Whatcom County Economic Development Investment (EDI) Program
Revolving Loan and Grant Program to Encourage Creation or Retention of Private Sector Jobs

PROJECT APPLICANT

Applicant   Name: Port   of   Bellingham

Applicant Address: 1801   Roeder   Ave,   Bellingham   WA   98225

Applicant Contact Person: Gina Stark

Applicant Email and Phone Number: ginas@portofbellingham/360*739*2166

PROJECT TITLE

Whatcom County Rural Broadband Project

PROJECT AMOUNT REQUESTED

$ 6,000,000   EDI TOTAL - (Loan $_____ ; Grant $ 6,000,000.00 _____)

$ _____ Match   (10% of EDI request minimum)

PROJECT TYPE

___Jobs In Hand   _x_ Build It And Jobs Will Come   X___ Community Enhancement

PROJECT TERMS

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

PROJECT LOCATION: Whatcom County: See maps

PROJECT DESCRIPTION
(one page limit)

Whatcom County Rural Broadband Project was developed out of a feasibility study commissioned by the Port of Bellingham (POB). The purpose of the study was to determine the need of a publicly owned dark fiber the level of unserved and underserved communities in our rural areas, and the economic benefit to Whatcom county.

POB determined after the completion of the study that there was and continues to be many areas throughout Whatcom County who do not have access to broadband infrastructure nor access to broadband at speeds at or above the Washington state standard of 25/3 Mbps which is below standard to meet basic needs.

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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 __x_ No

   The Whatcom County Rural Broadband Project is a muti-year/multi phase project that will require investments over time from multiple sources to complete. The entire project is estimated to require an investment of $20 million over several years to complete. The Port of Bellingham is requesting an additional investment of $6 million over 3 years, in increments of $2 million per year from the EDI Board to be used for implementation of engineering and construction in conjunction with other funding sources acquired for the project staring in year 2022. See addendum

Funding Source	Amount	Planned/Applied For		Secured	
Federal Dollars	$ TBD	Yes x_	No____	Yes ____	No x___
State Dollars	$ 5,168,782	Yes x/x	No____	Yes x_	No x__
Local Dollars	$ 114,000	Yes ____	No____	Yes x_	No ____
EDI Funding	$ 6,000,000	ˢYes x /x	No____	Yes ____	No x_
TOTAL	$ 11,282,782				

2. Describe the amount of outside (private) funding committed to the project (eg. Plant and equipment).
   No private funding has been acquired for this project._____
   _____
   _____
   _____
   _____

3. Describe the public infrastructure being proposed. Include engineering estimates and a site map detailing the proposed improvements as Attachments A and B.
   The Port of Bellingham is building an open access dark fiber network to provide broadband to the unserved and underserved communities throughout rural Whatcom county. The Port of Bellingham is building a multi-phase, multiple route project fiber backbone, middle and last mile. When the project is complete the Port of Bellingham's intention will be to own and manage the network. The Port will lease the fiber to internet service provers who will provide services to the end user as well as other entitles.

4. Describe how these improvements will enhance or encourage community vitality and stimulate other private development in the area.
   Broadband is no longer a luxury but a necessary utility such as water and power and vital for everyday life. Our community members need access to broadband for work, education, healthcare, and emergency services. Our local businesses need quality broadband to access e-market for goods, services, and to expand their business. Our overall economy needs a strong broadband network to attract and grow businesses into our rural areas. It will support and stimulate a growing economy of higher wage jobs in new and emerging technology for sectors such as advanced manufacturing and agriculture.

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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	in progress	_____
Environmental Review	required	_____
Design Engineering	required	_____
Right-of-Way	required	_____
Construction Permits	required	_____
Environmental Permits	required	_____
Bid Documents	_____	_____
Award Construction Contract		_____
Begin Construction		
Project Operational		
	_____	_____
_____	_____	_____

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

The Port of Bellingham has been working with many partners in the development of Rural Broadband Project. POB has been working with the Whatcom County PUD, Whatcom County, Lummi Nation, Nooksack Tribe, the Small Cities and the Port of Skagit, and the Port of Whitman.

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

The Port of Bellingham will maintain certain services in house such as managing the system.

POB will contract out for services such as call center, splicing, repair and network operating systems services (NOC) from a qualified provider.

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?

The Port's goal is to generate enough revenue through the leasing of dark fiber to Internet Service Providers (ISPs) and other entities to pay for the operations and maintenance of the system over time eventually creating a self-sustaining model. However, the network will not generate enough revenue in the near term to pay for the maintenance, operations, and large amounts of loan debt. Building fiber in low density rural areas has high construction cost, a low return on investments and why the need for public investment.

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 Councilmanic Bonds, Revenue Bonds, or other source(s).

The Port will be applying for funding from the State Broadband Office, the Community Revitalization Board (CERB), the Public Works Board and federal funding. In previous funding rounds Whatcom County was challenged in accessing some of these funding sources due to our status as a non-rural/non -distressed county. This designation placed our projects lower on the priority list or only gave us access to the loan portion of the program. (See addendum)

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).

There is not private development support for this project. The Port of Bellingham will be working with private internet providers and other private businesses on the rural broadband project.

11. Explain why the private development requires the proposed public improvement(s).
This is not a private development. It will be a publicly owned infrastructure.

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	_____	
Construction Permits	_____	_____
Environmental Permits	_____	_____
	_____	_____
_____	_____	_____

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?

Broadband is a vital infrastructure needed for all industries which became even more evident during the COVID-19 pandemic. In Whatcom County one of our key industries is advanced manufacturing and having access to high-speed broadband will be key to us attracting these types of companies. The County's agriculture community is another industry adapting and changing to utilize more technology for efficiency and quality, without broadband they will not be able to expand in to this new market.

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

Occupation	Current Jobs Retained** (In FTEs)	# Of Jobs Created Year 1 (In FTEs)	# Of Jobs Created by Year 5 (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	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?
(health insurance, retirement plans, etc.)_____

_____

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

The Whatcom County Rural Broadband Project was included in the previous Comprehensive Economic Development Strategy (CEDS).   See addendum

_____

_____

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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?

The broadband project directly impacts public health and quality of life for community members of Whatcom County. Broadband for so many decades was considered a luxury. The COVID 19 highlighted what many of us in this field already knew, broadband is a utility such as water and power. Broadband is an essential element linked to health care and quality of life. This past year many of our kids did not have access to education due to lack of access to broadband.

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 Whatcom County feasibility study showed there were many areas throughout the county, especially in the east, where emergency service providers and community members could not access emergency services due to lack of broadband. Whatcom Rural project will increase and expand this critical access. We will be working with our County Sheriff Office on they can utilize this open access network.

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.

The Port of Bellingham will measure miles of dark fiber installed (middle and last mile), number of additional homes served, the quality and speed of service being provided. The number of new subscribers associated with the ISPs who are leasing our fiber. In addition, the number of entities who are leasing our dark fiber.

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: _R.Stark_ Date _4/3/2021_

Last Updated: 11/18/13

Whatcom County Rural Broadband (RBP) Project Description

Prior to the outbreak of COVID 19 we knew broadband was vital to our community. COVID-19 hit and everyone was required to shelter in place, our businesses had to pivot to e-commerce, our students had to do online-learning, healthcare was delivered via telehealth and community members worked remotely. Our community tried to adapt to this new environment which was entirely dependent on one central item, broadband. Some of our community members were able to adapt while those in our most rural areas of our county struggled due to lack of broadband access.

The Whatcom County Rural Broadband Project is led by the Port of Bellingham. It is a multi/phase and multi/year project that builds open access dark fiber infrastructure throughout Whatcom County. The goal is to broadband build infrastructure in areas where gaps exist due to it not being built by the private sectors. The Rural Broadband Project (RBP) will bridge the digital divide providing access to those who are unserved and underserved in our community. RBP will be fiscally responsible with public funding, collaborate with our partners and will support our local businesses to develop an economy for new and existing businesses.

The Port of Bellingham will continue to design, engineer and build back bone and mid-mile fiber routes. The proposed areas for builds over the next two to five years include:

Proposed Routes	Miles	Area	Phase 2021-2023
Bellingham to Glacier (current project)	20	East County	Phase 1
Hwy 9 to the Whatcom County/Skagit boarder	14	East County	Phase 1
Mosquito Lake Rd off 542	5	East County	Phase 1
Hwy 547, Sumas Pleasant Valley	7	East County	Phase 1
H Street, between Blaine and Lynden	10	West County	Phase 2
Haynie Rd, between Blaine and Lynden	12	West County	Phase 2
Stein Rd, East of Blaine	5	West County	Phase 2
Willey Lake Rd, west of Lynden	3	West County	Phase 2
Buthusen Rd, west of Lynden	3	West County	Phase 2/3
Tyee Rd, Point Roberts	5	Point Roberts	Phase 3
Total Miles	64 miles		

The construction of these routes will be funded through a combination of funding sources the Port is eligible for including EDI. The Port of Bellingham will be responsible for maintaining and operating the system, leasing the fiber, and contracting other necessary services.

This project builds infrastructure and provides an essential utility to our rural areas which is key to the economic growth and vitality of our community. The network will attract new and emerging technologies into our rural communities, enable our existing business to expand and sectors such as agriculture to use technology to become more efficient which will enable our businesses to pay higher livable wages. In addition, it is also critical to our new workforce who find themselves working remotely. Businesses are exploring options of returning to the traditional work place model but many larger companies are allowing young talent to work remotely, broadband will be necessary if our economy wants to retain this new workforce. Broadband provides communities that are traditionally underserved or unserved access and opportunity to services like telehealth, remote banking, and on-line education to name a few. The Whatcom County Rural Broadband Project is about building a resilient sustainable equitable community.

Question 1

Budget:
In addition, the Port of Bellingham will be applying for $2 million from the Community Revitalization Board in their current round of Broadband Program funding. In addition, we will be seeking at least $ 2milion form other state resources. When Federal funding becomes available we will able be submitting applications but at this time are unsure of what that amount will be. The budget also reflects previously secured funding for route one from Bellingham to Glacier. This includes $1,168,782 grant/loan CERB funding, $750,000 EDI, and $114,000 Port funding.

Question 9
What other revenue sources are available for this project and have they been considered?

The current cost of the Whatcom Rural Project is estimated at $20 million and the Port of Bellingham is unable to carry that large amount of debt on behalf of the County.

Whatcom County was unable to submit project to the federal USDA Community Connect and ReConnect due to the proposed service area 10/1 Mbps speed requirement. The outcome of this resulted in any community member who had a speed higher than a 10/1 Mbps upload or down load speed disqualified us from apply for this funding source.

The Port is working on applying for CERB's current round of funding for their Broadband Program. The POB hopes to be able to utilize the EDI funding as matching funding for the CERB application.

Other state and federal funding programs are in the rule making process and are expected to be released later this summer. However, these funding sources will also require a match of at least 25%-50%, the EDI funding will be an important source of funding to leverage these potential grants.

The Port will also be working with the County on how it can utilize the American Rescue Act Funding for the purpose of broadband funding. For millions of Americans, the high cost of broadband access may place it out of reach. The American Rescue Plan will be an important resource in providing recipients with flexibility to use Coronavirus State and Local Fiscal Recovery Funds to invest in broadband infrastructure.

Question 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?

Finally, this network will support our new workforce. With COVID-19 our workforce needed to shift to working from home and as we start to shift back to the work place we are learning that much of our workforce will still be working from home. This network will encourage and support the growth of this workforce in our rural areas who will in turn support the growth of our local businesses and local economies.

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

The Broadband project is included in the CEDS project in order to qualify for both federal and local funding sources. One of the Regional Economic Partnership goals is to enhance critical infrastructure that promotes economic developments throughout Whatcom County.
This includes communication infrastructure and the deployment of broadband that will increase access for the unserved and the underserved.

This project supports the growth of multiple jurisdictions, industries, and workforce throughout the county. The Rural Broadband project will provide an essential utility that is necessary for the recruitment of new industries, expansion of existing businesses, and the overall resiliency of our economy.

Whatcom County Rural Project Budget   Funding

Routes				Local Funding	State	Federal
Hwy 9	East County					
Construction		$	3,031,000.00	Phase 1/2021	$2 mil EDI	$2mil-CERB
Contingency	25%	$	757,750.00			
Engineering		$	300,000.00			
Contingency	25%	$	75,000.000			
Total		$	4,163,750.00			$4,000,000.00
Glacier	East County					
						$584,390 grant/584,391
Construction		$	1,800,000.00	Phase 1/2021	$750,000 -EDI	loan-CERB
Contingency	25%	$	450,000.00		$114,000-Port	
Engineeriing		$	350,000.00			
Contingency	25%	$	87,500.00			
Total		$	2,687,500.00		Current funding	$2,032,782.00
Mosquito Lake Rd	East County		Phase 1/2021			
Construction		$	384,287.00			
Contingency	25%	$	96,071.75			
Engineering		$	100,000.00			
Contingency	25%	$	25,000.00			
Total		$	605,358.75			
Hwy 547 East County	East County		Phase 1/2021			
Construction		$	1,305,153.00			
Contingency	25%	$	326,288.25			
Engineering		$	300,000.00			
Contingency	25%	$	75,000.00			
Total		$	2,006,441.25			

Haynie/Badger Rd — West County — Phase 2/2022 — $2.5 mil EDI

Construction		$	972,825.00
Contingency	25%	$	243,206.25
Engineering		$	200,000.00
Contingency	25%	$	50,000.00
Total		**$**	**1,466,031.25**

Stien Rd — West County — Phase 2/2022

Construction		$	325,661.00
Contingency	25%	$	81,415.25
Engineering		$	100,000.00
Contingency	25%	$	25,000.00
Total		**$**	**532,076.25**

Buthusen Rd — West County — Phase 2/2022

Construction		$	242,831.00
Contingency	25%	$	60,707.75
Engineering		$	80,000.00
Contingency	25%	$	20,000.00
Total		**$**	**403,538.75**

Willey's Lake Rd — West County — Phase 2/2022

Contruction		$	270,723.00
Contingency	25%	$	67,680.75
Engineering		$	80,000.00
Contingency	25%	$	20,000.00
Total		**$**	**438,403.75**

H Street — West County — Phase 2/2022

Construction		$	871,483.00
Contiingency	25%	$	217,870.75
Engineering		$	150,000.00
Contingency	25%	$	37,500.00
Total		**$**	**1,276,853.75**

Tyee Rd			Point Roberts		.5 Mil EDI
Construction		$	161,824.00	Phase 3/2023	
Contingency	25%	$	40,456.00		
Engineering		$	80,000.00		
Contingency	25%	$	20,000.00		
Total		**$**	**302,280.00**		

Total all Routes	$	13,882,233.75

ArcGIS Web Map
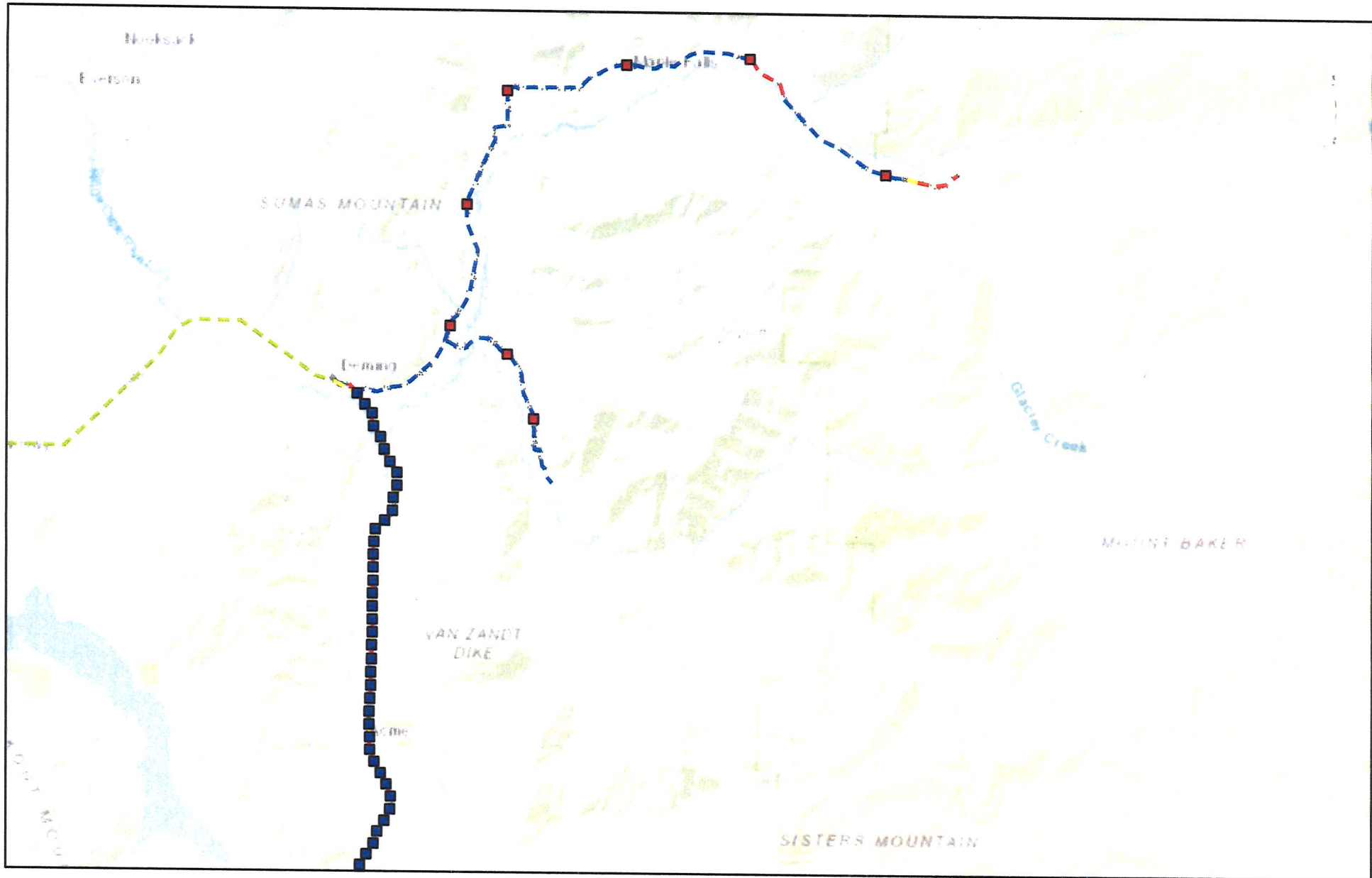
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Fiber Data - Vaults   Fiber Data - ProposedFiber   – – – Bore   ▦ Building Footprints

■ Pull Vault   – – – Aerial   – – – Buried

■ Splice Vault   – – – Attach   – – – Lease

| 0 | 1.5 | 3 | 6 mi |
| 0 | 2.5 | 5 | 10 km |

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ArcGIS Web AppBuilder

Bureau of Land Management, Province of British Columbia, Esri Canada, Esri, HERE, Garmin, USGS, NGA, EPA, USDA, NPS |

SUMAS MOUNTAIN

VAN ZANDT DIKE

SISTERS MOUNTAIN

Glacier Creek

ArcGIS Web Map

Point Roberts
Golf &
Country Club

Johnson Rd

James Rd

Shady Glen Ave

Rex St

Austin Rd

Point Roberts

Benson Rd

Teller Rd

Gulf Rd

Apa Rd

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Fiber Data - ProposedFiber

| 0 | 0.1 | 0.2 | 0.4 mi |

| 0 | 0.15 | 0.3 | 0.6 km |
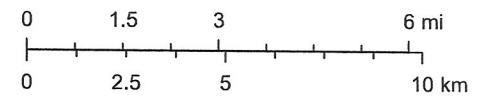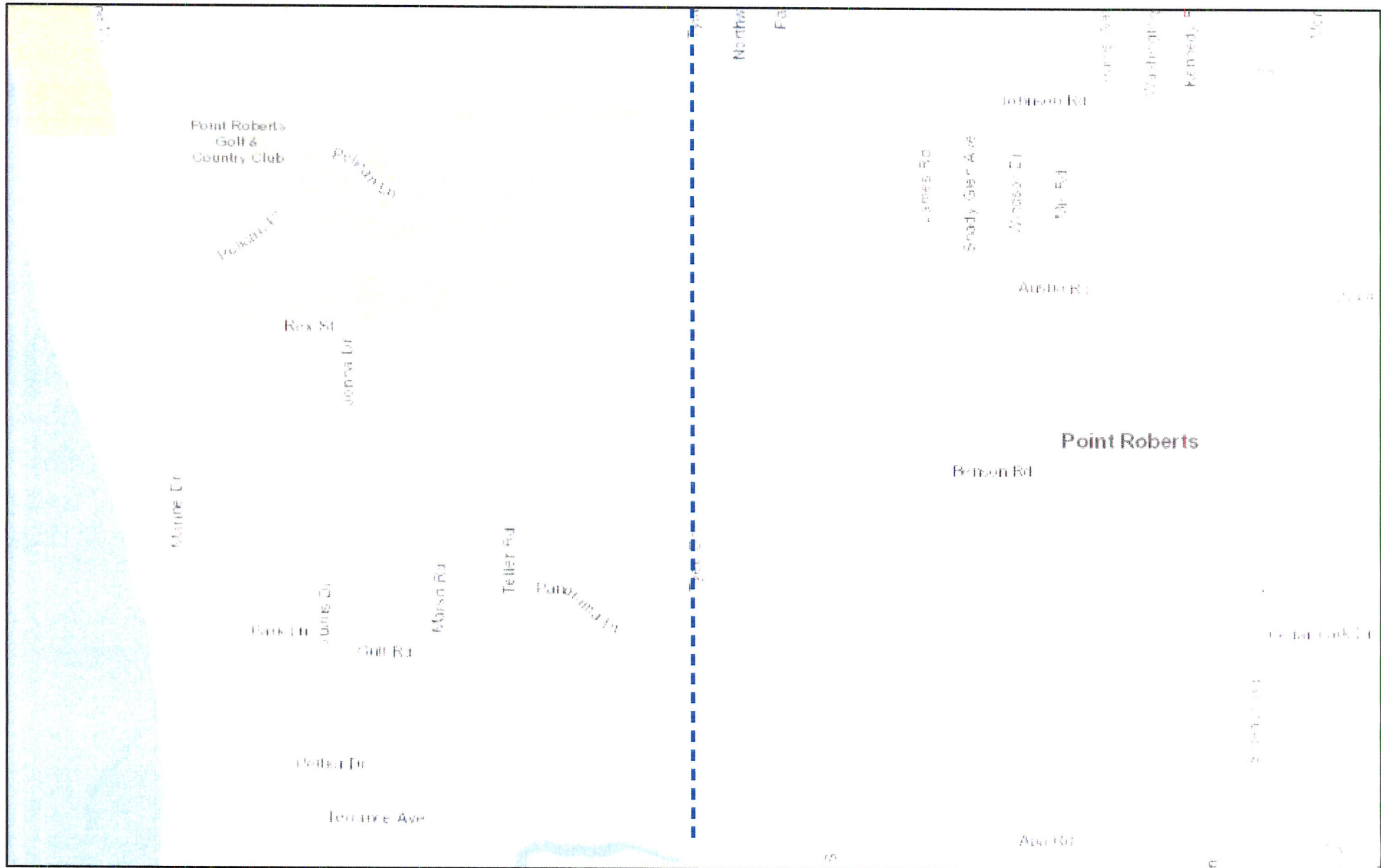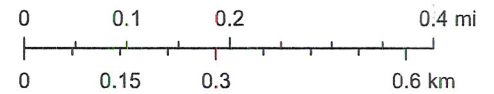
- - - Aerial

ArcGIS Web Map

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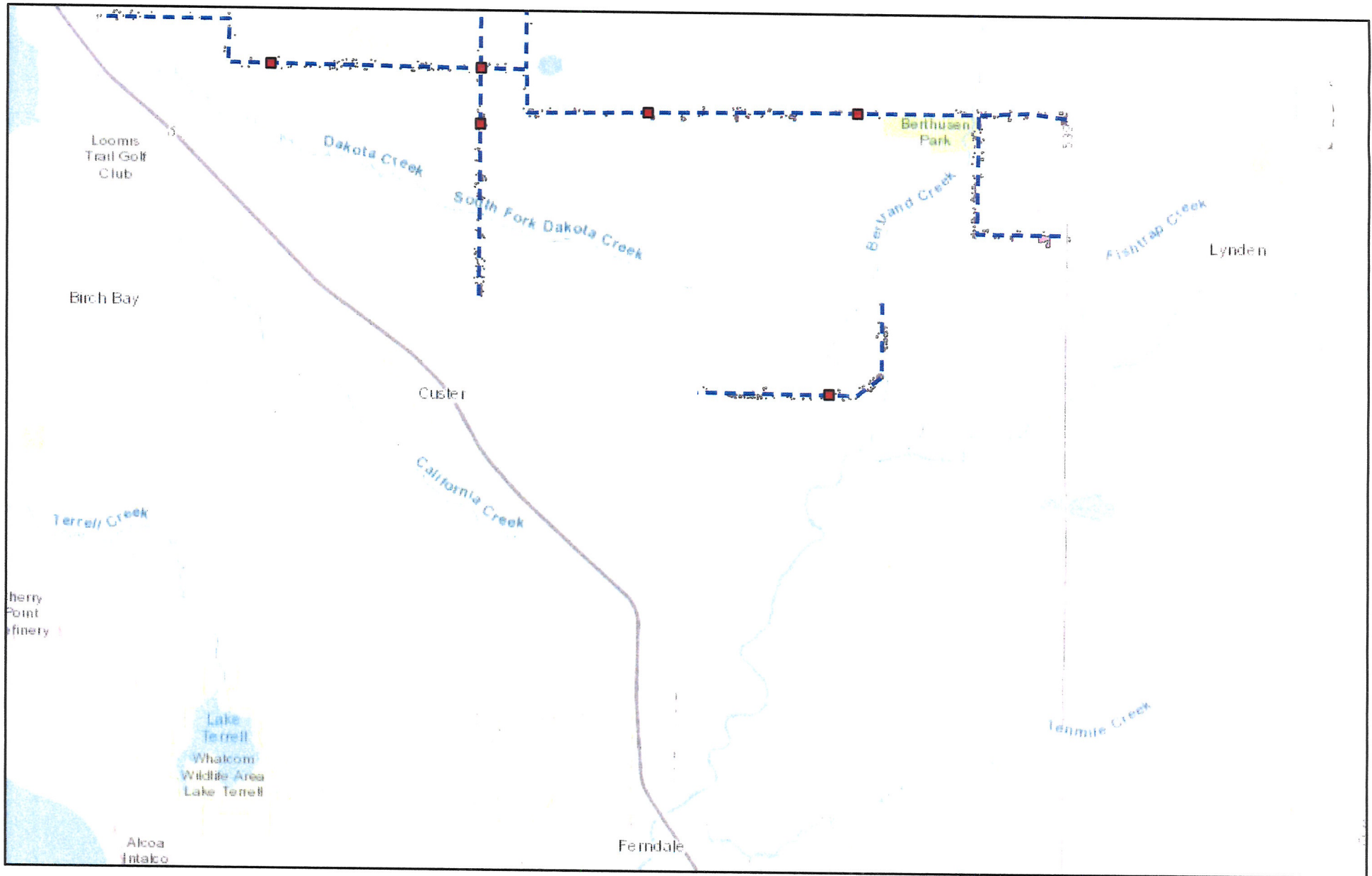
Fiber Data - Vaults **Fiber Data - ProposedFiber** **Building Footprints**

■ Splice Vault   - - - Aerial

0   0.75   1.5   3 mi

0   1.25   2.5   5 km

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ArcGIS Web AppBuilder

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