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*Whatcom County Executive*



## MEMO

Date: Oct 19, 2021  
To: Whatcom County Council  
From: County Executive Satpal Sidhu *Satpal Sidhu*  
RE: Aid options for Point Roberts

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### Summary

A number of households in Point Roberts are facing economic uncertainty after exhaustion of unemployment benefits. Upcoming changes in border travel restrictions will likely not be sufficient to prompt the return of Canadian visitors and property owners, as long as Canadian testing requirements remain in force. Several options are being considered for potential aid to the community.

### Background

The CARES Act and other federal programs that expanded and extended unemployment benefits expired the week ending September 4, 2021. The federal extension was distributed to individuals who had exhausted their state benefits (typically exhausted within 26 weeks). ESD reports that 59 individuals living in Point Roberts claimed the federal benefits during the final week of the benefits' availability. The average benefit to unemployed residents of Point Roberts during 2020 and 2021 was \$615.85.

On September 14, the Council supported the County Executive's request to tentatively set aside \$250,000 from American Rescue funds for emergency aid to Point Roberts, with the aim of leveraging state funding to maximize the impact of those dollars. On September 20, the State Department of Commerce announced its Border Business Relief Program for businesses that have experienced hardship specifically as a result of the COVID-19 border restrictions.

The Commerce grants to eligible businesses will be up to \$50,000. These award amounts will vary and will consider previous Working Washington awards received from Commerce or affiliated partners. Businesses with 2019 gross revenue in excess of \$5 million are not eligible for the state grants. This eligibility criteria excludes the sole grocery store in Point Roberts and one or more fuel stations.

### Re-Opening and Testing Requirements

The White House announced that it would open the Canadian border to non-discretionary travel starting Monday, November 8. However, under Canada's current travel regime, all returning Canadians are required to perform a COVID test in the US prior to returning. Considering the costs and time involved, this represents a significant hurdle for Canadian travelers and property owners.

Canada's travel regime includes a specific testing exclusion for "habitual residents" of Point Roberts. The County Administration is working with the Governor's Office and our federal representatives to see if a similar testing exemption could be made either for Canadian property owners in Point Roberts or all individuals using that particular border crossing.

If no changes are made ahead of November 8, then the relaxing of travel restrictions by the US will not significantly change the economic situation for Point Roberts or other impacted communities along the border.

### **Possible actions steps**

One or several of the following actions may be considered to respond to the community's needs.

1. **Grants to impacted individuals** – temporary and partial replacement of exhausted unemployment benefits. For example, 75% of average benefits for 6 weeks result in a one-time grant of \$2,768. If 50 individuals were determined to be eligible, the total cost of this program would be \$138,400. ESD has indicated a willingness to provide verification of grant applications.
  - Considerations – provides direct aid to most highly impacted families; high administrative burden for implementation; may need to be extended if conditions do not improve; inequitable for similarly impacted families outside Point Roberts.
2. **Bonuses to businesses which hire unemployed individuals** – one-time grants to incentivize businesses to hire Point Roberts residents who were recent recipients of unemployment benefits. For example, a \$3000 grant per new hire who is retained on payroll for at least 8 weeks. If 50 new hires are covered, the program would cost \$150,000
  - Considerations – incentivizes hiring, providing direct aid to businesses and indirect aid to recently unemployed individuals; may not produce sustained employment if economic conditions remain unchanged; slow and inefficient in helping impacted families.
3. **Grants to impacted businesses ineligible for state grants** – one-time grants to stabilize key businesses which are ineligible for state grants but impacted by the border restrictions. For example, allocating \$25,000-\$50,000 to ensure the continuity of the provision of essential goods and services.
  - Considerations – ensures access to essential goods and services; no significant impact on unemployed individuals (if not implemented in conjunction with other aid programs).

Recognizing that the options described above are stop-gap measures, it would be helpful to hear from Council which of these options they are interested in pursuing, so that staff may develop parameters. While the administration would like to move quickly, the first two options are unlike any program previously undertaken by Whatcom County and will require time-sensitive due diligence.