

Whatcom County
Economic Development
Investments Program

Application for Funding



Satpal Sidhu, Whatcom County Executive

Whatcom County Economic Development Investment (EDI) Program

Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

Preliminary Information and Application

Note: The intent of this Program is to be consistent with State law, RCW 82.14.370

- 1. Who is eligible to apply:** Local general or special-purpose governments and higher education.
- 2. What projects are covered:** Construction of publicly owned infrastructure, facilities, and related improvements, which enable or encourage the creation or retention of private sector businesses and jobs in Whatcom County consistent with EDI Program Policy Objectives.
- 3. What activities are fundable:** New construction, refurbishment, replacement, rehabilitation, renovation or repair. Demolition is allowable if tied to construction. Soft costs allowed within scope of construction budget. No land acquisition except right-of-way included in a construction project.
- 4. What can you use the funds for:** Transportation (roads, bridges, rail), utility services (water, sewer, storm, energy, telecom) and public buildings or structures.
- 5. Other Limitations:** Planning/feasibility only projects are not eligible. Minimum local match is 10% of EDI request. EDI Board will make recommendations to the County Council which makes the final decision.

Preferential Project Types

First Preference – “JOBS IN HAND PROJECTS” – These types of projects will allow for the immediate creation and/or retention of jobs by providing public infrastructure that directly supports jobs. A perfect example would be a private business that will build or move into a facility and hire employees if a road is built or if water/sewer lines are extended to the site. These types of proposals would include a commitment by the private sector employer to create jobs and provide private investment.

Second Preference – “BUILD IT AND JOBS WILL COME PROJECTS” – These types of projects will construct public infrastructure but are not associated with a specific commitment from a private business to locate and/or create jobs. A perfect example would be the construction of roads and utility infrastructure to serve a new business park that would benefit multiple businesses.

Third Preference – COMMUNITY ENHANCEMENT PROJECTS” – These types of projects generally improve the physical appearance or create community assets to enhance the business climate. Examples would be boardwalk, streetscaping, downtown structures, and other publicly-owned facilities that make a community or region more attractive to existing or future businesses.

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Preferential Project Terms

First Preference – EDI LOAN – Due to the preferred revolving nature of EDI funds, proposals that are loan only will receive higher scoring. Loan terms and interest rate structure matches the Public Works Trust Fund program. The county will maintain discretion to modify such as including a deferral period.

Second Preference – LOAN/GRANT COMBINATION – The preferred combination of grant funds and loan funds is 1/3 grant, 2/3 loan.

Third Preference – EDI GRANT – Due to the “one-shot” nature of grants, projects of equal scoring requesting a grant only will be scored lower than another similar project requesting a loan/grant mix.

Preferential* Project Amounts (Guidelines)

JOBS IN HAND PROJECTS - \$1,000,000 limit if grant only. \$2,000,000 limit if combination of grant and loan. \$3,000,000 limit if loan only.

BUILD IT AND JOBS WILL COME PROJECTS - \$500,000 limit if grant only. \$1,000,000 limit if combination of grant and loan. \$1,500,000 limit if loan only.

COMMUNITY ENHANCEMENT PROJECTS - \$250,000 limit if grant only. \$500,000 limit if combination of grant and loan. \$750,000 limit if loan only.

**Based on compelling reasons, the EDI Board and County Council may consider exceptions.*

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FILLABLE FORM BEGINS HERE

Past Performance

Have you received EDI Program funding in the past? X Yes; No

If yes, provide project name and EDI grant/loan awarded:

Project Name	Year	EDI – Grant/Loan	Amount	Year
W Bakerview Overpass	2012	Loan	\$350,000	2012
W Bakerview Overpass	2013	Grant	\$300,000	2013
Regional Stormwater Facility	2015	Loan	\$1,675,000	2015
Regional Stormwater Facility	2015	Grant	\$825,000	2015
Waterfront Project	2018	Grant	\$1,100,000	2018
Meridian Birchwood PH1	2023	Grant	\$2,625,000	2023

If yes, EDI Program staff and/or the EDI Board may conduct an audit to review performance measures against projected outcomes, such as job creation projections.

Has your jurisdiction received any audit findings from the Washington State Auditor in the past 10 years?

 X Yes ; No.

If yes, provide details:

The City received the following findings from the Washington State Auditor’s Office:

2015: The City’s internal controls over financial statement preparation were found to be inadequate to ensure accurate reporting, affecting the City’s ability to produce reliable financial statements which resulted in several misstatements.

***Response:** The City acknowledged the misstatements and updated and corrected the financial statements accordingly. The City also implemented additional internal controls and procedures to better address the areas of concern.*

2021: The City did not have adequate internal controls for ensuring it included all subaward information in five new subrecipient contracts for the Home Investment Partnerships (HOME) Program.

***Response:** The City concurred with the finding and took steps to ensure all future subrecipient agreements would include the required general descriptive details as outlined in the Uniform Guidance.*

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THRESHOLD PROJECT CRITERIA

Evidence of Planning

YES	NO
<u> X </u>	<u> </u>
<u> X </u>	<u> </u>
<u> X </u>	<u> </u>

Project included on an adopted regional economic strategy (“CEDS” list).
 Project included in the applicant’s Comprehensive Plan.
 Project included in the applicant’s Capital Expenditure Plan or adopted budget.

COMMENTS

- The Old Town Urban Village Infrastructure Improvement Project is included in the Updated CEDS 2022 Project List, to “Construct critical street and utility infrastructure to support redevelopment (affordable housing, market rate housing, homeless housing and commercial and retail) of approximately eight city blocks in Old Town.”
- The Infrastructure Improvement Project is included in the 2016 Bellingham Comprehensive Plan Economic Development Chapter, as Policy ED-44: “Provide infrastructure and public amenities to support the redevelopment of the Downtown, Old Town and Waterfront Districts consistent with the adopted subarea plans.”
- The Infrastructure Improvement Project is included in the City’s adopted budget for \$3,050,000 in REET.
- On July 10th, 2023 the Bellingham City Council authorized Mayor Fleetwood to enter into a development agreement with Old Town Village, LLC and Capron LLC and directed staff to apply for an EDI grant. See *EXHIBIT 1: Resolution Authorizing EDI Application*

THRESHOLD PROJECT SCORING

POINTS

Preferential Project Type

 17

<u> X </u> Jobs In Hand	10 points
<u> X </u> Build It And Jobs Will Come	5 points
<u> X </u> Community Enhancement	2 points

 2

Preferential Project Terms

<u> </u> Loan Only	10 points
<u> </u> Loan/Grant	5 points
<u> X </u> Grant Only	2 points

Preferential Project Amounts

<u> </u> Within Dollar Limits	5 points
<u> X </u> Outside Preferred Dollar Limits	0 points

 19

TOTAL POINTS

To proceed to other parts of the application and to receive EDI Board review, a proposed project must score 10 or more points on the above section.

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PROJECT APPLICANT

Applicant Name: City of Bellingham

Applicant Address: 210 Lottie Street, Bellingham, WA 98225

Applicant Contact Person: Tara Sundin, Community and Economic Development Manager

Applicant Email and Phone Number: tsundin@cob.org, 360-778-8392

PROJECT TITLE

Old Town Urban Village Infrastructure Improvement Project

PROJECT AMOUNT REQUESTED

\$3,000,000 EDI TOTAL - (Loan \$1,500,000 ; Grant \$1,500,000)

\$2,350,000 Local Match (10% of EDI request minimum)

PROJECT TYPE

Jobs In Hand Build It and Jobs Will Come Community Enhancement

PROJECT TERMS

Loan Only Grant/Loan Grant Only If a loan, term requested: _____ (years)

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PROJECT LOCATION

The Old Town Urban Village Infrastructure Improvement Project is located in the Old Town District, one of three urban village districts in Bellingham's City Center (Waterfront and Downtown being the other two).

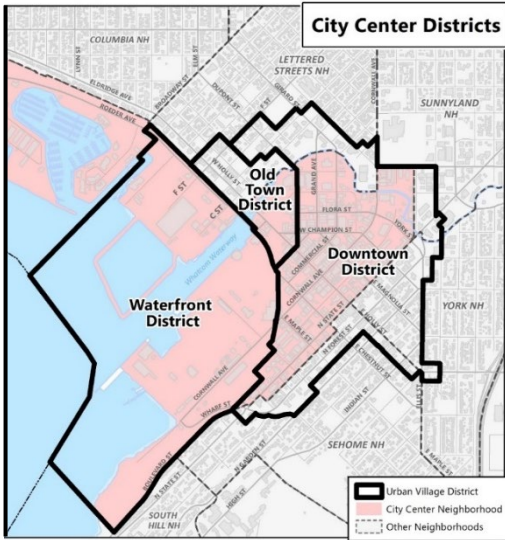


Figure 1. The Old Town District, along with the Downtown and Waterfront Districts, comprise Bellingham's City Center.

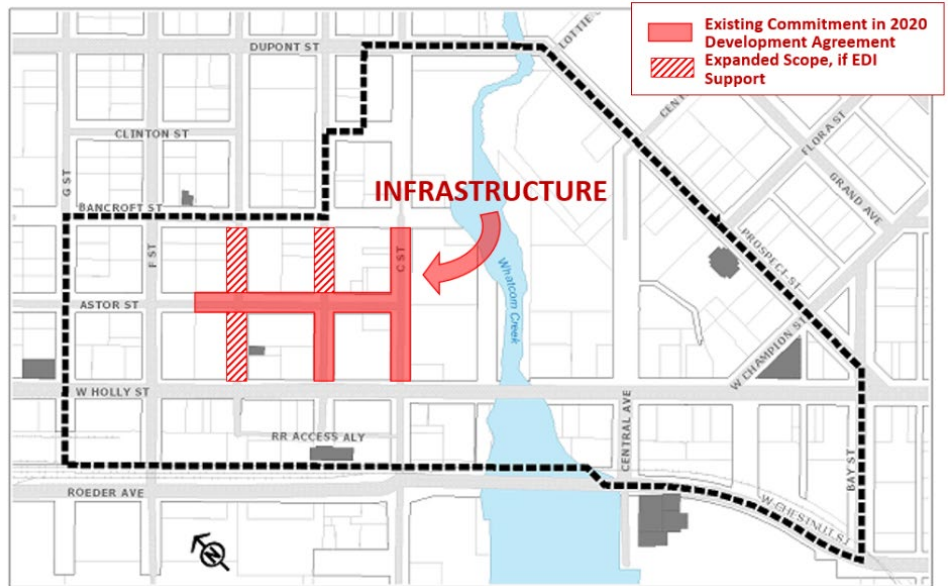


Figure 2. Map showing the Old Town Urban Village Infrastructure Improvement Project area and EDI Expanded Scope area. If the City receives EDI funds, the scope of the project will include the expanded area as illustrated.

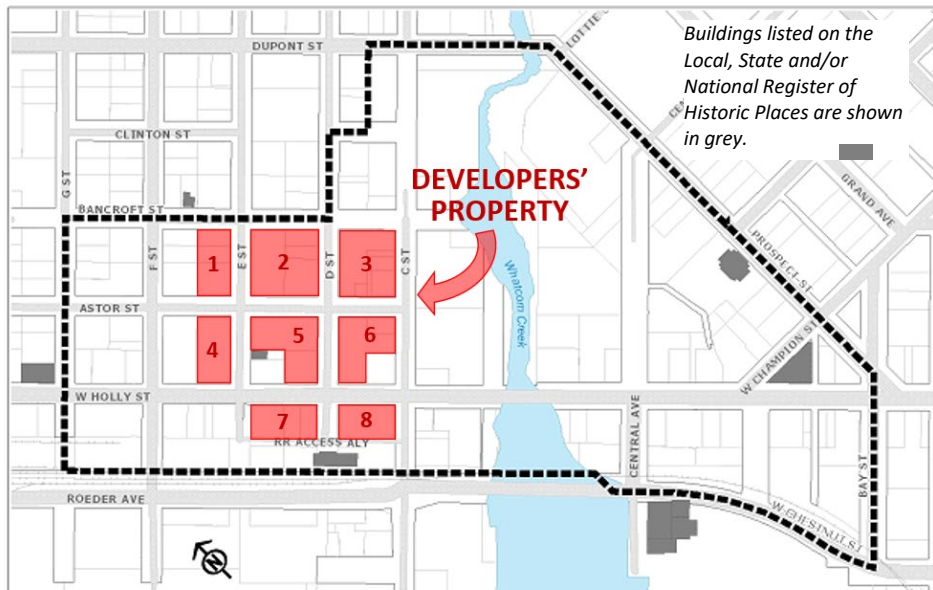


Figure 3. Map showing the parcels, in red, that will be developed over a 10-year period by the Developers. The first project will renovate existing buildings on Parcel 8; Parcel 6 will be the next development project; and Parcel 4 is planned to be developed as affordable housing.

PROJECT DESCRIPTION

(one page limit)

The City of Bellingham is partnering with Old Town Village, LLC and Capron, LLC (the Developers) on their Old Town Village Project (OTV Project) which will create approximately eight blocks of commercial, residential and mixed-use development in the Old Town District (see Map, Figure 3).

The City has dedicated \$3,050,000 in REET (Real Estate Excise Tax) funding to pay for infrastructure improvements for five and one-half blocks within in the OTV Project area.

To create a more finished and attractive area, the City is requesting a \$2 million EDI grant to pay for the three remaining blocks of street improvements and the undergrounding of utilities throughout the area, and the addition of intersection street lighting. More detail about the infrastructure improvements is included in *Attachment B: Proposed Improvements*. As parcels are developed over a 10-year period, the Developers will pay for curb-to-building improvements including sidewalks, street trees, pedestrian lighting and other amenities.

The Developers' OTV Project will create 500 housing units, bringing much-needed workforce housing to the City Center, with the first phase of construction creating studio and one-bedroom 350 – 400 square foot apartments. The Developers are in discussion with an undisclosed affordable housing developer to build housing on Parcel 4 at W. Holly and E Streets (see Map, Figure 3).

Renovation of the existing buildings on Parcel 8 will begin in late 2023, with new construction scheduled to begin on Parcel 6 in 2024 - 25. Several destination businesses have reached out to the Developers and are in discussions regarding development on other parcels in the OTV Project area.

The Developers are committed to spending \$150 – 200m over the 10 year build out period. The City's \$3,050,000 and County's \$2m EDI grant will help leverage this project and create an urban village with housing, commerce and new life.



Figure 4. Developer's Old Town Village Project conceptual 10-year build out scenario.



Figure 5. View looking westerly down D Street with the historic BNRR Depot at the terminus. EDI funding would remove utility poles and overhead wires.

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BASIC PROJECT INFORMATION

1. Complete the public project budget and status of funds below. If EDI funds are approved is funding 100% complete? Yes No

Please explain:

The Bellingham City Council has authorized \$3,050,000 in REET funding in the 2022 budget.

<u>Funding Source</u>	<u>Amount</u>	<u>Planned/Applied For</u>			<u>Secured</u>	
Federal Dollars	\$ _____	Yes	No	Yes	No	
State Dollars	\$ _____	Yes	No	Yes	No	
Local Dollars	\$2,350,000	Yes	No	Yes	x	No
EDI Funding	\$ _____	Yes	No	Yes	No	
TOTAL	<u>\$2,350,000</u>					

2. Describe the amount of outside (private) funding committed to the project (eg. Plant and equipment).

The Developers will commit approximately \$150-200 million to the Old Town Village Project over a 10-year period.

3. Describe the public infrastructure being proposed. Include engineering estimates and a site map detailing the proposed improvements as *Attachments A and B*)

City funds will pay to upgrade the existing inadequate storm main on Astor Street, and will add conduit for future street light crossings in addition to new curb and gutter and street repaving. The public infrastructure proposed for EDI grant funds would expand this work area to include D Street from Astor Street to Bancroft Street, and E Street from Holly to Bancroft Street. This would include back-of-curb to back-of-curb construction of new curb and gutter, repaving, stormwater improvements, intersection street lighting and undergrounding of overhead utilities throughout the OTV Project area (see *Map, Figure 2*). For infrastructure improvement details and costs refer to *Attachment A: Engineering Estimates* and *Attachment B: Proposed Improvements*.

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4. Describe how these improvements will enhance or encourage community vitality and stimulate other private development in the area.

The expansion of the project scope using EDI grant funds in combination with the City's investment in infrastructure improvements will be instrumental in enhancing the Old Town area and ensuring the success of the OTV Project. These enhancements will lead to increased community vitality and stimulate additional private development in the following ways:

- **Attracts Development:** High-quality infrastructure improvements are a magnet for developers and businesses seeking promising areas for investment. The undergrounding of utilities within the OTV Project area will eliminate the visual clutter caused by overhead wires and poles and send a positive signal to potential business owners and investors, attracting additional residential, commercial, and mixed-use developments.
- **Enhances Historic Identity:** The removal of distracting overhead wires not only improves aesthetics but also contributes to enhancing the area's historical identity. The remaining historic landmarks in Old Town stand as testament to the earliest beginnings of Bellingham. By enhancing the streetscape's ambiance, the infrastructure improvements will add to the sense of history and place, aligning with the community's commitment to historic preservation.
- **Creates Pedestrian-Friendly Environment:** The introduction of intersection street lighting and a pleasant environment has multiple benefits. As pedestrian safety improves more people will explore the area on foot. This heightened walkability translates to increased foot traffic for local businesses and restaurants, cultivating a dynamic street scene. The well-lit and uncluttered streetscape will foster a welcoming atmosphere that appeals to residents, visitors, and potential investors.
- **Increases Property Values:** Enhanced infrastructure often correlates with rising property values over time. By investing City and County resources to create high-quality infrastructure, an environment of progress is cultivated, prompting other property owners to follow suit and invest in their properties. This collective effort further bolsters the district's overall vitality and economic prospects.

In summary, the combined City and County investment in infrastructure improvements in the OTV Project area will significantly augment its allure and help fuel private development.

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5. List all permits and environmental reviews required for the public project and detail their status (completed, in-process, etc.)

	In Process	Date Completed
Preliminary Engineering	<u>x</u>	_____
Environmental Review	<u>x</u>	_____
Design Engineering	<u>x</u>	_____
Right-of-Way	<u>N/A</u>	_____
Construction Permits	<u>N/A</u>	_____
Environmental Permits	<u>x</u>	_____
Bid Documents	<u>x</u>	_____
Award Construction Contract	<u>In 2024</u>	_____
Begin Construction	<u>In 2024</u>	_____
Project Operational	<u>In 2024</u>	_____
_____	_____	_____

6. Are any other public jurisdictions involved in this project? If so, in what way?

No other public jurisdictions are involved in this project. Notification to the Department of Ecology is required for a portion of the OTV Project area according to the 2003 Holly Street Landfill Consent Decree.

7. Who will maintain the public facility/infrastructure to be completed with EDI funds? Will this project impact utility rates within the jurisdiction?

The City of Bellingham will maintain all infrastructure completed with EDI and City funds. The Old Town Village Infrastructure Improvement Project will not impact utility rates within the jurisdiction.

8. Will this project directly generate a revenue stream that could be used to repay an EDI loan? Will this project spur indirect revenues that could be used to repay an EDI loan? If no to either question – why?

N/A -- this application requests only grant funding.

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9. What other revenue sources are available for this project and have they been considered. This includes forming a Local Improvement District (LID or ULID), issuing Councilmatic Bonds, Revenue Bonds, or other source(s).

The City of Bellingham has set aside \$3,050,000 in REET to pay for five and one-half blocks of infrastructure improvements. Future revenues will be used for the maintenance of streets and utilities. Forming a LID is not being pursued in the Old Town Village Project area due to the nature of inherent risks (*see #11 for more detail*).

10. Describe the private development project that will be supported by this public facility project. If there is a committed private sector partner include Contingency Agreement (Attachment C).

The Old Town Urban Village Infrastructure Improvement Project will support the OTV Project, which will create 500 new housing units and bring much needed workforce housing to the City Center. The first phase of construction will create studio and one-bedroom 350 – 400 square foot apartments. The Developers are in discussion with an undisclosed affordable housing developer to build housing on Parcel 4 at W. Holly and E Streets (*see Map, Figure 2*), conveniently located near high-frequency transit on Dupont Street. The Developers and the City have entered into a Development Agreement which provides details and milestones regarding commitments on both parts (*see Attachment C: Development Agreement*).

11. Explain why the private development requires the proposed public improvement(s).

The City of Bellingham is partnering with the Developers to alleviate the elevated risks inherent in developing and investing in the core of the Old Town District. The area poses increased risk to developers and investors due to a number of factors, including:

- Its location in a historically contaminated landfill area known as the Holly Street Landfill Site, which adds to development costs;
- The adjacency of a 300-bed homeless shelter currently under construction;
- The scale of the envisioned development, which necessitates an extended horizon with attendant unknown future risks;
- The proximity of passive railroad crossings and the attendant loud noise from train horns;
- The complete transformation of an industrial to a commercial and residential use area; and
- The high cost of financing due to increasing interest rates.

The combined City and County investment in high-quality infrastructure improvements will help attract private investment to this difficult to develop area.

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12. What is the status of the associated private development review and permits. List all permits required and give the current status (applied for, being reviewed, issued).

	In Process	Date completed
Environmental Review:	<u>N/A</u>	<u> </u>
Construction Permits:	<u>ready to be issued</u>	<u> </u>
Environmental Permits:	<u>N/A</u>	<u> </u>

The Developers' first project will be the renovation of the existing building at 701 W. Holly Street on Parcel 8. Project permits are ready to be issued and the project is anticipated to begin before year end 2023. Renovation will involve making building facade improvements -- storefront window replacement within existing framing, redefinition of parapet roofline, utility clean-up and new paint.

This initial project is referenced in the *Development Agreement* as Milestone 3, to "submit a complete building permit for the renovation of 701 W. Holly St. (Parcel 8) no later than February 21, 2024" and is ahead of schedule (*see #18 for additional Milestones.*)

13. Describe the type of industry or economic activity the public development will attract. What is the strategy to attract industry to the project site?

The City is attracting an estimated \$150-\$200 million over the next 10 years in Old Town by entering into a Development Agreement with the Developers. This *Development Agreement* memorializes the City's commitment to invest in infrastructure and to seek partnership from the County by way of this EDI application. In addition, the Development Agreement creates predictability and, in some cases, flexibility for development.

This public-private partnership will enable the construction of much needed workforce and affordable housing. The mixed-use zoning allows for a variety of economic activity and business types, including a range of eateries, cafes, and restaurants; health and wellness businesses such as yoga studios, gyms, and recreation-based enterprises; retail shops, boutique stores, art galleries, and specialty shops; creative spaces for artists' studios, workshops, and galleries; tech-related businesses, startups, and co-working spaces; and hotels or other short-term rental accommodations catering to tourists and visitors.

The Developers are held to specific milestones in the *Development Agreement* to ensure continued progress in redeveloping the OTV area.

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14. List the number of projected jobs, by type, to be retained and/or created by the private entity.

❖ *See NOTE, below*

Occupation	Current Jobs Retained* * (In FTEs)	# Of Jobs Created Year 1 (In FTEs)	# Of Jobs Created by Year 10 (In FTEs)***	Hourly Wage of current or new position	Local Occupational Hourly Wages***
Mgmt./Admin*					N/A
Technical/Prof					
Office/Clerical					
Production					
Sales					
Skilled Crafts					
Others					
Totals				N/A	N/A

* *Indicate Management positions in annual salary.*

** *Retained jobs are defined as jobs that would otherwise be lost from the county without this project.*

*** *This column will be populated with data from the state before application is distributed and revised annually.*

a. Projected annual gross payroll for all job classifications.

b. Describe fringe benefits the company offers to regular full-time employees.

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- ❖ **NOTE:** In place of completing the above chart, a new chart has been created with supportive narrative describing the additional jobs and investments that will be created by the OTV Project over the next 10 years:

Wages, Jobs and Housing created by the Old Town Village Project Over the 10-year Development Period					
\$ Spent on Construction	# of Jobs and \$ in Wages related to Construction	# of Housing Units Created	# of People Housed	Types of Jobs Created	# Of Jobs Created
\$137m over 10-year period invested by Developers	250 – 375 construction-related jobs created @ \$50 +/- per hour \$48m in wages over 10-year period	500	850	Property Management & Maintenance	9
				Health & Fitness	20
				Food-related	40

The creation of housing is the primary economic driver of the OTV Project, and the consequent redevelopment of Old Town will create an urban village –a dense residential area with complimentary businesses such as food and beverage, office and health & wellness.

Jobs related to construction will be created, followed by wages earned managing and maintaining housing, and providing management and service of commercial and retail establishments. Estimates of these earnings and the Developers’ expenditures over the 10-year period are provided by Dawson Construction (one of the Developers):

- The Developers anticipate 500 housing units will be constructed within 10 years – homes for at least 850 people. At \$275,000 per unit (Dawson Construction estimates between \$250-\$300k per unit), \$137 million (plus commercial) will be spent on construction.
- Dawson Construction estimates 35% of total construction costs are associated with labor, or \$48 million in wages, over the 10-year period. Using 2000 hours per year, between **250 and 375 high-paying jobs (\$50+/- hourly) will be supported by construction.**
- In addition, Developers estimate **9 property management/maintenance jobs** will be created to support the residential development. Developers are in discussions with Health & Fitness and Food & Beverage businesses – an early estimate would be another **20 jobs associated with Health and 40 associated with Food.**

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15. How does this project support the economy of Whatcom County and how does it fit into a county-wide economic development strategy?

In August, 2023, Whatcom County Council passed a resolution affirming that affordable housing and homelessness are a public health crisis. The OTV Project directly addresses this issue and will create 500 units of much needed housing. Specifically, the OTV Project addresses the following the county-wide economic development strategies, as identified in the 2022-2026 Whatcom County CEDS:

Goal 1 / Sub-goal 8: Promote and support immediate solutions to the housing crisis.

- Support and promote the urgent need for affordable housing for workers, in areas near services, throughout Whatcom County.
- Support and promote a diverse array of housing solutions, housing choice, and affordable housing types that address the housing crisis.
- Support increased mixed-use zoning in order to encourage different housing choices and creating different yet sustainable and innovative live-work spaces.

Goal 1 / Sub-goal 12: Support partner activities to develop local markets.

- Support and partner with organizations that prioritize strategic city centers, downtowns, and front-facing businesses throughout Whatcom County.

Goal 5 / Sub-goal 2: Work to integrate diversity, equity, and inclusion goals and objectives into Goals 1-4 and 6.

- Support and promote the development of accessible, affordable housing choices and childcare options across the income spectrum in Whatcom County.

In addition to furthering the above goals and providing the much-needed development of 500 housing units, the OTV Project also contributes to improving infrastructure (Goal #2) and increasing resiliency by developing local markets (Goal #6).

Several City-wide strategies are also addressed by OTV Project and the Old Town Urban Village Infrastructure Improvement Project. The City of Bellingham 2016 Comprehensive Plan Economic Development Chapter emphasizes the following goals for the Old Town District, and the need for improved infrastructure:

- **Policy ED-44:** Provide infrastructure and public amenities to support the redevelopment of the Downtown, Old Town and Waterfront Districts consistent with the adopted subarea plans
- **GOAL ED-1:** Build and maintain a positive and competitive business-friendly climate that will retain, grow and attract high-quality businesses.
- **GOAL ED-2:** Accommodate a broad mix of employment opportunities, while actively seeking a greater proportion of living wage jobs that will benefit a broad cross-section of Bellingham residents.
- **GOAL ED-3:** Maintain an adequate supply of developable employment lands and supporting infrastructure to accommodate forecasted growth and accomplish the City's economic development goals.
- **GOAL ED-4:** Foster vibrant urban villages.
- **GOAL ED-5:** Continue to invest in the quality-of-life attributes that provide the City with a competitive advantage in terms of economic development.

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16. What will the effect of this project be on the natural environment – does the project address any issues related to public health, pollution, or quality of life?

In support of each other, the OTV Project and Infrastructure Improvement Project will have a positive effect on the natural environment, public health and quality of life in the Old Town District. Since the mid-1990s, the City has comprehensively addressed the clean-up of the area, has created incentives for developers, and built amenities to support the community. These actions occurred in several phases:

- **Environmental Cleanup:** In the 1990s the City initiated a Cleanup Action Plan to address contamination issues in the Old Town area, particularly related to the historic landfill. A Consent Decree was established to incentivize development on contaminated fill properties, addressing environmental concerns.
- **Estuary Restoration:** Efforts were made to restore the Whatcom Creek estuary and clean up the Holly Street Landfill, which resulted in mitigating the negative impacts of the landfill. This environmental cleanup removed barriers to redevelopment and expanded the estuary area and improved the streamside habitat.
- **Quality of Life Enhancements:** Once environmental issues were addressed, the City shifted its focus to improving the quality of life in the Old Town District. This included the creation of public amenities such as Maritime Heritage Park and enhanced streetscapes along Central and W. Holly Streets.
- **Urban Village Planning:** In 2008, the City began planning for an urban village in Old Town, establishing the Old Town Sub-Area Plan and associated development regulations. This plan aimed to encourage diverse residential and commercial uses, prioritize pedestrian-friendly environments, respect view corridors and landmark buildings, provide predictability for stakeholders, and promote redevelopment within Old Town.

Over the past decades, the City has proactively addressed environmental concerns, enhanced the quality of life for residents and visitors, and set the stage for the OTV Project to bring new development to Old Town and continue to make improvements over the next 10 years in line with the City's vision and guiding principles.

17. Does this project address any existing issues related to public safety and/or does it increase public safety in the future or address a potential future public safety issue?

The OTV Project and Infrastructure Improvement Project comprehensively address both existing and potential future public safety issues through various commitments between the City and the Developers, as outlined in the *Development Agreement*. These measures include:

- **Increased Activity and Surveillance:** The new OTV Project development will introduce more people to the area, creating a safer environment by increasing “eyes on the street.” This enhanced activity from residents, workers, and recreational users will act as a deterrent to criminal activity.
- **Enhanced Street Lighting and Landscaping:** Intersection lighting and the future addition of pedestrian streetlights and street trees as the area is developed will not only improve aesthetics but also contribute to public safety. Well-lit streets and greenery deter criminal behavior and create an active and secure community.

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- **Curb-to-Curb Infrastructure:** The City's commitment to providing comprehensive infrastructure improvements will enhance pedestrian and traffic safety, and the addition of EDI grant-funded intersection street lighting will augment these conditions, not only attracting businesses and pedestrian activity but also aligning with Crime Prevention Through Environmental Design (CPTED) principles.
 - **Mitigation of Homeless Shelter Impacts:** As part of the *Development Agreement*, to address potential impacts from the Lighthouse Mission's new homeless shelter, the City will enhance security patrols and neighborhood cleanup, ensuring the safety of shelter residents and the surrounding community.
 - **Waterfront Quiet Zone:** The *Development Agreement* commits the City to establishing a Waterfront Quiet Zone by improving railroad crossings and mitigating noise from train horns. This action will enhance pedestrian safety by reducing noise-related distractions and disruptions.
 - **Affordable Housing Incentives:** The City is encouraging public-private partnerships to create below-market-rate housing by offering an Alternative Floor Area Bonus. The addition of affordable housing contributes to community stability and positively impacts neighborhood safety and well-being.
-

18. Describe specific quantifiable measures of the outcomes, other than purely jobs, that will demonstrate project success. Describe how you will measure this and explain what you expect to show as progress toward the outcome.

In addition to the creation of jobs, the success of the OTV Project can be measured in housing units built and will also be measured by the quantifiable milestones agreed to by the Developers in *Attachment C: Development Agreement*. The following are milestones set forth for the first few years by the *Agreement*:

- Milestone 1** Developers will submit a Vision Plan for properties purchased or planned to be purchased at a future date, no later than December 31, 2023.
- Milestone 2** Developers will purchase a sixth Parberry-owned property, no later than December 31, 2023.
- Milestone 3** Developers will submit a complete building permit for the renovation of 701 W. Holly St. (Parcel 8) no later than February 21, 2024.
- Milestone 4** Developers will submit a complete building permit application before December 31, 2024 for a new multi-family development that will be 50 units or more.
- Milestone 5** Developers will submit a complete building permit application before December 31, 2026 for a development valued at a minimum of \$10,000,000.

The Milestones are based on the Developers' and the City's best estimate of a redevelopment schedule for the Developers property based on current market conditions. If any delay is anticipated the Developers may request an extension as long as diligent progress has been made in achieving the applicable Milestone. Additional details regarding the Developers' obligations are provided in *Attachment C*.

Whatcom County Economic Development Investment (EDI) Program

Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

Application for Funding – Certification

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IN THIS APPLICATION TO WHATCOM COUNTY FOR INVESTMENTS IN ECONOMIC DEVELOPMENT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Signature of Responsible Public Official: _____

Date _____