

Minutes of Whatcom County EDI Board Meeting

Virtual GoToMeeting

May 27, 2021 – 9:00 a.m.

Board Members present at Meeting:

Satpal Sidhu, County Executive	Seth Fleetwood, City of Bellingham Mayor
Tyler Schroeder, Deputy Executive	Scott Korthuis, City of Lynden Mayor
Stephen A. Jones, Agricultural Industry	Barry Buchanan, Whatcom County Council
Ken Bell, POB Commissioner	Don Goldberg, Associate Development Org.
Christine Grant, PUD#1	Bonnie Onyon, City of Blaine Mayor
Guy Occhiogrosso, Chamber of Commerce	

Board Members absent:

Jim Kyle, Fishing Industry	Aubrey Stargell, Timber Industry
David Franklin, At-Large	

Staff present:

Suzanne Mildner, County Executive Office; Jed Holmes, County Executive Office

Guests present:

Steve Jilk, PUD#1	Don Korthuis, Front Street Station
Gina Stark, Port of Bellingham	Jenny Weinstein, Housing Authority
Steve Banham, Lynden Public Works	Mike Martin, City of Lynden
Paul Schissler, Community Planner	Michael Jones, City of Blaine

1. Welcome and Introductions

Chair Sidhu welcomed everyone and called the meeting to order.

He began by commenting on the EDI Program's focus on infrastructure investment. He spoke about the program's grant/loan split policy and he believes the use of grants should be minimized, used only on the rare occasion when it's the only possible course (last resort) for project success. As for loans, they will be granted with a low interest rate and can go for longer terms; lastly, the applicant should offer a 20% match (currently 10% is required). There was a brief discussion with a couple of the Mayors commenting on their continued support of the 1/3 and 2/3 split formula; grants often tip the scale to allow a project to proceed; the grant opportunity makes the EDI Program unique.

Deputy Executive Schroeder conducted roll call of board members – 11 members present, and guests were acknowledged and welcomed.

2. EDI Fund Review – Projected Cash Balances as of 12/31/21

DE Schroeder briefly went over the handout which outlined the cash balances in the rural sales tax fund: 30% to capital facilities, 35% to grants and 35% to loans. Total estimated cash balance at year end is \$16.8-million. He noted there was an emergency loan from the fund for COVID response, this occurred in early 2020, and the loan is about to be repaid. Mayor Korthuis pointed out that once repaid the fund's cash balance will be approximately \$20.8-million.

3. Port of Bellingham's Rural Broadband Project – application review

Don Goldberg introduced this project for which the Port has been given (State) authority to lead in bringing to Whatcom County. He introduced Gina Stark, project manager, who manages this project. Ms. Stark reviewed the power point presentation which included project background, goals, and an overview of scope for bringing open access dark fiber to high need areas in a phased approach. The Port will partner with ISP to provide the last mile connection to service homes, and will operate and maintain the system once in place. The overall project budget is estimated to be \$13.8-million; the Port is requesting \$6-million in EDI dollars, to be phased over 3 years. The success of securing other federal and state dollars relies on the commitment of the county in support of this project, and the EDI Program offers that opportunity. Discussion followed. Mayor

Korthuis raised the question of whether or not the new American Rescue Act dollars could be a possible source for funding as well. Ms. Stark pointed out that federal dollars can't be matched with other federal dollars on a project. There is also much to learn about eligible uses of the ARA funding. Mr. Goldberg clarified that the Port is asking for an initial EDI investment of \$2-million for this year; they would return to the board in another year with a project update and additional request. Commissioner Bell commented on the importance of creating competition for ISP providers region by region. Executive Sidhu expressed his support for the project and the \$2-million investment. He made a motion to recommend approval of an EDI grant in the amount of \$2-million to be used as matching funds for leveraging additional federal/state dollars. Commissioner Bell seconded the motion. A vote was taken and the **motion carried unanimously 11-0.**

4. City of Lynden's West Front Street Improvements Project -EDI Application

Mayor Korthuis introduced staff and recused himself from further discussion on this project. Mike Martin began by commenting on the project history and status, noting it is on the CEDS list and it meets the EDI goals. He then introduced Steve Banham, Public Works Director, who provided a power point presentation, highlighting the changes that have been made since early 2020 (when a prior application went to the board). There has been significant reduction in costs and scope, and the local match has been increased. Approximately 2,000 feet of roadway will be improved to an "all weather" standard including sewer and storm drainage utilities. The fund request follows EDI guidelines with a 1/3 grant (\$666,677) and 2/3 loan (\$1.3-million). Mr. Goldberg commented that he supports this application which is much improved over the last one. Executive Sidhu supports the project but suggested the grant amount be reduced to \$300,000 and the loan increased to \$1.7-million with a 5-year deferral on loan payments. Mayor Onyon also supports the project as it is currently presented; it is an ideal EDI project. She made a motion to recommend approval of the EDI application as written (\$666,667 grant and \$1,333,333 loan for 20-year term). Councilmember Buchanan seconded the motion. There being no further discussion, a vote was taken and the **motion carried 10-0-1 (Mayor Korthuis abstained).**

5. Bellingham Housing Authority's Samish Way Redevelopment Phase 3 – EDI Application

Jenny Weinstein, Project Manager, offered a brief overview of the project status along with a power point presentation. This is a multi-phased mixed-use development which will result in 171 units upon completion. The estimated project budget total for phase 3 is \$25.4-million and the EDI fund request is for an additional \$725,000 loan. Executive Sidhu strongly supports this project. Mayor Korthuis made a motion to recommend approval of the application as presented. The motion was seconded by Executive Sidhu. A vote was taken and the **motion carried 10-0-1 (Guy Occhiogrosso abstained).**

6. Other business – DE Schroeder noted the final agenda item, an update on the Affordable Housing/Workforce program, would be tabled for discussion at the next EDI Board meeting. Mr. Occhiogrosso commented that he'd like to get involved in the work currently underway with this program. DE Schroeder agreed and noted that the workgroup is making progress and he hopes to come to the board with an update at the next meeting.

Meeting was adjourned at 10:33 a.m.

NEXT MEETING DATE: TBD

Respectfully Submitted,
Suzanne Mildner, EDI Board Clerk
Whatcom County Executive Office