to 49 apartments affordable for the workforce, this phase of Samish Commons will add structured parking, commercial space for a new Early Learning Center (“ELC”) and build upon the previous road improvements to the urban village, particularly along Laurel Street. We will also continue the public powerline reconfiguration for this project. These vital improvements to the infrastructure of Samish Way will be a benefit to the whole urban village area.

Last Updated: 11/18/13

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 X No

BHA is in the process of securing the remaining necessary funds. Attachment 1A provides a summary of our financial sources. In addition to EDI, we anticipate applying to the County's Homes Affordable for the Workforce (HAFTW) for approximately \$175,000 to pay some impact fees and utility connections, and we are working with the County Department of Health to secure HB1406 and HB1590 sales tax revenues to cover our remaining gap.

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

Phase 3 of Samish Commons is utilizing a complicated financing structure that leverages a combination of public funding, federal tax credits, tax-exempt bonds, and private conventional financing. RBC Capital Markets, Inc. has signed on to be BHA's private investor for the federal tax credits that we secured for the project. The tax credits provide over nine million dollars to fund the construction of this project. BHA is also putting in over \$7M using proceeds from the sale of our 24 scattered sites. Finally, BHA will be utilizing a conventional loan serviced by Banner Bank for approximately \$3.7M.

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

The City of Bellingham has required BHA to complete the reconstruction of Laurel Street, including curb, gutter, sidewalk, and drainage improvements. The high voltage and standard powerlines surrounding the site must be relocated and reconfigured. BHA will also be constructing a parking podium for residents and employees of BHA and the Early Learning Center space, which will alleviate the parking shortage in the growing urban village and allows us to maximize density for housing. The Early Learning Center commercial space will be part of our third residential building on the site, located at the corner of Samish and Abbott, facing Laurel street. This location was chosen due to the ease of access and heightened visibility from the street or sidewalk as people travel along Samish Way. The emphasis on visibility lends itself to the City's design standards for Urban Villages, which states street level spaces should be visually engaging. The Early Learning Center will help address a critical need for our workforce and meet the mixed-use requirement for the lot's zoning designation of Commercial Transition 2.

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

The improvements to public infrastructure at our project will benefit the entire urban village and surrounding environment. As one of the first large developments proposed in the urban village, Samish Commons is a catalyst for the transformation of Samish Way from an auto-oriented driving corridor to a walkable urban village with attractive residential development and commercial opportunities for the local community to spend time and money on. Additionally, the infusion of 171 new households will increase overall demand for nearby goods and services.

Last Updated: 11/18/13

Whatcom County Economic Development Investment (EDI) Program

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

5. List all permits and environmental reviews required for the public project and detail their status (completed, in-process, etc.)

	In Process	Date Completed
Preliminary Engineering	_____	<u>12/31/19</u>
Environmental Review	_____	<u>10/24/19</u>
Design Engineering	_____	<u>1/08/21</u>
Right-of-Way	_____	<u>11/30/20?</u>
Construction Permits	<u>5/31/21</u>	_____
Environmental Permits	<u>5/31/21</u>	_____
Bid Documents	<u>4/15/21</u>	_____
Award Construction Contract	<u>5/01/21</u>	_____
Begin Construction	<u>08/01/21</u>	_____
Project Operational	<u>03/01/23</u>	_____

6. Are any other public jurisdictions involved in this project? If so, in what way?

The Housing Authority of the City of Bellingham is committed to this important project and has invested a sizeable amount of funding into this project, not to mention staff time and resources. BHA has also solicited funds from the City of Bellingham, and we anticipate the City's final funding commitment this summer. The Washington State Housing Finance Commission administers and oversees the Low-Income Housing Tax Credits and tax-exempt bond financing that is a major component of this project. The previous phases of Samish Commons also have funding from the State of Washington.

7. Who will maintain the public facility/infrastructure to be completed with EDI funds? Will this project impact utility rates within the jurisdiction?

Puget Sound Energy Services will maintain the electrical distribution utilities. Utility rates will not be impacted. The City of Bellingham will maintain the road improvements.

8. Will this project directly generate a revenue stream that could be used to repay an EDI loan? Will this project spur indirect revenues that could be used to repay an EDI loan? If no to either question – why?

Our current financial model demonstrates cash flow and a debt coverage ratio that supports a limited revenue stream able to repay a loan from the EDI.

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).

As mentioned previously, this phase of Samish Commons does not have any state funding from the WA State Housing Trust Fund, whereas both previous phases do. This is largely because of the competitive nature of the state's limited funding and the higher income (60% AMI) population that will be served in this phase of

Last Updated: 11/18/13

Whatcom County Economic Development Investment (EDI) Program

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

Samish Commons. BHA submitted applications to the state two years in a row but was not awarded funds. For several years, the state’s Housing Trust Fund has been directed by the Legislature to serve individuals and families at the lowest income ranges, specifically those experiencing homelessness. Due to the density of Samish Commons our goal was to create a mixed-income setting, which makes this final phase of “workforce housing” less competitive for resources targeted at the lowest incomes.

BHA has considered multiple private and public funds and applied to all possible known sources for the residential portion of our project. Most public funders will not assist with non-residential construction. Due to zoning regulations the podium parking and Early Learning Center are critical to this project’s success. In addition to EDI, we anticipate applying to the County’s Homes Affordable for the Workforce (HAFTW) for approximately \$175,000 to pay partial impact fees and utility connections. We are working with the County Health Department to secure HB1406 and HB1590 sales tax revenue to cover our remaining gap.

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).

The site work, structured parking podium, and the commercial area will be supported by this public facility contract. BHA has been working with The Center for Retention & Expansion of Child Care – NW, operated by the Opportunity Council, and the WA Department of Children, Youth, and Families to plan the layout as we start to solicit potential Early Learning Center providers. We will also have a commercial real estate broker on retainer to assist with marketing and lease-up of the space if the need arises in the future. BHA will also be relocating our administrative offices to Samish Commons.

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

The road and right-of-way improvements are mandated by the City of Bellingham for the site to be developed. The high voltage and standard powerlines surrounding the site must be relocated and reconfigured in order to maximize the number of residential units.

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).

	In Process	Date Completed
Environmental Review	<u> </u>	<u>10/24/2019</u>
Construction Permits	<u>5/31/21</u>	<u> </u>
Environmental Permits	<u>5/31/21</u>	<u> </u>

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?

BHA’s multiphase development was designed to be a catalyst for redeveloping Samish Way into a vibrant urban village that attracts all types of commerce, including restaurants and entertainment. BHA successfully advocated for this urban village to be designated a federal Opportunity Zone, which provides federal tax incentives to investors. With all the development currently happening at Samish Way, including new

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Whatcom County Economic Development Investment (EDI) Program

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

residential buildings, BHA wanted to attract a business that could provide an essential service that is significantly lacking in our community. BHA and the Opportunity Council have partnered together to develop an Early Learning Center for our commercial space, providing a benefit to working families in the community in need of childcare.

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*					N/A
Technical/Prof					
Office/Clerical	3	4		\$18.00	\$37,000
Production	547			\$25.00	\$52,285
Sales					
Skilled Crafts					
Others	3		15	\$13.00	\$25,000
Totals	553	4	15	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.

- a. Projected annual gross payroll for all job classifications \$ _____
- b. Describe fringe benefits the company offers to regular full time employees?
(health insurance, retirement plans, etc.)

Construction workers on this project will be offered benefits or paid the cash equivalent of their fringe benefits based on their job classification.

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

Samish Commons will support Whatcom County's economy through catalyzing private redevelopment of this up-and-coming urban village and creating additional commercial space. This project will also provide affordable housing to working families who fall below the Area Median Income in Whatcom County, freeing up their income for spending in the local economy. The construction of the whole site will sustain many full-time construction jobs over a 4-5-year period, as well as supporting jobs in the A&E market. Urban Village infrastructure is a priority on the CEDS list, and the infrastructure planned for this stage will help develop the urban village.

Last Updated: 11/18/13

Whatcom County Economic Development Investment (EDI) Program

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

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?

This development will meet the WA State Evergreen Sustainable Development Standard, positively impacting the environment through energy and water conservation and the use of durable, environmentally friendly building materials. Construction waste will be minimized, and erosion controlled during construction. Structured parking eliminates the contaminated storm water including heavy metals created by surface parking. BHA completed a federal NEPA review that determined our project would not negatively affect the environment. Samish Commons will also positively impact public health and the quality of life by providing safe, affordable homes and reducing homelessness. It is well documented that substandard, unaffordable housing negatively impacts public health and significantly impairs individuals' abilities to participate in the workforce.

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?

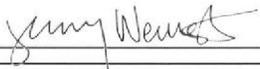
This development consummates a long process and joint effort by the City of Bellingham and BHA to redevelop the condemned Aloha Motel site. Demolishing the meth contaminated building and building new affordable rental homes and commercial spaces will contribute to declining crime rates by creating an attractive, pedestrian-friendly neighborhood.

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.

Quantifiable outcomes of our development include expanding the tax base by establishing new businesses on-site and catalyzing additional private redevelopment in the area, which can already be seen by the construction of the new residential buildings being constructed along Samish Way. Providing apartments that are affordable to a broad range of incomes and ages will help stabilize the workforce by reducing residents' rent burden, which frees up expendable income for other needs and discretionary spending in Whatcom County. These can be measured through sales, business & occupation tax receipts, and building permits issued in the urban village.

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 5/19/2021

Attachment 1A

Samish Commons Phase 3 - EDI			
<u>Funding Source:</u>	<u>Amount</u>	<u>Planned/ Applied for</u>	<u>Secured</u>
Private Equity (Federal Tax Credits)	\$ 9,240,054.00	Yes	Yes
Permanent Conventional Loan	\$ 3,700,000.00	Yes	Yes
Bellingham Home Fund (Acquisition)	\$ 552,750.00	Yes	Yes
Bellingham Home Fund (Construction)	\$ 3,275,000.00	Yes	Partially
Whatcom County EDI Program	\$ 725,000.00	Yes	No
Whatcom County HAFTW	\$ 175,000.00	Application in Process	No, Estimated Amount
BHA Funds	\$ 7,282,696.00	N/A	Yes
HB 1406	\$ 525,000.00	Planned	No
Total	\$ 25,475,500.00		

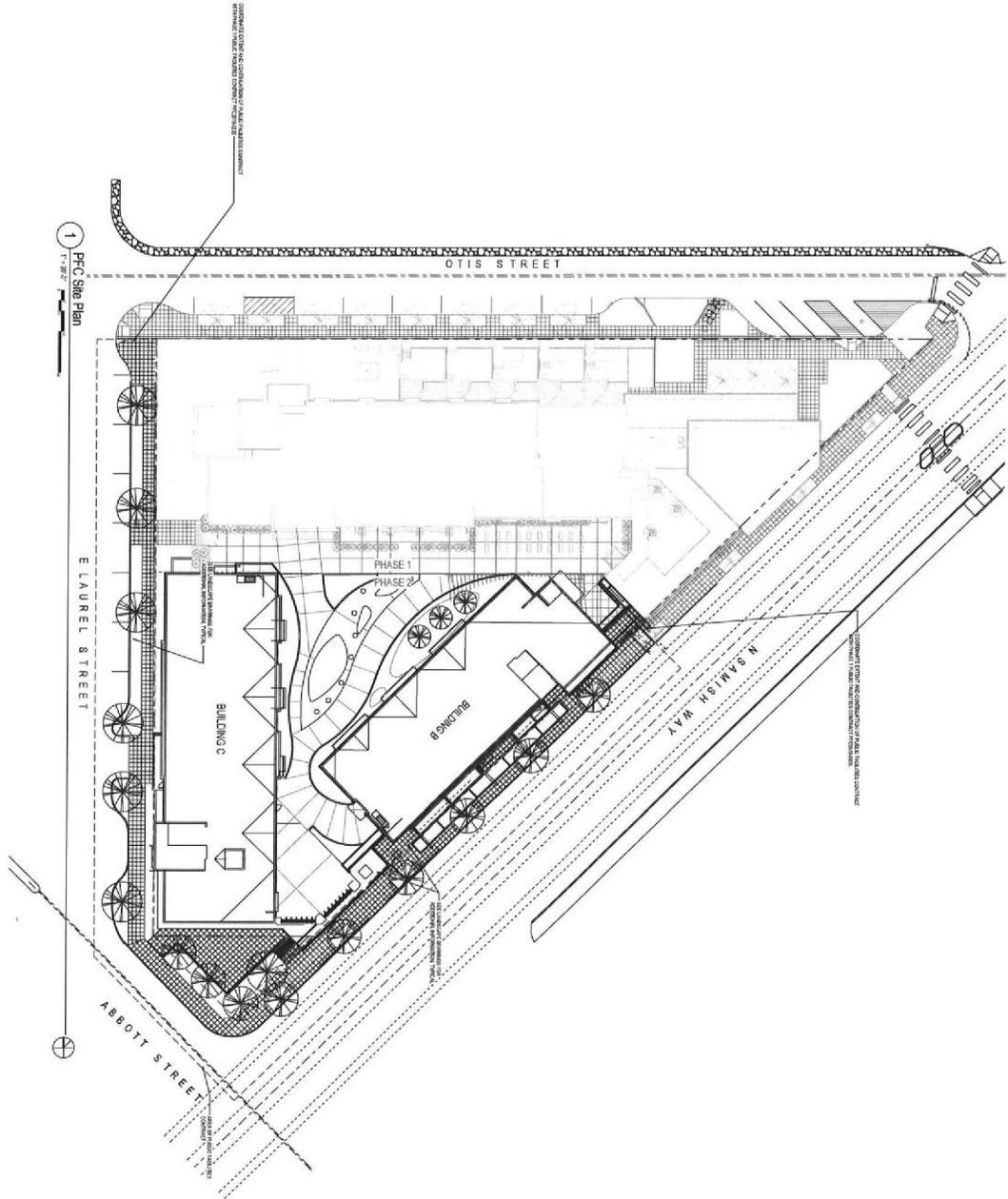
Samish Way Redevelopment - Phase II
DD Estimate

ESTIMATE NO. DD-01

Feb 5, 2021

Bid Item	Phase	Public Facilities Contract Work Description	Quantity	U/M	Line Subtotal	ALLW B/O NIC
					0	
		Demo Existing Driveways (Laurel)	1,100.00	SF	15,400	
		Survey and Layout (ongoing with Trimble)	1.00		9,000	
					0	
	310000	Earthwork	1.00	LS	670,572	
		Laurel Street Rebuild for Paving	10,000.00	SF	Above	
		Laurel Street Prep for Sidewalk & Planters	5,000.00	SF	Above	
		Samish Way Prep for Sidewalk & Planters	3,525.00	SF	Above	
		Sawcut for Water	250.00	LF	Above	
		6" DI Water Pipe	125.00	LF	Above	
		Hydrant Assembly	2.00	EA	Above	
		Sawcut for Stormwater	400.00	LF	Above	
		8" PVC SD Pipe	95.00	LF	Above	
		Modular Wetland	1.00	EA	Above	
		Sawcut for Sanitary Sewer	80.00	EA	Above	
		8" PVC Sanitary Sewer	33.00	LF	Above	
		Demo Laurel Asphalt Pulverization Concrete	900.00	SF	Above	
		12" CPP	286.00	EA	Above	
		Type I Structures	7.00	EA	Above	
		Offsite Traffic Control	1,000.00	HRS	Above	
	320000	Barrier Curb	80.00	LF	1,600	
		Curb and Gutter	639.00	LF	14,058	
		Sidewalks	6,400.00	SF	44,800	
		Replace Existing Driveways (Laurel)	1,100.00	SF	11,000	
		Asphalt Paving	10,800.00	SF	54,000	
		Patch Road	710.00	SF	4,260	ALLW
		Striping	80.00	LF	160	
		Landscaping	1.00	LS	20,000	
		Site Improvements			0	
					0	
					0	
		TOTAL			844,850	

W:\20.002.90 Samish Way Precon-Phase 2\40. Estimates\02. DD Estimate\Samish Way Phase 2 DD Estimate - 06
Revised Contingencies per BHA.xlsx
Revised: 7/1/20



A101
PFC & SITE

PFC SITE PLAN

DATE: 11/15/2011
 DRAWN BY: J. HARRIS
 CHECKED BY: J. HARRIS
 PROJECT: SAMISH COMMONS, PHASE 2
 SHEET: PFC & SITE

Samish Commons, PHASE- 2
 Design Review - Public Facilities Contract & Site
 321 N. Samish Way, Bellingham WA 98225
 Samish Way Senior Housing, LLLP
 Samish Way Family Housing, LLLP

RMC ARCHITECTS

RMC Architects P.O. Box 1023 Bellingham, WA 98225
 P: 360.871.7171 F: 360.735.5448 www.rmcarchitects.com



Satpal Singh Sidhu
Whatcom County Executive



MEMORANDUM

TO: Satpal Sidhu, County Executive

FROM: Tyler Schroeder, Deputy Executive

RE: Housing Authority of the City of Bellingham –
Samish Way Redevelopment Project, Phase 3 Interlocal Agreement

DATE: August 30, 2021

Attached is an interlocal agreement between Whatcom County and Housing Authority of the City of Bellingham for your review and signature.

- **Background and Purpose**

The insufficient supply of affordable housing in Whatcom County has created housing instability for low-income households. The Housing Authority of the City of Bellingham owns Samish Commons, which provides apartments to low-income households in Whatcom County. Phase 3 of the development of Samish Commons includes the construction of 49 new apartments which will be offered to low-income households and create an opportunity for households to secure stable housing.

This interlocal agreement was approved by Council on August 10th, however, shortly thereafter, the contractor requested changes to the loan terms that were significant enough to deem review and approval by the County Council. The loan term was changed to better accommodate the BHA's financing plan. The proposed loan terms are to satisfy lending requirements from BHA's other private loan and tax credit funders and are similar to the terms that the City of Bellingham provide for affordable housing projects through the Bellingham Home Fund.

- **Funding Amount and Source**

Funding for this Agreement may not exceed \$725,000 and is provided through the EDI Fund. Council approval is required per RCW 39.34.030(2) for agreements between public agencies.