

Whatcom County Business and Commerce Committee

Voting Members present: Troy Muljat, Pete Dawson, Sarah Rothenbuhler, Clark Campbell, Andrew Gamble, Casey Diggs, Debbie Ahl, Bob Pritchett, Brad Rader

Nonvoting members present: Eva Schulte, CJ Seitz, Don Goldberg, Michael Jones, Rob Fix, Satpal Sidhu, Rud Browne

Public present: Ken Bell, Michael Shepard, Mauri Ingram, Matt Aamot, Mark Personius, Greg Aucutt, Rick Sepler, Sandy Ward, Cara Buckingham, John Michener, Gina Stark, Jennifer Noveck, Jed Holmes, Pamela Jons, Guy Occhiogrosso, Erika Lautenbach

Clark: We have a full agenda this week, going to call the meeting to order for the monthly May meeting ... propose a motion to call the meeting to order [at 11:02]. Do we have a quorum Don?

Don: Yes, we do.

Clark: Since we are zoom protocols, if everyone could use hand voting here. Seconded by Troy. We do not have to vote on that, just second it. We have a full agenda today: a couple administrative issues, a presentation from Erika Lautenbach, a presentation from Matt Aamot and Mark Personius from County Planning on the GMA and a presentation on the UGAs, which will probably lead to a longer discussion than we've allotted in the meeting for Q&A period. Then Rick Sepler will also join us from COB and will be available in the same Q&A session. I am hoping we can still have time for an update from Councilmember Browne, but want to get this rolling and see how far we get. We will not have time for sector updates in this meeting. Introductions from the public.

Don: Councilmember Browne will be 15 minutes late.

Public Comment Period

Clark: First, I want to give an opportunity for introductions from anyone attending from the public and the public comment period.

Don: No one is raising their hand. Who is [phone number]? Did you have something to say?

Debbie: That's me, Debbie Ahl.

Don: Ok.

Administrative Business

Clark: We will move into administrative business. First order of business will be approving the minutes. They've submitted and sent around. I see a comment, but I do not think any of us have had a chance to read that yet. I am going to motion to approve as submitted.

Jennifer: I would just like to clarify that there are the April 2021 minutes and last week's minutes were the CEDS meeting and I'll be updating.

Clark: So we are just approving minutes the April 2021 minutes.

Jennifer: Yes, and I'll be updating the CEDS minutes and sending those with today's minutes and can vote on that in the June meeting.

Clark: Barring any comments, motion to approve April 2021 minutes as submitted for the Advisory Committee meeting. Seconded by Sarah Rothenbuhler. So approved. Do we need to vote on that?

Clark: Minutes approved.

Clark: Next point might take a bit longer. Debbie has informed us that with all of her other board commitments and things she is doing at this point in life, being Vice Chair on BAC is one that she is going to continue to be part of the group as the healthcare sector, but will stepping back as Vice Chair. Within our structure, the role of that is to support the Chair when the Chair is not available, which is me, at the moment. For this meeting, what that means is opening and closing the meeting and then running the meeting. We have one meeting prior to the meeting, which is to take the feedback from members and put together the agenda, what are the main discussion points and helping with Don to coordinate speakers, so the Vice Chair and Chair are involved with setting the agenda, there is really no other duties, what I'd like to do with that clarification.

Don: There's one other thing to mention. The Vice Chair at the end of the term becomes the Chair.

Clark: Yes, so if you would like to coveted role of the Chair of the WBAC, this is your shot, so with that I would like to open it up to volunteers or nominations. Our goal is to get a nomination today if possible and vote on that at this time. Would anyone like to nominate another member for that honor or to volunteer?

Debbie: I'd like to first apologize for having to step off, I spent 10 years on the BTC board, but my gubernatorial appointment is for another 2.5 years because of the way they reappoint you and because of Jeff Callander's passing and two brand new members, they've asked me to stay on that board and I'm still trying to get off one other board. I just wanted to apologize to this group.

Clark: Debbie I want to thank you for the work you have done, you are a great peer here and somebody's opinion I trust and respect, so thank you.

Debbie: I would love to see another woman because there are not a lot of women in these roles. I know Sarah has some interest.

Clark: One nomination. Before we check with the nominee and see if there is interest in the role, is there anybody else who is interested?

Andrew: I just want second the nomination for Sarah.

Casey: Shouldn't we ask her if she is really interested though?

Clark: If we only have one nominee, the voting process becomes simple. Anyone else interested before we close nominations? Alright. Barring anybody, Sarah you have been nominated at Vice Chair, would you like to accept that honor?

Sarah: Yes, I would love to happy. Thanks for everything you've done Debbie.

Clark: Since we have one, I propose a motion to appoint Sarah Rothenbuhler as Vice Chair for the Business and Commerce Advisory Board. Do we have second?

Andrew Gamble seconded.

Clark: This does require a vote, only voting members: Andrew, Troy, Bob, Debbie, Casey, Pete, Clark vote yes (7 yes). Motion approved, Sarah, congratulations!

Don: Sarah we will send you an invite for the agenda meeting, usually two weeks prior so we have time to get things done so we will add you to that meeting.

Clark: Thank you everybody, so Don has Erika joined us?

Don: Do not see her yet, she should be here soon. Since we are moving quickly here, that's great. We have a full agenda here. Why don't we just go right into Matt and Mark's presentation from UGA from the County.

Clark: Just to clarify, we did have a discussion about having a discussion on water rights adjudication. From the agriculture sector, after talking to Brad we wanted to move that to a later date, this was pulled forward – to get a presentation on UGA and GMA, Mark Personius and Matt Aamot are here to give a presentation on that, then we hope that members can have a vigorous Q&A session and get updated on that process.

Don: To add one thing, the planning director Rick Sepler and his deputy are here as well because a lot of people are interested as to UGA expansion in Bellingham and they are not making a presentation but they are here to answer questions afterwards.

Clark: Great.

Don: Ok, Matt.

11:15 – 11:29 Matt Aamot gave a presentation on UGA expansions. Presentation in full can be found [here](#).

Question and Answer Session

Don: Thanks Matt, the first thing is we'd like to open up questions for the County and then Rick Sepler might have some comments on how the city relates to this and what their plans are. Anybody have questions?

Clark: Mine relates to the current Comp Plan. You said that goes to 2036, has growth been consistent with projections? Are we below or above that line?

Matt: That is what we are reviewing now in the Buildable Lands process, we are collecting data going back five years, how much has been accommodated, employment growth, we are in the process of collecting that data now. I think City of Bellingham might already have that for their city.

Clark: In terms of county-wide, was there a total population that was targeted in that plan?

Matt: Yes, there is a 20 year, we would have to prorate that over the past five years, I can do that real quick here.

Clark: Ok.

Don: Any other questions for the county?

Browne: I just wanted to thank Matt, Mark, Rick for demonstrating how simple and quick this process is. It is challenging. And Matt if you haven't done so, I'd just like to ask if could you send the presentation to everybody?

Matt: Send to Don and Jennifer, send it out.

Ken: So I am going to go a meeting we had when we were look at SW Airlines and the first thing they asked was how's your housing? They understand entirely and completely that when they come into a market, they will change the paradigm and it was important for them to understand growth in the county, and trust me when I say they know impact on a community once their airline moves in. So I do not want that to get lost in the discussion, housing is a number one concern for anyone bringing business into the area. If we are going annex or rezoning, I still wonder why we are not annexing the current UGAs, what gives us the belief if we do more UGAs, that they will be annexed if we cannot annex the ones we got? Hi Mark and Matt, long time no see. I wonder why we don't correlate the fact that UGAs are designed to prevent sprawl, except for what is happening now is we are creating sprawl elsewhere in the county, so we are actually is working against the purpose of UGAs, we are restricting growth in Bellingham. We are creating huge sprawls and commutes into Bellingham. We could annex what we've got. There's a couple sitting out there that could be annexed today. I'm wondering what is keeping us from annexing those? What's the comfort level we've got with annexing new areas if we can't annex the ones we've got.

Don: Would you like Mr. Sepler to answer that since you are talking about Bellingham?

Ken: Yes, I would love to know why is Bellingham not moving off the dime on the ones you've currently got. That would limit sprawl in County. If not going to annex those, what good is it to do more? And to say what we got is not a enough when we have a relief valve option. I would like to see that relief valve exercised.

Rick: I'm Rick Sepler, Planning Director, joined by Greg Aucutt, Assistant Director, and also runs long range division, which addresses the GMA issues. We were advancing the annexation of our UGA significantly. You might recall about a year ago, right before COVID, we had extensive participation of all over UGAs, we worked in conjunction students at UW did surveys of areas to see if they would convert and were willing to come into the UGA, we have a schedule to do it. With a sole focus saying that if we are not able to perfect this, we are not able to do it. Because of COVID, there's been a pause. We need to have meetings and bring people together, but COVID is an issue while we can make accommodations and do it online, some areas cannot access online meetings. We put it on pause and we hope to bring it back up after the pandemic, but that was the delay. I'll step back a bit and also talk about UGA and extension – I agree you should look at existing UGAs, I should note that each of the areas are leftovers and each area will bring significant costs to City, expanding beyond UGA. A recent study from the University of Utah indicates that it is two and half more times to provide public services because development does not just carry the cost, just like residential. We want to be mindful, we have been monitoring growth and we have been spot on, these are the numbers we anticipated. We are spot on for units created. We like every county in Western WA have an affordability gap. Just wholesale adding to the UGA is not a solution, we are putting the problem onto all of you to pay for it, so we need to find an equitable way to do that. Looking at ways forward, we have been appealed for not going far enough, our analysis was not

accurate, engaging enough, we do not want to avoid the process that gives you protection, so we are entered into the process. The Buildable Lands as you heard is the first step, once we ascertain numbers, we are able to move forward. Just saying, I know we need more land and some think more land will lower housing costs. That is not true, the market determines the costs. Maybe the dirt will be a little less expensive. The infrastructure will be a hell of a lot more expensive. We will follow the process, when we fall out of sequence, we typically get burned, all of us, the community included. We are not opposed, we put those areas into the Reserve because we are going to need them. The difference is that you want us to act faster, but we need to be defensible on our positions.

Ken: I'm going to go to Alderwood and the other one on border on COB, those were rejected pre covid for cost reasons.

Rick: Not true.

Ken: My recollection may be wrong, but if cost is the issue and they are being denied.

Rick: They weren't denied, the Council told us to proceed, we paused it because folks out there were concerned about costs coming into the area. But We are still working cooperatively with the council, with the county, for advancing, but we paused that largely because we could not do the public outreach.

Ken: What about the ones that goes out to Mt Baker Highway?

Rick: That is on pause because all UGA annexations are on pause. We also have to find a way to resolve the fire district issues, this is on pause because that issue has to be solved. When we expand we take over most of 4 and that issue has to be resolved. That is on pause because it is a public issue that needs to be solved.

Ken: We know it will cost more to map new UGAs, but we have two sitting there, there is an increased cost but not as much as a new line and new areas. It's a conundrum to try to understand why we can't do bring the two that we have under the belt, why can't we bring what we have into the fold?

Rick: We agree. We want to bring them in, all our efforts are towards that. WE ran into a process issue. We did brief Council about costs and they did not dissuade. We are still working on that.

Greg: Can I jump? This is Greg Aucutt. Neither the Alderwood area nor the other area around Bretton road is going to add additional capacity. The Alderwood are mostly built out. Bretton Rd area has buildable property, we would need to bring in residents to make a contiguous boundary, there just isn't enough capacity. Neither of those areas are going to solve the issue. We have annexed most of the developable residential land in our UGA. So what we are left with older neighbors, Geneva, U Street. In order to annex, you need support of people who live there, when we talked to people in Geneva, U Street, Alderwood, there was not a lot of support. It is not as simple as the city just annexing these areas.

Troy: Thanks everyone for being on. You mentioned that the goal, I'll piggyback a bit on what Ken was saying about how the goal is no sprawl. My stats are showing sprawl is growing 200% outside of Bellingham. You say goals are being accomplished, but I'm seeing sales go down and population go up. So I guess I'm confused or I need to be educated. What your goals actually are so I can

understand that and we can have a conversation. I've heard a lot on infrastructure costs. What are those costs to the North and South? Is there a compromise where land owners could latecomer themselves? When will the UW study be finished on or before the Comp Plan is finished?

Rick: The UW study concluded. What they did was a tremendous amount of outreach in everyone the UGAs. Scientifically valid study, they actually did on the ground research, door-to door outreach to assess support for annexation. In Alderwood, with fire service, we can bypass the public but Council said they want the public involved and we believe that is appropriate. There was support to the Northeast, we pursued until Covid and fire issue, mixed support in the west area, a lot of people were not property owners. Infrastructure costs are a reality, it is a tough one because lower densities get costly, it is public services associated with it – fire and police that are a challenge for us in those areas. We need to find ways to deal with it because it is already deficient within city boundaries, it shouldn't preclude us or prevent us from doing that, having a roadmap on how to accommodate that and plan to do. That is part of capitol facilities and part of the city financial plan about how to provide public safety services in the long run, it may require changes like a regional fire authority as a better way to deal with all the districts or an area around Bellingham, or inclusive of Bellingham. Those are solutions that have been posited, I'd like to see us to look towards that. Second, you asked about what our goals are. We talk about that clearly articulated in the housing developing comp plan. If you want to talk about what we are after is there – it is a challenge right now. Frankly, I do not think Bellingham is responsible for building materials being expensive now

Troy: I didn't say that. I just said sales of units is flat and population has risen.

Rick: We agree, we have to work on all areas in our community and we have had success. We've seen increase in rental units, that has helped stabilize vacancy rental rates, increase in vacancy rate over the last two years, that is good because that is part of the community, half the community.

Troy: I disagree, vacancy is at 1%, housing costs is supply demand. You have infrastructure South in Lake Padden, is that included in the UW study?

Rick: To expand beyond the areas of UGA.

Troy: It was in the reserve, infrastructure is there, you have a school in the county in that area as well.

Rick: Yes we did look at South U Street. We added that back into the UGA, taken out by County Council, we added it back. Logically that is a pace to go. Here's the step. Exhaust all the areas we are already in the UGA in. If they are going to go in, great, if they are going to be the People's Republic of Geneva, that's fine too. We need to make sure numbers are correct, we put policies in our plan to have broader housing choice and that's what supports future annex of Kaitech is it housing choice. We've tried everything we can, we've looked at the numbers, we have policy base to expand housing choice, that's what we are working on. We are not at cross purposes, we are working towards the same thing but you want us to be faster and we are constrained by process.

Troy: Thank you for that. I want to try to understand that, I feel like I'm on the front lines and have a microscope on it to some extent. I think we can all come together and plan together. I want to plan appropriately. I appreciate the work you are doing and look forward to the dialogue continuing

Don: I know aside from UGA expansion, your department is also looking at zoning and how we might be able to get more housing in existing UGA? Do you want to give an update on that?

Rick: We have been working nonstop, as a matter fact this Thursday we have multiresidential public hearing, if city council approves, it could include many thousands of units, even with a significant market factor, these are townhouses and other uses that would be good in market. We have lost a lot of utility and we are trying to clear the morass of having over, I might be misspeaking, but I know it is over 80 separate densities, we are going to standardize so more predictable for everyone. Multiresidential is best opportunity for us to get more housing available right now. Public hearing on Thursday in front of planning commission. We are also looking at other solutions, one of the most significant ones is to reduce process, and no one likes lengthy process. No one revels in a long process. We need to fix some burs in the coat that have been hanging up projects we all agree should move forward, we have identified those and moving forward. We are emerging from covid and we are emerging to the point where we can finally advance some of those programs, that will be a work program for the next two years.

Don: Pete do you have any questions? You are most directly involved in this work.

Pete: Thanks Don, really appreciate the time and input of everyone here. I think we all agree we have a crisis, we can shorten or change the process. Are there any tools county leadership could give you and your department to move things along quicker? A couple things I'm personally seeing – density in Bellingham, we work on multiple projects, without any impact of the public, height limits, parking requirements, density constraints, where there's all kinds of rooms. I added up 1000 units could be added to just projects we are working on, you are limited to 3 story could have been 4 story building. Behind Costco for instance. In Fairhaven we are limited to 4 stories next to a 9 story buildings. James St we are restricted to 3 stories and had to pay money to add. We could have easily added 40 units on that project alone. Seeing lots of opportunities to add density, is there a way to fast track density because of the housing crisis? Material costs are relevant but in Spokane, they have the same costs, but housing is 40% less. We are losing employees going east versus going here because they cannot afford housing. Rambling here but several thoughts.

Rick: First, the best thing we can do is permitting, that is most correct. We are fairly timely, never fast enough for everyone. If you compare us to west side of mountains, we are faster. We do have a complex process, we are working to lessen those where possible.

Pete: Permitting is quick, it is the entitlement process. If someone says they are building, good luck at getting it done in less than 2 years. It is not lack of work or great intentions, it is just bloody awful complicated process, which has made this a desirable place to live. Personally I think that is the part of housing crisis, it is hard to get through process to apply for permit.

Rick: This is a great community, people care a lot about what happens in their neighborhoods. It is hard for us to find the right balance, our processes can be cumbersome. Things we would like to have, like predictability, we are working towards that end. We need to focus on what's important and keep what's important but let's let the standards guide the rest.

Pete: Other than environment and safety, a lot of rules in place are more aesthetic or parking or convenience, but it constricts housing, I'd suggest housing should be elevated when other

requirements are reduced or eliminated. It feels like pendulum swung too far right if you will. One last comment about adding buildable land through annexation, I understand it is a process, but what is the downside to increasing the land supply? There is a state law in process, if we push the limit and add land, maybe we cannot pay for infrastructure today, but public-private partnerships, developers find a way to get things paid for. What is the downside?

Rick: We need to add what we need plus market factor. We are required by law to show how we are going to serve and pay for it. We are somewhat exposed if we overly enlarge the UGA, it will not have its amazing appeal. We found the right balance, it's sustainable and we do our homework, we are moving as fast as we can consistent with the law.

Don: Clark, we have a few more minutes, then Erika is going to give us an update.

Clark: We can move onto the next point, I am quite certain we could go longer on this. One quick question. The UW survey, when complete, can that be made available to the group?

Rick: It is completed on the east side, we did not do Alderwood, and we focused on east side first. I'll send it to Don.

Clark: The more data and fact that our group has the better. Want to thank Mark and Matt to help us understand the process. It is big and long process to annexation and changing of zoning, you have to get through all that process until we see supply match demand. The challenge for our group, it is a business impediment to hiring at all levels, executive level, not just manufacturing level, in terms of supply. So, I am curious about the zoning, the RGA becoming part of the UGA and the UGA being annexed, but at end of day, to get to a greater supply, it is what within already annexed areas and what are we doing to increase density and active management of the zoning. But this goes back to original question about being on track to the numbers? What was the 2036 comp Plan numbers. If those are self-fulfilling, we are on track?

Don: Matt has those numbers.

Sarah: Thank you and thanks all for being here. This has been great. I have a couple questions. 1 would be delay on annexation and COVID coming up as such a big reason, has there been though about ARPA of 2021 because you talk about infrastructure requirements being why there's hesitation. We are in a housing crisis, covid was an additional delay, good case for some of that funding. Other question I had is, as things start to open up, what is the schedule now for the annexation? Third, you talked about permitting process and smoothing out some of the burs in that process, I'm wondering could you or area you already could you bring the Troy and Petes to the table as you work through that process.

Rick: For ARPA we are reading fine print on what it can be used for. Quite frankly we should be looking at long-term interests of community for recovery, you are right, extending services could be useful. As for schedule, we are revising work plan, usually part of budget process, we are trying to put the schedule for next year and a bunch we are trying to finish up. As far for the permitting process, always good to get input. We have reached out to frequent flyers. By nature, it is a lengthy process to make code changes, founding fathers didn't want frivolous changes, nevertheless we are bringing forward changes. We shouldn't keep doing things because that's what there and it is hard to change, if we can work together we can change and get the greatest efficiency. And

Sarah: If there is any way we can help because staffing is limited, we would be happy to help to provide staff to go over that money, sometimes reading fine print isn't always the best way, sometimes it is better just to go for it. We'd be happy to host an event and identify areas we could go after and smooth out and make it a win win for everyone, like everyone said this is an amazing community.

Update from Erika Lautenbach, Whatcom Health Department Director

Don: Erika has to go.

Clark: So move us to the next agenda point, which is presentation from Erika Lautenbach, WHD Health Director, we also have a zoom poll on how your business is dealing with this issue.

Erika: We anticipate reopening based on Governor's announcement based on 70% threshold for vaccination. Whatcom County is at 58% but we do not have a lot of time to get to 70% we do not have a lot of time to meet that average. We know that for the entire state to get to that, we need disproportionate participation of western counties to get the whole state to there. We have pivoted from fixed appointment only sites, to targeted sites at employers at farms at breweries, Casey was our guinea pig for brewery, it went really well, at other places people naturally gather as well as pharmacies and doctor's offices, we are trying to remove barriers to get vaccinated. That said we see at this point, there is a significant slowing of people who are interested in being vaccinated and a variety of reasons for that, it is anything from long held hesitancy around all vaccines to the other side that many people anticipate they will become vaccinated but haven't gotten to it or don't feel at risk. Variety of ways to reach people. Boundary Bay example, sometimes all it takes is a fun place and \$6 beer. I hope that more of that than not. I see Debbie and Mauri in mtg, we've been having conversations about incentives for people to show up and be vaccinated, especially incentives that as a government entity I cannot provide. My ask of all of you actually will share one more piece of information from all of you, we have had high rates of cases, stabilizing but higher than state threshold, if governor had not paused, we would be moved back to Phase 2, higher than they were, hospitalization rates are higher. Some variants have more transmissibility and more serious symptoms. We have not had a person vaccinated go to the hospital. We have had instances where long term care facility where people contract virus after being vaccinated, no symptoms, no idea infected before tested. So effective in preventing severe illness and death and I want to share that because it is really compelling. The vaccines are safe and effective. I am hopeful that as a biz community I know you are restricted in terms of requirement, if there are ways you can use your influence to encourage employees, friends, families, sharing especially getting vaccinated. There's plenty of judgement and shaming to go around, but storytelling and personal connections are, you are all in position where people will listen and take that advice, maybe that conversation will change someone's mind – I'm healthy I won't get sick to maybe I'll just get it when I go to walgreens to pick up a prescription. I am not a trusted messenger anymore because I am an advocate, many people who do have concern about vaccine would not be listening to me, they would be listening to you. That could be the difference. Thank you for your time and to share info.

Debbie :What are your thoughts on cdc guidelines on not wearing masks if vaccinated? Perhaps it will be a challenge for business to know if they have vaccinated or not?

Erika: Yes, it does create a lot of confusion and we don't want to be checking vaccine cards at the door either. Confusion there and ongoing challenges to you as business leaders, so many curveballs.

Don: Erika, Thank you and most of you know Erika and my department have been partnering since the beginning and our mantra – a safe community will be a prosperous one, I was downtown Sat at farmers market and we decided to go have lunch at Boundary Bay, we had a 35 min wait, the economy is coming back, nothing we can do more is to support. I am happy we've been able to work together rather than against each other like some community. Clark, next on agenda is Rud, Childcare.

Clark: Before we jump to that , what approaches companies are taking in terms of recommend versus requirement, checking to get hard numbers and data in your own company? Getting that record means now holding a record that requires HIPPA compliance, a lot of stuff to manage and each are trying to manage it differently and on the fl. Can't tell you how many times I've written memo and rules get changes, real back in and recalibrate, because state level thing from governor or cdc thing...

Jenn noted zoom poll was too limited and you can send your plans or we can do a google form. Clark clarified that if we send documents to public employees, it becomes a public record.

Clark: Thank you to Erika for support and advocacy, I've reached out a couple times and found it really helpful for what we are doing at Gearaid, so thank you Erika. Next up is an update from Councilmember Browne with regard to current issues before Council, specifically regarding the proposal on childcare.

Rud: Thanks Clark. Before I move on to that, to come back to the discussion Rick, Matt, Mark were doing. If anything I hope it demonstrate the constraints local government faces, if you see things that work in other jurisdictions in WA, because the laws are identical, if you see other jurisdictions solving the problem in a genuine way, we need to know, Rick needs to know, we are trying to thread a needle from incredible guidelines from state law, they get frozen, there is no way out of the box, if you can help us fine way out of the box

Troy: I do not understand the constraints that they have. I'm willing to help, I think this is the most important issue. Understanding the data, what I am hearing is we are meeting goals and there is no problem. That doesn't register and work or my brain.

Rud: I understand, I don't think it is the complete story, I don't think they are being evasive. One area I wanted to have a discussion is the issue of the cost of infrastructure, pipes in the ground, providing services is an obligation, what is that obligation? You have a diff level of service outside city limits, who decides what level of service is? When you pit in infrastructure, there is capital cost and maintenance. City will argue that providing police, fire, maintaining stuff in ground, is greater than revenue from development. Late comers subsidized by earlier comers, we need to spend time understand their argument. That's where I suggest the conversation goes. Childcare issues, not a lot to add at the moment. We called for comments from different people in the community, those comments are on the CC agenda, if you go to the 130 mtg on the county legislative page, you will see comments from different constituent groups, conversation at approximately 130 tomorrow to go over that topic, there's no direct decision tomorrow but depends on will of council, at the moment,

trying to collect data. You know, I initiated this, Carol and I initiated this, the goal is not to shove this down people throats. The goal is to circle the money and community to tell us how to best spend it. Other than raising kids, I spent more time in office, not an expert.

Clark: What is the timing on understanding the scope of that money and when it would be available?

Rud: Rick said well, we are trying to figure out details. Feds haven't written them. Assembling aircraft while in flight, we don't know rules, there might be rules like Buy America, can only spend on American made stuff, or has to be spent on high degree of apprenticeship, no idea.

Clark: Monies have not started flowing to counties in the US?

Rud: Not here, no.

Don: Not from ARPA, still some old cares funding, but new funding has not been distributed yet.

Michael: Yes from my understanding for funding timeline for ARPA, large jurisdictions will be getting allocations direct from treasury and that will happen in June. Then a second allocation that will happen maybe end of this year, maybe next, has to be spent by December 31 2024. That's the only info I can add, everything else is interim guidance is 100 page doc and just came out last week and still very fuzzy.

Don: Rud I had a question, separate topic, coming up tomorrow, that is – is Council taking up the CP permanent ordinance?

Rud: I did not see on agenda, temp moratorium extension. I think we are really close, one thing all parties can agree on is we want it done, not on agenda tomorrow as best I can tell.

Don: I know we were scheduling for tomorrow. Do you know why it didn't get scheduled?

Rud: I think there was a conversation people couldn't make the meeting time, if I recall correctly, Scheduling issues.

Don: Clark, if no other questions from CM Browne, just want to remind everyone that we have two voting positions open: food processor and manufacturing seat both voting members. Again if anybody has recommendations, please get to me or get to the person to apply for the role. If you recall they go to county council website, go to the committee, there they can get an app for those roles, then next council meeting, they will vote on the application.

Clark: Any specificity of scale? Level of manufacturing?

Don: In general, our committee is made up of major companies, there's no limitation, but we have a lot of groups that specialize in small biz, it really has to do with experience level and some more diversity in the group (women leaders, people of color) that would be great as well.

Sarah: Thank you for the reminder. We are going to have recommendations this week. Rud, I had a quick question. I love that you and Carol brought up going after something about childcare, but have there been some key steps to tying to existing childcare facilities that survived through covid. We took it and polled employees, employees were concerned with proposal, with structure, the majority of dual income families and single working parents supporting kids, there revenue would

put them outside from seeing any support as the proposal exists and value and appreciate the existing facilities within the county and said it is a 5 year wait list and the hoops and regulations they are jumping through are really adding limitations to bring more kids. Almost a parallel conversation to get land annexed, I really liked how Bob spoke at the last meeting, this is not what government is good at but maybe it can align with existing businesses to streamline and knock redundant burs out of the system, so capitalism can prevail and there can be more choices.

Rud: Couple questions I will try to answer. First, a lot is driven by state reimbursement, If you are low income and space is available, you get the slot paid for by state. State reimbursement rate is function of level of training and staff competency and quality of facility and whether it allows for things like outdoor play, there is a relationship between the level of the facility and training of staff and reimbursement rate. As far as the issue, should government be in this role? Government is in education, elementary middle to high school, predominately funded by the government to provide basic education. I don't see it as any different. The goal is not for the government to run the facilities, the goal is for the government to reduce the capitol cost component of having the facilities, I believe that private sector combined with reimbursement rate, the formula will work and we can increase the number of slots, just by taking out the capitol cost component. That was the logic of that.

Debbie: I would say the same. Sarah, I consider myself a capitalist and am reading the most recent childcare demand study, I was surprised to see that demand has actually gone up, going through carefully because expected it to go down slightly because covid because of hybrid working model, some parents have been saying that the cost is so high that my partner and I are simply saying no, we are going to find a way to working around childcare and we realize the cost of childcare and housing are so high and we can't deal with that. Despite being a capitalist, I come out of the payer world, medicare is one of the best blends where the plans compete in the market, which was originally a government medicare program. When you look at this, it is exactly what Rud is saying. The business model for childcare doesn't work from the parent perspective in terms of cost and it doesn't work from the provider perspective in terms of cost and if you take brick and mortar costs out, then it starts to make more sense. So I do not think it will increase costs for your employees. As I look through the responses have been more 2 parent families than single parent families, which I expected it to be more single parents. I appreciated the time it took you to do that, take all that info in. I don't think that the model that Rud has been presenting is going to make it more difficult to get into childcare, mostly it will make things easier, it is a concept of access, it is those 2-5 year waiting list. Even my kids, looking at preschool and my husband was jumping up and down, and asked why aren't they looking at the YMCA, they assumed they wouldn't be in until high school, they just didn't consider given the wait list. We need to change the landscape, we need more providers.

Sarah: I agree, I hope we can put some emphasis on the burs, again, that was just a good way to talk about the bureaucracy or the redundancy. Maybe we shouldn't spend so much time to figure out the box everybody is in, but move forward to the solution to align with existing business and beat some regulations into a little bit more common sense.

Debbie: I agree.

Clark: Is there a timeline when it will be brought to council for a vote?

Rud: Can answer that tomorrow. I am a capitalist as well. I am a free enterprise guy is more accurate. We've got money and there's two things we could do, subsidize childcare until money runs out, or make it more affordable permanently by reducing capital costs. Both will solve the problem but one will solve it short term or long term.

Clark: We are at time plus five minutes. Move to close the meeting. Seconded by Sarah. Thank you everybody for your contributions, we had a very full agenda. We had a robust conversation on the primary issue brought forward, which is the the UGA, looking forward to future discussion on that and seeing the UW study.

Don: I want to thank the guests again too, I know everyone is busy. Thank you all, I appreciate you all.

ZOOM CHAT LOG

From Eva Schulte, she/her, Whatcom Community College to Everyone: 11:12 AM

Congratulations!

From SDR to Everyone: 11:13 AM

Thanks Everyone!

From Andrew Gamble to Everyone: 12:11 PM

very compelling, Erika... Thanks!

From Debbie Ahl (she/her/hers) to Everyone: 12:11 PM

Kudos to you, Erika and the Health Dept for all of our leadership!

From Eva Schulte, she/her, Whatcom Community College to Everyone: 12:12 PM

Thank you for your leadership, Erika.

From SDR to Everyone: 12:12 PM

Thank you Erika

From Bob Pritchett to Everyone: 12:15 PM

FWIW, Clark, HIPAA seems to be a constraint on health care providers -- but doesn't always restrict non-healthcare providers. "In most cases, the Privacy Rule does not apply to the actions of an employer."

<https://www.hhs.gov/hipaa/for-individuals/employers-health-information-workplace/index.html>

From CJ Seitz to Everyone: 12:32 PM

At this point daycare is not a livable business option. A center cannot charge enough to cover costs viable not livable