

May 5, 2025

Executive Satpal Sidhu Whatcom County Executive

Executive Sidhu,

It is with great excitement that the Port of Bellingham moves forward with the agreement for Economic Development Investment (EDI) funds to bring a long-discussed project, the Whatcom Ag Research Station, to fruition. As discussed over the years, this project is in partnership with Port of Bellingham, Whatcom County and most importantly the Whatcom County agricultural community. The Whatcom Food and Farming Station non-profit will be the operator of the Ag Research Station. This project is intended to be a transformational economic development project for the future of local agriculture. This investment fills a long-term need and sends a clear message to the community that agriculture plans to be a vital part of our local economy for decades to come.

This partnership started many years ago with an idea to invest in the local agriculture community. The Whatcom County agricultural industries are valued at over \$350 million dollars in annual farm gate value, with 1,483 farms in the milk, raspberry and blueberry industries. Additionally, \$959 million in food processing gross sales with 1,774 jobs. The proposed investment will create Port owned infrastructure that will provide farmers and collaborating scientists the facility to innovate and adapt to changing pressures in this unique and economically important region.

Whatcom County and the Port of Bellingham have been committed to this project for many years, including a first round of funding commitment of \$470,000 in 2018 from the EDI fund. The original concept was to provide funding for the Northwest Washington Fair Agricultural Education Center in collaboration with WSU to support Ag innovation and workforce development. WSU has formalized their commitment to having a stronger presence in the Whatcom County area through a \$1.5 million endowment into berry research and development. Although this original concept did not come to completion it has led to this stimulating investment and economic development project that will serve as a catalyst to leverage new money and resources dedicated to supporting Whatcom County agricultural industries.

In 2023, Whatcom County and the Port of Bellingham engaged in discussions to utilize EDI funds to acquire the facility. Based off the overwhelming support from Whatcom County, the Port of Bellingham applied for and received the \$741,000 grant from the Washington State Legislature. At this time, formal discussions with the Ag community and the Boxx Berry farm to acquire the subject property started in earnest. Property acquisition and negotiations take time to ensure they are set up in the best interests of all parties.

As the project progressed, the Whatcom Food and Farm Station non-profit has been created to manage the Ag Research Station for *all* of local agriculture. The board is made up of local ag representatives that have a background in: dairy, berry, potatoes, small farms, ag business. This entity will be working closely with WSU, USDA/ARS, and private research to ensure Whatcom County Agriculture will be able to use our farmers' knowledge, along with collaborating scientists to work on tools to innovate and solve the current and future challenges of this agricultural region. Without this investment for the facility this project doesn't become a reality, and our community would be at risk of falling behind in a very important economic development sector that is the heartbeat of Whatcom County's economy.

I recognize that the Whatcom County council just updated the EDI program and policies. This project has been discussed for many years and is consistent with the new funding allocations and program policies as publicly owned infrastructure. This is an opportunity for our community to set the tone for future EDI projects that are truly transformational for an industry and our community. I appreciate and thank the EDI Board and County for considering the agreement before June 15th of this year to meet the deadlines in the Purchase and Sale Agreement. This is being considered sooner than the County Council recently established application process and that is recognized and due to the multiple moving parts and complexity to the transaction look forward to the County considering this agreement as soon as possible. The formal grant/loan award of approximately \$2.9 million from the County Council will finalize the funding needed to secure the property and ensure this incredible opportunity comes to reality after many years of discussion and vision.

Thank you for your partnership,

Tyler Schroeder Port of Bellingham

Economic Development Director