

Whatcom County Business and Commerce Advisory Committee

May 12, 2021, 12-1pm via Zoom

Special meeting for CEDS Goals and Objective Feedback

Members present: Ryan Allsop, Bob Pritchett, Sarah Rothenbuhler, Paul Burrill, Clark Campbell, Troy Muljat, Michael Jones, Eva Schulte, Don Goldberg, CJ Seitz

Public present: Jed Holmes, Mauri Ingram, Guy Occhiogrosso, Jennifer Noveck, Mayor Seth Fleetwood, John Michener, Gina Stark, Sandy Ward, Commissioner Ken Bell, Rob Lee

Talked about openings on the committee and briefly introduced Eva Schulte, her full introduction will be on Monday, May 17 meeting.

Clark officially opened the meeting and asked if there was anyone who wanted to make a public comment, no one did.

Don provided a quick statement on the CEDS, what it is, how it is used, what REP's plans are.

CEDS – What is it, requirement of the ADO to update it every 5 years, last one was done by Bob Wilson and WCOG 5-6 years, it has been about 15-20 years since economic development did it last. Jennifer's PhD is in the politics of economic development. This is REP's strategy of moving forward of the next five years. Have broadly asked the community for input and we have done a lot of stakeholder engagement leading up to this presentation.

Sarah: Don, what is your title on the CEDS External Review Committee member list? I see you listed as Director, Regional Economic Partnership, Port of Bellingham – I thought your title was Economic Development Director of Port of Bellingham?

Don explained his position and why he had a different title for these meetings and then explained definition of REP the REP is the Regional Economic Partnership at the Port of Bellingham. Many ADO's call themselves economic development councils and we are responsible for economic development throughout the County, not just the Port, so we named ourselves to illustrate that our work is regional.

Jenn began the presentation with Goal 1.

Bob: A plan should have a lot of focus, tells us what we are going to do and not going to do. Lots of interesting goals. But it is a grocery list. It doesn't feel like a plan. It's like a listing for the economy. How does anybody say now I have a plan for the next five years? From racial diversity to wetlands and going to call out every single industry, biking industry, all of the schools. If this is required by law and just checking off a box to get access for funding, fine, I'll put this in the category of another useless government document.

Don: Great comments. Some is required by the EDA. It is a bit of both. Some of it is that there are only 4 of us, we are a hub and spoke model, so we support the work of other groups. A lot of the stuff you are mentioning, we are shot gunning it.

Bob: Should I be upset that my niche is not covered? What about Church-based software? What about clarity? This is so the opposite. How about remove regulatory barriers to business success and prepare infrastructure for land based infrastructure, when I work with my staff on mission and purpose, this is something everyone should be able to memorize. Five bullet points at the top level. Even leaving out the strategies it is so general and vague. No one is going to read this document, but if they want to check boxes for grant applications, I guess it is okay. I want it to look like a plan and not fulfilling back work for grant apps.

Don: Comments understood.

Ryan: Wouldn't we be better suited as a board to tell you which you think? I was able to comprehend the two page document and ask for childcare, but this is so lengthy it was hard to identify where to start to give comments.

Jenn: Well, you can give comments generally or by goal. Does anyone have any comments for Goal #1 on infrastructure?

Bob: No reference to airport, air travel. That is critical infrastructure.

Sarah: We agree and he's right for Objective 4- We would love to help with bringing more air traffic suppliers to our airport. Just with Birch alone, a small business, our employee base represents 1 to 2 trips per week where we are driving I-5 to Sea Tac to fly elsewhere and we would much rather be flying out of Bellingham but the flight options are limited and usually full. And these stats are from just this last 9 months where travel has been down.

Infrastructure – Are we doing anything to go after American rescue plan in regards to highway improvements? Snohomish County has done an excellent job with their economic development organizations and ports collaborating and going after grants to help fund their road improvements. Our I-5 corridor is so dangerous from Skagit to the Canadian border, now that traffic is nearly back to normal, we're back to seeing traffic from accidents almost every day and that's with the border still being closed. When the border opens up there's going to be even more pressure on the I-5 corridor.

Regarding Objective 3: wonder about if there has been looking into wasted energy, incineration plants, looking at what Denmark has done? Historically in our county we've had recycling programs since the 60s or 70s, some of those contract holders would collect recycling and incinerate anyway because ~~its cheaper~~ because of cost and lack of options on what to do with gathered waste. There is a lot of talk about waste/land fill issues and waste product leeching in the grounds, and collected garbage being sold to developing countries where our waste ends up buried, on barges, in the sea, etc incineration is something we should look at seriously. We have some beautiful areas that are dedicated to heavy industry, why not look at funds from the American Recovery Act and go after a 'transitioning waste to usable power' incineration facility. This may be the most responsible way to deal with garbage our community generates and could also provide another form of sustainable power. If you look at Denmark facilities, they even turned one into a park workout, facility as well.

Don discussed some work on infrastructure to date in response. He noted that this is primarily the work of Public Works and WCOG, who work on transportation issues. Don also mentioned that Senator Ericksen has been supportive of infrastructure funding, though in the past the state and federal funding has not come through, but we are hopeful with the new Relief and Infrastructure funding at the federal level that we will be able to address some of these issues.

Sarah commented that Ericksen has been trying to bring attention to funding and improvement of our Skagit to Canadian border I-5 corridor improvements for years and has been very lonely in his work—Maybe we could also have Eriksen and member(s) of WCOG's present at one of our fall meetings so that we can see how we can help.

Clark: It does read like a laundry list. Maybe this is something for the executive summary, there's a lot of "support and promote" and reference to other reports. It would be good in exec summary, to see what are the real priority stress points and to actually rank them. It is hard to see what is new and what is currently or continued funding and support for what we are already working on. Highlight new work. Here's what we are doing now, it's needed. With our team, we start with what we are going to stop doing. What are we going to

stop doing, so the things we do do are given greater focus and priority. Once we've killed it, let's move on and prioritize. What are we going to do more of, what is new. The document is hard to filter right now.

Don: Agreed, we had support in there so often because we work with other agencies, trying to stay in our lane.

Clark: What are we acting on, rather than support and promote. What do we want to prioritize for funding?

Sarah: Agreed, In our response/recommendations on CEDS we focused on potential action items. We support the thoughts listed but we don't need another layer of telling people good job identifying the challenges.

Clark: Energy infrastructure and renewable – what are we doing? County-wide planning and permitting, in this committee focusing on the County and not cities has proven a problem so I'd consider adjusting that language.

Don: Jenn and I are involved with the county land study.

Don: Goal 2 – need for workers has never been bigger for a lot of reasons, but we want to figure out how to align employers, education, jobs together.

Sarah: Yes, WBA has been on the forefront of this issue, there is a stigma that Whatcom County doesn't have good jobs. There are so many good businesses in our county with sophisticated training programs and good paying jobs, good benefits and flexible work schedules. And these are available now for kids who are continuing their education and can work during their breaks and also kids going directly into the workforce. Birch and WBA has been working for a lot of years to connect directly with schools, counselors and kids.

Clark: Path to 70% initiative I had not seen before. What struck me is that the numbers are low and even setting 70 seems low bar for our country. Are there things that are specific to getting credentialed beyond high school. What about Seattle Promise? That's a costly measure. If you think you can graduate and just work, less options than if you do a 2 year credentialed program.

Don: Even Lynden Doors has their own program.

Sarah: Most businesses in Whatcom County have their own training programs

Jenn discussed how this is addressed in the Objective regarding supporting work-based education and employer driven programs.

Clark: Is the shovel ready projects bit already happening?

Don: Not enough.

Don then explained that there are some sites available but a lot of work needs to be done to make them shovel ready, for example, Cherry Point requires a lot of infrastructure (water, electric, sewer) as well as road changes in order to be serviceable to industrial users. There are also some in Bellingham, but most have been filled or were developed many years ago, so availability is low.

Clark: Are there any now?

Sarah: Of the port property, what is the percentage that is open and vacant?

Don: We are under 2% vacancy.

Troy: That's Port properties, existing buildings, not raw land.

Ryan: And not capacity.

Sarah: Could we look at that? Don, can you add a presentation on the port property in Whatcom County, land and buildings, what is occupied and how 'shovel ready' might be applied to the vacant port property since this is land sitting, available now? Perhaps you can apply 'shovel ready' goals and objectives to port properties.

Ryan: Port should look at selling not just renting. It doesn't compete with private sector. Would love to see a presentation on that and it aligns with this.

Michael: Regarding Shovel ready sites, recently (a decade or so ago), heading north to Ferndale near the Harley dealer, that is a planned development site, put in the infrastructure and pads, almost built out. Other side of the freeway is similar situation, city did road, sewer, water, near the Lummi fish market, to the west of that there is a private developer who did something similar. The government side of that stuff is not full on prepping sites like that, we don't own the property and don't have the money, but an example in Blaine where Odell Rd we built a truck route, improved street, added s, w, e infrastructure for industry, then it waits for the developer to build on and around it. My comment on this goal is what does consumption.

CJ: What about local investment in Goal #3? I'd also maybe suggest saying "consumer consumption" so people do not think it is environmental.

Sarah: Can we start with addressing permitting climate in Whatcom? We hear it all over the US, we hear that businesses set up in CA, while CA has stringent hoops to jump through in the business world, at least they are clear cut and you know what you are dealing with. Washington State is known as one of the worst for having moving targets versus clear cut rules and Whatcom regularly is identified as one of the worst counties for this in Washington State. You see good people in permitting offices regularly contradicting each other, going back on permits already issued and adding more requirements, it depends on the day and who is available to talk to.

Michael: Can we start with actions that will do that? That is objective #1 right now.

Sarah: We are available to help with the permitting issues. City permitting issues does impact county and sprawl and the county has permitting issues as well. We have identified some steps to help.

Ryan: Is anybody lobbying the state? Troy, what about multifamily laws? Capital gains tax is a disincentive to do projects. It contradicts a lot of goals. We as a family are thinking do we want to build more here because other state and cities more friendly to work for. Does the County explain the negative impacts to the state?

Don: Within the county we have 7 cities, there are different processes. Different fees.

Michael: We have a lobbyist. We don't lobby for the things that you are talking about Ryan, it is more about keeping revenue streams and govt processes. The chambers and business associations are the ones who do the things you are talking about. Our budget is small so it has to be very focused.

Don: We do it via WEDA. Gina is a board member. Suzanne supports the tiff bill, keeps the bills that are economic development strategies.

Guy: Some state chambers and other orgs that work through local organizations, the BIA is highly involved on the state level, as is the realtors organization. There are many associations at the state level doing this work.

Sarah: What about an objective added on protecting existing industries in Whatcom County? Really aligning with the ag community, where they've proven to be successful and what can we do to help them. Can we align with the industrial area of Cherry Point, for example the refineries who have contributed so much via jobs, taxes, safe jobs—it's safer these days to work at refineries and construction sites than it is to walk through our community parking lots alone...what can we do to protect these industries as they have done so much work to lower their emissions and have incredible stated goals for the next 10 years. We've already lost Alcoa but there are some good diverse businesses there and Supply and demand will have these businesses continue to shift towards diversifying and sound environmental work.

Don commented the work he is doing to work with Cherry Point Industrial business and an industrial park, specifically he mentioned that he has been worked with the County on the Alcoa closure and efforts to repurpose the buildings and land for new users. He also mentioned he was in discussion with BP about their plans going forward with alternative forms of energy, such as solar.

Sarah: That's great, Can we add an overview of that to our July or August agenda as well? Would love to see a presentation on what is going on in Cherry Point, and with BP paying the most taxes and hiring the most people, maybe we can bring Pam Brady or Pat Simons in to talk about how the county and port are supporting them, their plans for the future.

Don: Yes, we can do that.

Clark: I bristle at the word sustainable, it is used so broadly. This is something we've had to steer away from at my company.

Sarah: We could 'pivot' that.—sorry poor attempt at humor.

Clark: Focus more on growing and diverse economic base. That delivers the result of being a sustainable economy. Sustainable has an environmental and ecological perspective to it. When I read the things behind that statement, you aren't talking about a sustainable economy here, you are talking about an economy. Maybe getting that tag correct is important. Our business is really involved with this, be careful with how you use that term. The other point, this is a goal with 16 objectives and 46 strategies, we have a lot of stakeholder input here, this is probably where the groups are saying "this is the place to get my project listed so that can get referenced and funded" but it is hard for me to see when looking at 46 strategies, which are new, which are existing.

Don: What you are seeing is how many things are coming through our office now.

Clark: Last point, in Skagit County, they've really focused on making the main priority is value added agriculture. So we talk about ag but the value-added component, but that seems pretty small in our county and that piece seems like a good focus, aside from cold storage. Turning those things into products here and exported out, to me that's screams as an opportunity.

Paul: There's a lot of secondary processing, but it is quiet, maybe we can try to shine the light on it a bit. I was wondering about fish habitats – but if there is no fish to get there, does no good. "and population through self-sustaining programs."

Jenn described the participation options for additional feedback (provide written feedback in document or via email, schedule a 1-1 call or zoom with her, as well as provide comments on the Exec Summary when it is completed on approximately June 1-15) and timeline for the CEDS Executive Summary.