



MEMORANDUM

DATE: October 30, 2024
TO: Whatcom County Council
FROM: Executive Satpal Sidhu
RE: Economic Development Investment (EDI) Program

Council Members:

I am pleased to bring forward updates and recommendations for EDI Board modernizations as requested in RES 2023-043 and 2024-018.

The EDI Board met on August 27, Oct 9, Oct 29, 2024 to discuss recommendations of code, guidelines, and biennium financial strategy recommendations.

[RES 2024-018 – draft ordinance with Council priorities](#)

The draft ordinance presented addresses and fulfills the following Council priorities as outlined in Resolution 2024-018.

- The purpose and priorities of the EDI Board to include workforce housing and affordable housing is included in section 2.130.020
- Restructured board size and composition, term limits, County Council approval, regular meetings are included in section 2.130.040 and 2.130.050
- Outdated code language prohibiting investments in residential development was removed
- Guidelines that encourage applications for housing investments has been reviewed by the program guidelines document

[RES 2023-043 – recommendations for the EDI Board](#)

Staff and the EDI Board have been working diligently to fulfill the requests of Resolution 2023-043.

1. Consider a proactive and planned investment strategy for fund balance and revolving loan repayments, inclusive of affordable and workforce housing,

On October 29, 2024, the EDI Board discussed an approach of a 'biennium' financial strategy for EDI investments that would be recommended by the Board to the County Council every two years. The Board has not finalized the strategy for 2025-2026, and will convene again in January 2025 to finish this work.

2. Consider prioritizing affordable and workforce housing projects, up to 120 percent of area median income, for economic development

The Board recommended language in the updated program general policies funding priority to state “Housing projects that create housing for the workforce residents as defined in RCW. 82.14. Projects can include construction of infrastructure and facilities, land acquisition, and directly linked predevelopment expenses.”

3. Consult community and issue a recommendation to Council for dedicating a percentage of the EDI fund balance and a percentage of ongoing revenues to contribute toward housing affordability projects as allowed by state law,

Staff met with the following community members/organizations to discuss housing needs, funding gaps, and listen to suggestions for using EDI funds for housing projects:

- *Paul Schissler, Paul Schissler Associates*
- *Scott Pelton, Whatcom Housing Alliance*
- *Erik Chambers, Whatcom County Public Health*
- *Max Benson, Community Frameworks*
- *Chris D'Onofrio, Whatcom County Public Health*
- *Dan Dunne, Housing Advisory Committee and the Business and Commerce Committee*
- *Mayor Scott Korthuis, City of Lynden*
- *Tyler Schroeder and Rob Fix, Port of Bellingham*
- *Ali Taysi, AVT Consulting*
- *Mauri Ingram, Whatcom Community Foundation*
- *CJ Seitz, WWU Small Business Development Center*
- *Guy Occhiogrosso, Bellingham Regional Chamber of Commerce*
- *Mayor Kim Lund, Tara Sundin, Samya Lutz, Forrest Longman, City of Bellingham*
- *Jori Burnett, reviewed detailed feedback from City of Ferndale*

On October 29, 2024 the EDI Board discussed allocating 20% (approximately \$2.8 million) of the EDI fund balance to housing projects in 2025 and another 20% (approximately \$2.8 million) in 2026. The Board ran out of time to fully discuss and provide a recommendation, and will meet in January 2025 to provide a recommendation to County Council for the 2025 and 2026 funding process.

4. Update guidelines and an application process to request the use of EDI funds for affordable and workforce housing projects,

Staff provided updated guidelines to the EDI Board on October 9 and 29 with robust discussion. County Council is provided with that draft document in this packet. Once guidelines have been agreed upon, staff will update the application process in advance of the 2025 EDI funding process.

5. Propose updates to Board membership to promote more diverse representation amongst economic development sectors, including affordable and workforce housing,

Recommended code is included in this packet.

6. Report to the County Council by December 31, 2024 on recent program changes, proposed program considerations, and recommendations related to the EDI program's role in housing affordability investments.

Updated program guidelines are included in this packet.