

From: [Noveck, Jennifer](#)
To: [Rud Browne](#); [Lisa Bruner](#)
Cc: [Goldberg, Don](#)
Subject: FW: EXTERNAL - RE: Affordable Child Care Letter & Proposed Resolution
Date: Tuesday, May 11, 2021 3:26:54 PM

Dear Councilmember Browne and Lisa,

Below is the direct response from Ryan Allsop, a voting member of the Whatcom County Business and Commerce Advisory Committee, regarding the affordable childcare proposed resolution.

As of right now, this is the only response we have received directly.

Many thanks.

Best,
Jennifer

From: Ryan Allsop <ryan.allsop@allsop.com>
Sent: Tuesday, May 11, 2021 10:00 AM
To: Noveck, Jennifer <jennifern@portofbellingham.com>
Cc: Goldberg, Don <dgoldberg@portofbellingham.com>
Subject: EXTERNAL - RE: Affordable Child Care Letter & Proposed Resolution

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Jennifer,

Sorry for the slow response. Not sure how you want the feedback but here are my thoughts. I did speak to a couple of people I know in the childcare space to better understand some of their current issues.

First I want to say as a business owner with employees that fight for child care space as well as struggle to pay for it in Whatcom County there is a real need to help the working class. I also have 2 kids and the math didn't work for awhile in my own household so my wife took 3 years off work until we felt comfortable hiring a private nanny or putting our kids in a coop pre-school (cheaper than most as it uses parent volunteers to keep costs down and we did fund raiser to offset costs). keeping working moms/dads in the workforce would be a great benefit to many employers.

Here are my basic thoughts:

Buying buildings specific to childcare seems up front like a decent idea until you think about the operators that will be the tenants. The childcare industry is not really rich in business leaders, visionary, profit driven people. Some might say this is a good thing but it isn't as a landlord and that is the position the County would be in if it builds/owns a bunch of childcare specific buildings. In the end the county could easily be left sitting on a bunch of use type specific buildings that they have to

maintain forever. Also, I understand the money should be spent in 3 years...it is going to be almost impossible to find land, permit and build buildings in our county with the current processes in place.

I would HIGHLY encourage the county to look at other ways to invest the money. One idea would be to buy/fund commercial real estate like multifamily (could be low income property with a guaranteed return) or office buildings that are good investments (cap rate of 5 or higher).

Essentially the goal being to create an income stream forever that re invests it's profits into child care in the form of subsidies for families that can't afford it or to increase the return paid to child care companies (currently the state reimbursement is so low the math doesn't work from what I understand). Following a program similar to King Co or the City of Seattle, for each subsidized child enrolled in your facility you are able to bill the city monthly for the difference between what the State reimburses and what it actually costs you to serve each child. The rate is established each year and you turn in your attendance records with a bill each month.

Another idea would be to see the county make forgivable grants to centers for capital improvements, facilities purchases, land acquisition and construction of for new facilities in needed parts of the county as well as investments in staff. Similar to State of WA grants, based on the amount you receive, you have to operate the business for X years and if you do, the grant is fully forgiven.

In my opinion it is the rare case that a public/private partnership works well (similar to the Sportsplex). In the case of the Sportsplex they have a leaky roof and want to do repairs/additions but no banks will finance those as it sits in a public/private partnership and has strange rules around who can do what etc. I can easily see this being an issue with owning the buildings for Childcare centers.

Even if my idea to own investment properties isn't feasible I would take a hard look at turning this money into an endowment of sorts that creates a lifetime of cashflow not just a one-time windfall. Happy to help brainstorm other ideas...

Hope that all makes sense.

Best,

Ryan Allsop

From: Noveck, Jennifer <jennifern@portofbellingham.com>

Sent: Friday, May 7, 2021 2:32 PM

To: Andrew Gamble <oscar1987@yahoo.com>; Bob Pritchett (bob@faithlife.com) <bob@faithlife.com>; Brad Rader (brad@raderfarms.com) <brad@raderfarms.com>; Cara Buckingham <carab@birchequipment.com>; Casey Diggs <casey@bbaybrewery.com>;

clark.campbell@gearaid.com; Debbie Ahl <d.ahl@edgewateradvising.com>; Goldberg, Don <dgoldberg@portofbellingham.com>; Gail Buce <ahsoapandhoney@gmail.com>; Jill Nixon <JNixon@co.whatcom.wa.us>; Paul Burrill <burrillpaul@yahoo.com>; Pete Dawson <pdawson@dawson.com>; Ryan Allsop <ryan.allsop@allsop.com>; Sarah Rothenbuhler <sarahd@birchequipment.com>; Troy Muljat (troy@muljat.com) <troy@muljat.com>; CJ Seitz <cj.seitz@wwu.edu>; Jed Holmes <JHolmes@co.whatcom.wa.us>; Jeff Callander <Olgasanta9@gmail.com>; Eva Schulte <eschulte@whatcom.edu>; Michael Jones <mjones@cityofblaine.com>; Rud Browne <RBrowne@co.whatcom.wa.us>; Satpal Sidhu <ssidhu@co.whatcom.wa.us>; Seth Fleetwood <mayorsoffice@cob.org>; Tyler Schroeder <TSchroeder@co.whatcom.wa.us>

Subject: RE: Affordable Child Care Letter & Proposed Resolution

Importance: High

Gentle reminder that comments for the proposed childcare resolution are due to Council by this coming **Tuesday, May 11.**

From: Noveck, Jennifer

Sent: Wednesday, April 28, 2021 11:24 AM

To: Andrew Gamble <oscar1987@yahoo.com>; Bob Pritchett (bob@faithlife.com) <bob@faithlife.com>; Brad Rader (brad@raderfarms.com) <brad@raderfarms.com>; Cara Buckingham <carab@birchequipment.com>; Casey Diggs <casey@bbaybrewery.com>; clark.campbell@gearaid.com; Debbie Ahl <d.ahl@edgewateradvising.com>; dgoldberg@portofbellingham.com; Gail Buce <ahsoapandhoney@gmail.com>; Jill Nixon <JNixon@co.whatcom.wa.us>; Paul Burrill <burrillpaul@yahoo.com>; Pete Dawson <pdawson@dawson.com>; Ryan Allsop <ryan.allsop@allsop.com>; Sarah Rothenbuhler <sarahd@birchequipment.com>; Troy Muljat (troy@muljat.com) <troy@muljat.com>; CJ Seitz <cj.seitz@wwu.edu>; Jed Holmes <JHolmes@co.whatcom.wa.us>; Jeff Callander <Olgasanta9@gmail.com>; Michael Jones <mjones@cityofblaine.com>; Rud Browne <RBrowne@co.whatcom.wa.us>; Satpal Sidhu <ssidhu@co.whatcom.wa.us>; Seth Fleetwood <mayorsoffice@cob.org>; Tyler Schroeder <TSchroeder@co.whatcom.wa.us>

Subject: Affordable Child Care Letter & Proposed Resolution

Dear Business and Commerce Committee members,

Attached is a letter asking for input on the proposed permanent [affordable childcare resolution](#).

The County Council will take comments and responses until **May 11.**

In terms of who to send your response to, you can:

- Reply directly to myself or Don with your thoughts, we will consolidate all comments to deliver by May 11 (**reminder: please do NOT reply all**, this violates the OPMA)
- Respond to Council via Lisa Bruner, Legislative Clerk, contact information below and email: <mailto:L.Bruner@co.whatcom.wa.us>

Many thanks.

Best,

Jennifer

From: Goldberg, Don
Sent: Wednesday, April 28, 2021 9:47 AM
To: Noveck, Jennifer <jennifern@portofbellingham.com>
Subject: Fwd: Affordable Child Care Letter

See below

Don Goldberg
Director of Economic Development
Port of Bellingham
Direct: 360-715-7376
Mobile: 541-621-3797

From: Rud Browne <RBrowne@co.whatcom.wa.us>
Date: April 27, 2021 at 5:46:50 PM PDT
To:
Subject: FW: Affordable Child Care Letter

Don,
Please deliver this letter to the B&C committee
We are requesting responses by May 11
Thanks

Be well.

Rud
Rud Browne
Councilmember - District One
Whatcom County Council
311 Grand Ave. Suite 105
Bellingham, WA 98225
Phone: 360-820-9494
Email: RBrowne@co.whatcom.wa.us

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From: [Lisa Bruner](#)
Sent: Tuesday, April 27, 2021 12:26 PM
To: [Barry Buchanan](#); [Ben Elenbaas](#); [Carol Frazey](#); [Kathy Kershner](#); [Rud Browne](#); [Todd Donovan](#); [Tyler Byrd](#)

Cc: [Dana Brown-Davis](#); [Cathy Halka](#)

Subject: Affordable Child Care Letter

Good Afternoon,

Attached is the letter being sent out regarding Permanent Affordable Childcare.

Thanks and have a good day!

Lisa Bruner

Legislative Clerk

Whatcom County Council Office

311 Grand Ave., Suite 105

Bellingham, WA 98225

Main : 360-778-5010

Direct: 360-778-5028