

EXECUTIVE'S OFFICE

County Courthouse
311 Grand Ave. Suite #108
Bellingham, WA 98225



Satpal Singh Sidhu
County Executive

MEMORANDUM

TO: Whatcom County Council members

THROUGH: Satpal Sidhu, County Executive

FROM: Tyler Schroeder, Deputy Executive

RE: EDI Board Recommendation – Countywide Infrastructure Program

DATE: May 3, 2022

The EDI Board is requesting the County Council to adopt a recent Board's recommendation to provide funding from the EDI Fund to support the construction of 12 countywide infrastructure projects.

▪ **Background and Purpose**

In 2021, the County Council considered utilizing ARPA funds to stimulate the economy by funding Countywide infrastructure projects. At that time, there were questions about how this program would be developed and if it was more appropriate to use the EDI fund for these types of projects. In coordination with the City Mayors and representatives of the Port of Bellingham it became clear that the EDI Fund is the most appropriate funding source and that the fund has an available balance to accomplish the project list.

To facilitate this "on-time" investment in infrastructure throughout the County the Administration worked with the representatives to develop the funding allocations. This funding allocation is proposed to have a 50% match from the EDI fund to the local jurisdictions 50% investment in the projects. The 50% match from EDI will be broken into a $\frac{3}{4}$ grant and $\frac{1}{4}$ loan. This allows the jurisdictions the upfront money needed to accomplish the projects while keeping a loan component in the EDI fund for long term stability for funding future projects.

The EDI board considered the project list and funding allocations in Exhibit A at their April 27th meeting. Additional details on the projects are also provided in the project "white papers". After thorough discussions on the economic benefit of the projects and the existing fund balance the EDI Board unanimously approved the list for Council consideration.

- **Funding Amount and Source**

\$10.675 Million dollars will be drawn from the EDI Program's loan and grant program and the existing loan repayment balance. This will include \$8.6 Million in grants and \$2 Million in loans. With the matching funds from the local jurisdictions these local dollars will be leveraged to accomplish approximately \$27.3 Million worth of community economic development projects throughout Whatcom County.

Over the last few years the EDI fund has developed a very sizable fund balance. This is in large part to the loan program that the County has been utilizing since the development of the program. The Loan Interest and Repayment section of the fund has an estimated balance of approximately \$13 Million at the end of 2022. The Grant and Loan program has an estimated balance of \$4.25 Million. In total, the program, excluding the County's Capital Facility portion, has approximately \$17.25 Million available to spend. With the approval of these subject projects the fund will still have approximately \$6.5 million in estimated fund balance at the end of 2022.

On an annual basis, the Grant and Loan portion of the fund collects approximately \$4 million a year. With the approval of these projects, the Grant and Loan portion of the EDI Fund is still projected to have a fund balance of close to \$10 Million at the end of 2023.

With Council approval of the requested funding, the Administration will enter into an infrastructure loan and grant agreement with each jurisdiction for their respective EDI infrastructure allocation.

- **Requested Council Motion**

The County Administration, with unanimous support from the EDI Board, requests the County Council to make a motion approving the 2022 Economic Development Infrastructure Project list for funding from the EDI Fund and requests the Administration to prepare the corresponding budget supplement and interlocals.

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

Enclosure

	EDI 50% Request	County Request EDI		City Costs	Total	Description
		3/4 Grant	1/4 Loan			
Lynden						
Rec Center	\$ 250,000	\$ 187,500	\$ 62,500	\$ 250,000	\$ 500,000	Capital Facility - Building preservation
Community Center	300,000	\$ 225,000	\$ 75,000	300,000	600,000	Capital Facility - Building preservation
Grover Street Pavement Preservation	500,000	\$ 375,000	\$ 125,000	500,000	1,000,000	Infrastructure - street improvement
Trail Connector	500,000	\$ 375,000	\$ 125,000	500,000	1,200,000	Capital Facility - Community Trail
South Park Water and Street	700,000	\$ 525,000	\$ 175,000	1,000,000	1,700,000	Infrastructure - Storm and Water
Blaine						
Harvey Water Pump Station	\$ 500,000	\$ 375,000	\$ 125,000	\$ 500,000	\$ 1,000,000	Infrastructure - Water
Sewer Rehab	2,500,000	\$1,875,000	\$ 625,000	5,000,000	\$ 7,500,000	Infrastructure - Sewer
Ferndale						
Emergency Intertie Water	850,000	\$ 637,500	\$ 212,500	1,000,000	\$ 1,850,000	Infrastructure - Water
Church Road Booster Station	250,000	\$ 187,500	\$ 62,500	500,000	\$ 750,000	Infrastructure - Water
Skatepark	200,000	\$ 150,000	\$ 50,000	1,000,000	\$ 1,200,000	Capital Facility - Parks and Rec
Port of Bellingham						
BST Terminal Power/Telecom Utility	1,500,000	\$1,125,000	\$ 375,000	1,500,000	\$ 3,000,000	Infrastructure - Electrical/Telecom
City Of Bellingham						
Meridian Birchwood Phase I	3,500,000	\$2,625,000		4,375,000	\$ 7,000,000	Infrastructure - Road
Other						
Total Infrastructure Requests	11,550,000	\$ 8,662,500	\$ 2,012,500	16,425,000	\$ 27,300,000	