

Whatcom County Business and Commerce Committee
Meeting Notes
June 12, 2023

Voting Members Present: Ryan Allsop (Committee Vice Chair), Pam Brady, Casey Diggs, Clark Campbell, Sarah Rothenbuhler (Committee Chair), RB Tewksbury, Pete Dawson

Voting Members Not Present: Debbie Ahl, Paul Burrill, Troy Muljat, Brad Rader, Chris Trout, Dana Wilson

Nonvoting Members Present: Port of Bellingham Executive Director Rob Fix, City of Bellingham Mayor Seth Fleetwood, County Councilmember Kathy Kershner, Whatcom County Executive Satpal Sidhu, CJ Seitz

Nonvoting Members Not Present: Small Cities Representative Jori Burnett, Eva Schulte

Public Present: Rose Lathrop, Derek Long, Pete Dawson, Andrea Ruback, Michael Lilliquist, Darby Galligan, Caryn VandeGriend, Hollie Huthman, Barry Robinson, Jessie Everson, Chris Erdmann, Barbara Chase, Emily's iPhone, Rob Lee, Kori Olsen, Dan Dunne, Kim Lund, Guy Occhiogrosso, Hannah Ordos, Mark Personius, Todd Lagestee, Lance Calloway, Anna Robbins, Russell Whidbee, Gina Stark

June Agenda

Introductions / Administrative business / Comments welcome from the Public (5mins)

- Committee Chair calls meeting to order
- Committee Member Introductions
- Approve May 2023 minutes
- Invite all attendees to participate along with Committee members during Q&A sessions

Sub Committee- Housing Topics:

Comp Plan Update, Housing Legislation, WCBCC Housing Memo

Whatcom County Director of Planning Services, Mark Personius (15 mins)

Whatcom County Executive, Satpal Sidhu (15 mins)

Q&A (15 mins)

Ballot Initiatives: Minimum Wage Increase & Rental Requirements Update on City of Bellingham Ballot Initiatives

President/CEO of Bellingham Regional Chamber of Commerce, Guy Occhiogrosso (15 mins)

Q&A (15 mins)

Sub Committee- Policy Topic:

Potential Alternative Funding Sources (Community Justice Center)- Cannabis Tax

Gina Stark- Port of Bellingham Economic Development Project Manager & WCBCC Sub-Committee Chair (10 min)

Q&A (10 mins)

Close

Ryan Allsop: We'll just hold off on approving minutes. I will make an executive decision. Kathy, do you mind— before we jump into the presentation, do you have an update on the council? First start there until we have quorum. Okay. And stall for Sarah, she's racing down here.

Kathy Kershner: I'm Kathy Kershner with Whatcom County Council, I'm the representative on this committee. And it seems like, what, four months ago we started a process of trying to add two members to the committee based on the committee's recommendation. And they went through a little bit of gyrations on the council. And what wanted to do was let you know what's been introduced for a public hearing on Tuesday the 20th of June. And what we got was the two positions that the committee asked for, so one in construction and an additional at-large seat. And then we also added on a for-profit position in childcare. That was one of the council's concerns with Prop 5. We heard from Ryan that there is a childcare committee that the business advisory committee has set up. So I don't think that will be too much of a stretch to add that person as a voting member, child care, for-profit child care. And then we also added non-voting members. This was kind of the stickler point, but a non-voting representative from K through 12 education will be added to the committee. That should not affect quorum. And I think those are the changes that got made.

Ryan Allsop: So just so I'm clear, is it it's two members. One construction, one for-profit childcare. So that's the second spot is specific to childcare.

Kathy Kershner: Correct.

Clark Campbell: Okay. And you said there was another one and didn't specify, an at-large.

Kathy Kershner: And at-large.

Clark Campbell: So it's actually three positions.

Ryan Allsop: Does that keep an odd number or don't we need it.

Kathy Kershner: Well you end up with 15 because you've got 12 now from the industries. So eight and then you've got three at-large. So you've got 15 voting members all from for-profit industry. And I think that was sort of what we were shooting for.

Ryan Allsop: And that's within our range. Thank you. Yes.

Clark Campbell: And now that we have that, are we able to have people submit applications?

Kathy Kershner: This will be introduced and up for a vote on the 20th. So once that happens, then Jill will send out the notification that there are vacancies on the committee. Okay.

Casey Diggs: What's the temperature? You think it'll pass?

Kathy Kershner: Yes, I think this is going to be okay. Even some of the folks that were shooting for something else came on board with this. So I think we're good.

Ryan Allsop: Yeah. Okay. So thank you. All right.

Kathy Kershner: I just want to tell you, this is how government works, guys, four months later. Yeah.
[laughter]

Mark Personius: People complain about permits. . .

Kathy Kershner: That was a good set up for you, Mark. Yes, and you can change your quorum. You can have whatever percentage the committee decides is adequate. I checked that out with Jill and she said you can set your own business rules.

Ryan Allsop: Might be a good idea to keep it at seven. Okay. Yeah, yeah, we can do that. And then what about subcommittee quorums? Do you know?

Kathy Kershner: All up to you guys. That's your business rule.

Ryan Allsop: Okay. And I think we can still proceed with presentations. We just can't vote. Yeah. Okay, then we'll call the meeting to order. We get introductions. All right. Ryan Allsop, Allsop Incorporated.

Casey Diggs: Casey Diggs, Boundary Bay Brewery.

Clark Campbell: Clark Campbell, Recreation, Gear Aid

Satpal Sidhu: Satpal Sidhu, Whatcom County Executive.

CJ Seitz: CJ Seitz, Western Washington University.

Kathy Kershner: Kathy Kershner, Whatcom County Council.

Seth Fleetwood: Seth Fleetwood, Mayor of Bellingham.

Kori Olson: Kori Olson, Port of Bellingham. I think we're kind of losing the room here.

Pam Brady: Pam Brady, Cherry Point Refinery, manufacturing. Can you hear me?

Ryan Allsop: Yes. Yeah.

Pam Brady: Okay. I can see you nodding. We can't hear the room.

Gina Stark: Can you just remember to speak up a little louder so that the Owls can pick you up, Especially if you're in the second row?

Ryan Allsop: There's no light on this one again.

Gina Stark: It was working.

Ryan Allsop: I just noticed the Owl lights are off. Can you guys hear me at all?

Pam Brady: We can hear you now. Yes.

Ryan Allsop: They can hear us. Okay. We're going to reset the Owl. Apologies, one of them went down.

Gina Stark: It was working this morning!

Ryan Allsop: They're adding IT Support to the resumes. I'll ask Kori. Can you hear me?

Kori Olson: I can hear you clearly now, yes.

Ryan Allsop: Okay. So it's flashing. Okay. That's working out well. I think we're good. Sorry. So where do we want to start?

Pete Dawson: Hey. Good morning, Pete Dawson. Development and real estate.

RB Tewksbury: It's RB Tewksbury with the Pacific Northwest Chapter of the Internet Society.

Gina Stark: That's the whole committee.

Ryan Allsop: Mark. Are you ready?

Mark Personius: Ready.

Gina Stark: I have your presentation. You should be all set.

Mark Personius: Thanks, Gina. Well, thank you, everybody. I'm Mark Personius. The county planning director. And you guys invited me to come and talk about housing. And I think in particular, some of the things that I want to talk about are some of the things that we're doing, some of the highlights of the priorities of the county about affordable housing issues we're dealing with, and some strategies that were compared with primarily around the comprehensive plan update. And I will talk about all of those things and I think address a lot of what you guys had pointed out in your letters to the County Council and the executive about some of your concerns. So can everybody hear me okay online?

Pam Brady: We can.

Mark Personius: Good. So I wanted to start just talking about some high level changes adopted by the state legislature this last session, this year. And I'll start with substitute House Bill 1110, which was the middle housing bill that promotes duplexes, triplexes, fourplexes in most single-family zones in larger cities in Whatcom County. Bellingham is the only city that is required to implement that bill. The smaller cities are not and the county is not. It was only subject to cities of a certain size. So I think Blake Lyon was here and probably talked to you guys more about that. So what that does is create more infill potential, ideally. And of course, there's a large process to go through with that. A public process. And, you know, there will be a lot of conversations among the neighborhood groups, I'm sure, in Bellingham about what's appropriate densities and where and how many and so forth. But that was probably the biggest bill that came out of the legislature in terms of directly addressing affordable housing. The other one I want to talk about is House Bill 1337 that require that ADU accessory dwelling units must be allowed in cities and UGAs. And the biggest issue here, I think the biggest change here will be that it eliminates the owner occupancy requirement, which most jurisdictions do have now, and it allows for the condominiumization — I've practiced that word a lot to get it right — so that you could actually sell the ADU separately from the single-family residence and lot, and vice versa. So all jurisdictions will be updating their development regulations over the course of the comprehensive plan update to address the

requirements of those bills. I believe they're due within six months after our next comp plan update, which is basically July 1st, 2025, is when those updates are.

Kathy Kershner: Can I ask a quick question Mark, when it says that they're allowed in cities and UGAs, is there any restriction on the size of cities, or are all cities, all incorporated towns, cities?

Mark Personius: I think it applies to all cities, but that's a that's a good question. I know it applies to us. So the assumption is it applies to cities as well. And of course, we allow ADUs as well and have for some time, but this will require some tweaking in terms of that condominiumization bill, as well as getting rid of the owner occupancy requirement. The last one I wanted to talk about that's most significant for us is substitute Senate Bill 5290, streamlining local project review processes. Some of you will jump up and down in joy for this bill, but what it does is it changes some of the permitting timelines that don't go into effect until January of 2025 as well. But they define very specific timelines that planning departments will have to issue permits. And it's essentially 65 days for a building permit from the from the acceptance of that application being complete to issuing your notice of final decision, you'll have 65 days to do that.

Ryan Allsop: Can I ask a question on that? Sorry, is that 2025 date? Is it your choice or county's choice? It actually could be sooner if the county chooses to implement it sooner.

Mark Personius: You mean shorten the 65 days?

Ryan Allsop: Just to expedite this process? Is there any reason not to?

Mark Personius: We are challenged in many local governments are challenged right now to meet the 120-day timeline, which is the current law. So this bill keeps me up at night right now thinking about cutting those timelines in half for us because we can't, we cannot meet that right now. And there's provisions in the bill that will allow us, we have to give money back. We have to refund, do partial refunds if we can't meet those deadlines. And then there are some exceptions where if we do some other things, well, then we don't have to give the money back. It's complicated. And no local government has yet worked, really worked through how they're going to implement that. So and we have some time. And staffing is the primary constraint for a lot of communities, especially smaller communities. There was frustration because they didn't have electronic permitting systems and they were still on paper. And that's both a staffing issue and an IT issue and a and a funding fiscal issue. For us, we've converted two years ago from paper to our new electronic permitting system. But like any software program, guess what? It has its glitches and its gremlins, and you spend as much time trying to fix those and patch those as you spent on the paper process. So that's our conclusion so far. So we'll get there and our efficiency will increase, but it just takes time. And then you've got to train all your staff, right, from going from one system to another system at the same time as staff as you have staff turnover, so you're losing some folks, you're getting new folks, and so you're in a constant kind of a flux in terms of training and getting money up to speed and operationally, everybody getting everybody to do it consistently.

Mark Personius: There's a ton of challenges on the operational side. So that one is going to be a big one for us, though, and it will improve efficiencies. It will make us more efficient. It may require more staff. It may require some improvements on the operational side. And those are the challenges that we have to go through over the next year and a half or so. There are what's called type one permits. Type two permits and type three permits. The type ones are the building permits. There's no public notice required for those. That's why those can get done usually more quickly. However, in our in our county, as you guys hopefully know, at least in the unincorporated county, there's very little undeveloped land left that isn't impacted by critical areas. So almost everything we see in terms of development applications have

wetlands or have habitat conservation areas or some other critical areas. So we're required by GMA to make sure we have no net loss of those wetlands. And that creates takes that process longer. If you do impact wetlands, you have to go through that mitigation and mitigation planning. It increases the cost obviously, of development commensurately as well as the timing. And so that's our biggest challenge now is that you'll notice in the legislature, none of these bills made streamlined environmental regulations or made any easier.

Mark Personius: They just said, Yeah, we know what you're doing, a tough job. And by the way, you got to do it half the time. So that's a frustration we feel on our side and we'll be dealing with that. Anyway, I just want to give you a heads up on that that that's coming. Those things are in the works. And the legislature, I think, pretty clearly indicated this year that affordable housing was their number one priority. And this bill in particular, 5290, was passed unanimously. Zero legislators in the state of Washington were against it. So, yeah, you can kind of see where their priorities were. We're going to make an effort through the Association of Counties to get our message across to the legislators next year. A little bit about maybe tweaking that bill or giving us some additional resources to help us.

Casey Diggs: Was there any funding associated with the bill or was it just a mandate?

Mark Personius: Yeah, it's a mandate. There was a request for the Department of Commerce to do some work on helping communities with their electronic permitting systems or converting to electronic permitting systems. We've been audited by the state auditor already on our we are as a county, we're subject to what's called the performance reports on how quickly we're getting these permits out. We're challenged to do that under our current system. And what it does, it actually creates more work for us and so not less work.

Clark Campbell: So our answer to the funding is no, not yet.

Mark Personius: No funding. No. So anyway, yeah, that's, that's kind of the highlights perspective of, of the legislative session. So there's some, there's some definitely some things that we're moving on. You guys did ask in your letter about the County Council's concerns and the Council adopted resolution last year, 22-036, which highlighted a whole bunch of things that the council thought were priorities for them and the entire comprehensive plan update I've just picked out of those that look like they addressed specifically their affordable housing concerns. And I'll talk more about some of these in later slides. But trying to get affordable housing for those folks, those households earning between 50 and 120% of AMI or the area median income. Looking at multifamily, middle housing, detached ADUs, tiny homes, the entire gamut of the housing products that the builders and developers provide, targeting an average rental vacancy rate of 5% and a 4-to-6-month supply of housing for all income levels. I think that's something you guys indicated as well was a concern of yours. Updating, strengthening, streamlining land use codes, housing regulations, permitting processes where appropriate, encourage more density and looking at some other sort of accessory strategies, infill development, density, bonuses, clustering. We do a lot of this already on the county side and the cities do as well. And finally, consider county acquisition of land for doing subsidized housing and affordable housing developments.

I'm going to talk a little bit about what we're doing right now as the administration is doing. And I think that Satpal is going to talk a little bit more about the funding and advocacy work that that he's been doing. But I want to focus a little bit on 1220. House Bill 1220 is a new requirement for us under the Growth Management Act passed by the state legislature last year. That requires us to plan for and accommodate a wide range of affordable housing from a moderate income down to low, very low, extremely low-income households, as well as emergency housing and transitional housing for these folks. So the way this bill

was structured is the state Department of Commerce did these projections for all of those particular housing needs by independent group and assigned those to all the jurisdictions of the state so we can have any number. We don't have any input coming up with the number that were given to us by commerce. It is now our job to accommodate those. And I think Blake probably talked to you a little bit about some of those numbers mean for the city of Bellingham alone, but they're pretty significant. So that exercise there's 30-some page methodology from commerce about how we're to go about analyzing and doing our land capacity analysis in our cities and our UGAs to figure out how we can accommodate those, whether or not we should be to date the logical outcome of that. That will be cities will have to upsell some areas to increase density. Basically what commerce does in their methodology is they equate density with those different income groups. And there's a rough assimilation of that. Third bullet-support our city to provide additional growth in density.

Under the current comprehensive plan, 75% of the new growth is supposed to go into cities with seven cities in this county. And they are under obligation under GMAs to accommodate 75% of our growth. If you add that there's our GMA comprehensive plan map. So the cities are all of the yellow areas, right? 75% of our growth is supposed to go into the cities. The purple areas are the urban growth areas or the unincorporated urban growth areas. Some of those are municipal. They're associated with the city, some are non-municipal. They're regulated solely by us, by the unincorporated county. But 85% of our future growth is supposed to go to the yellow and the purple areas, right? So we can only accommodate 15% of future growth by law into everywhere else in the county, which is the rural lands and the natural resource lands. They're not supposed to be accommodating large amounts of population.

Clark Campbell: And that includes the UGAs?

Mark Personius: 85%, those 85. And one of our major issues— are we running out of time?

Gina Stark: No. It's just that the folks online are having a hard time hearing a little bit. So just speak up and then point yourself at the OWL. Sorry! You're giving such good information, I want to make sure they can hear you!

Mark Personius: Okay! The little geography challenge that we all have, right, is to accommodate that growth. Now, every jurisdiction, of course, prepares their own comprehensive plan. So they have their own jurisdiction, they have their own policies. They can set their policies, how much they want to grow or they don't want to grow or how they want to grow. And part of our comp plan update process is to facilitate that conversation. So just quickly want to follow back up on a couple things. Those unincorporated urban growth areas, those purple areas, if they're associated with cities, typically it's the policy of the cities not to extend sewer and water into those UGAs unless they annex. And that has been a real challenge. So there hasn't been a lot of annexations for a lot of residential growth in the last comp plan update cycle. And so since the county doesn't—we're not in the utility business, right? We don't manage sewer, we don't provide sewer and water. So the cities closely and part of the requirements are that if you if you want to expand UGAs, then you have to have capital facility plans that show you where to plan for and you can't accommodate that growth within the next 20 years. And so that's a challenge that's expensive. So it behooves us to coordinate a lot with the seven cities on making sure that those UGAs can be served and they're willing to serve.

We just finished the Buildable Lands Report and are starting to implement that on our end. We're not raising densities quite yet. We'll look at that as a part of that HB 1220 exercise we have to do in the next three two years. But what we are doing is establishing what are called minimum densities and some zones in the Birch Bay Urban Growth area as well as the Columbia Valley. Those are the two non-

municipal UGAs that have residential capacity that that we regulate. And Cherry Point is the third, that there's no residential capacity.

So that's what will be required as a part of 1110 though in Bellingham as well, is that typically in a lot of zones we have a maximum density, but we don't have a minimum density. And so that that structure of code allows developers to, you know, design their product to fit the market rate. You can have up to four units or six units an acre depending on the zone. But if you want to build at a lower density and a larger house and a bigger product, then you have that discretion.

Now with affordability becoming, the elephant in the room, we're needing to raise minimum densities, which means you can't under build them. We need you to build to that density to provide more affordability. So you'll see that coming up in a lot of the update cycle. We'll go through what's called the land capacity analysis as a part of everyone's comp plan updates, which analyzes and looks at all the existing vacant land and developed land in the cities and UGAs and says, Can we can we accommodate much? Can you accommodate? We basically compare that with the growth targets that the city and the county will adopt and say, okay, can we meet that target in the next 20 years with our available capacity, or do we need to do other things? We need to increase density, expand UGAs, so forth and so on.

So that's the policy conversations that we'll be having over the next couple of years using program funds. That's the Economic Development Investment Fund from the rural sales tax that we have. The county uses that to help finance infrastructure gaps in certain areas. And I think this next go around, one of the important aspects of that will be looking at if we haven't had some of these unincorporated UGAs growing because sewer and water couldn't be extended or wouldn't be extended or couldn't because of cost, are there things that the county can do to help offset some of those costs through the process? And finally, the executive has initiated with us an effort to create an off site wetland mitigation program.

As I mentioned up front, there's hardly any land left that isn't wet in this county. And so sometimes it's hard to do that mitigation on site. And so we want to create a program where you can do we have some public land accessible lands available where you could do off site mitigation. It might streamline that process and still get us to no net loss. Right. And certainly still meet the intent of the Growth Management Act. Okay. There's just the county map, again, where most of that growth has to go into. The city's comprehensive plan updates a lot of public involvement. We got to do public participation plan. We have been working with them. We coordinate with the city county planner and the electeds for each jurisdiction, and that's been going on for years. And we come to agreement on processes and inter-local agreements on cost sharing among the jurisdictions and what those processes are for going about planning. We've got to coordinate with at least a dozen advisory committees to consult with and I'm assuming you guys want to be in that list too, so we can do that as a part of the process. Tribal participation is also new this year for House Bill 1717, which passed last year. So tribes can opt into the planning process at their discretion. Whether or not they want to or not. They can ask us to participate and then will be finally planning Commission review and recommendations and finally County Council recommendation.

So lots of opportunities for public involvement as we go through the process. Just a couple of the other things we've already done to address affordable housing. We have density bonus provisions in the Birch Bay UGA. They haven't been utilized significantly to date. We amended the PUD provisions already to allow duplexes and all our single-family zones where planned unit development, PUD, is proposed without the tiny homes and tiny home village provisions in the zoning code. A couple of years ago I just mentioned we're going to require minimum densities in our non-municipal UGAs Birch and Columbia Valley. They try to plump up that density a little bit and we'll be amending our ADU regulations to implement HB 1337 as a part of the comp plan update. And the council several years ago docketed a

proposal to specifically evaluate the North Bellingham UGA Reserve for designation as a UGA in the 2025 comp plan update. So that's the property up there by the golf course. So that's an area that the county has a keen interest in helping to facilitate, get that development going and get more, more, more housing out there. And finally, we use public land for affordable housing. And the old Forest Street property in Bellingham was converted to senior housing. So we've kind of looked at that aspect as well.

Things we've done kind of at the planning and development services, we've enacted a Kaizen or LEAN based workflow process some years ago to have less people touch permit reviews as they go through to kind of try to streamline that. We've enacted, as I mentioned, the digital permitting tracking system and we're working through the kinks and implementing that. We now require all digital submittals, no more paper submittals, and that takes a lot of time with our customers to kind of get them up to speed on how to do that. We've been retraining staff and our customers to shift to those digital workflows. We don't have a public facing web based portal coming hopefully by the end of this year that will allow folks to kind of see where their permits are themselves through the system instead of calling or emailing staff all the time. And where's my permit? They can kind of see it themselves. We're hoping that will increase efficiency a little bit as well. And as I mentioned, we're constantly going through our customer service training and staff engagement, breaking down silos between the divisions. So we have more cross-training opportunities for staff one. But as well as consistency is one division was talking to the other, making sure they understand what the issues are.

Mark Personius: We do quarterly feedback meetings with the BIAWC. Rob Lee invites us to come out and have lunch every a couple of months and we have a nice lunch and then they yell at us for about an hour or so. And so that's always a lot of fun. And in this past budget, the executive and the council approved two positions for us. One was for critical areas to help us get through those that particular process that I mentioned a little faster having to do with wetlands and mitigation and so forth. And one additional position for the comp plan update because we know that it's a lot of work. We also got a budget for an on-call third party consultant to help with critical area reviews. And I'll just skip to that one, which is my last slide. We were down almost 20% of our workforce early this year, you know, and that was hard. And so we had to move some money around and hire an outside consultant to help us with that third party review because we were short of staff and again, to make sure we maintain these timelines so we have more money in the budget for that. However, everybody's busy, so even the consultants in town did not have didn't have any extra time or staff for us. So we only got one. That person just left to take another job. And so now we're reaching out to some consultants down in King County to see if they can help out. So that's kind of what we're doing in the meantime and I'll stop right there.

Satpal Sidhu: I would say maybe if you can hold the questions for five, ten minutes, I will try to be brief and then we can both address the questions.

Sarah Rothenbuhler: Excellent. Yes.

Satpal Sidhu: I just wanted to add on to I think Mark is trying to cover a lot of stuff in a short window of time. Financing is a big issue. You know that when we get \$5, \$10 million and we by the way, in Covid years, we have over \$15 million we have spent in affordable housing in different ways. And you can include child care into that. But \$50 million when you need about 10,000 homes in Whatcom County and we go and build 250 homes— Yeah, we are making a difference. We are doing our due, but it's not answering the community's needs. It's not bringing 5 to 7% vacancy rate and it will not. The government is not the answer. I just want to let you know there is no capacity for any government, including state, to compete against the market forces. Market forces are so that housing is an investment.

You know, I met two people. There is a company in Washington state. One company owns 40,000 units, rental units. There is another company which is in more than one state. They own 75,000 units. So this is a corporate proposition now. And these are not VRBO or Airbnb. They are other than that. Who are builders who are building 300 homes and they put all 300 homes out for rent. Or they may sell 100 to get their capital back and they put \$200 for rent, 200 homes for rent. So there is a total different investment strategy. And I have brought this up a few times. Housing is not for living. Housing is for making money, and living is a secondary proposition. That's what our society has become. It wasn't the same when the West was getting developed after the Second World War. Everybody was coming. Let's go west, you know, the Highway 66 and all that stories we heard, it was build a house to live in Bellingham. You go to Lettered Streets, go to all other parts. The average home is 1000 to 1200 square feet. And there were people with 2 or 3 kids. They grew up in that house. That's how all the housing was built. Housing was built to live. And after 70s it flipped into house to make money.

So we cannot counter this force until something drastic happens. And that drastic is we must have community housing. 30 to 40% housing in every community in the United States. Community housing means they are not built for market appreciation. They are built for living, and that would have a counterbalance force on the rest of the housing market. So this is a bigger picture we can't fix in this. We don't have the pay grade it to do that. But this is very real. When people say, why can't you just do housing? If we can fix 250 homeless people. Within next six months. There are another 250 people who are homeless. Because, you know, you heard that in Everett, they will give you a one way bus ticket. Go to Bellingham. They got good services there.

Sarah Rothenbuhler: It's been happening for years. Yes.

Satpal Sidhu: I mean, these are real things. This is something that has to happen nationally to do that. And so I'm not going to go more on that. The other thing, there is a law in Washington state. The cities must grow contiguously. Probably was a great thing in 1900s, 1920s. Encourage the cities to grow. And that's why this this UGA concept is an old concept that city annexes and then they build and now the city is saying we don't have enough money to put do the utilities. So you guys are saying, why don't we build new cities? Like what is stopping us from building a new city? Let's build a 15,000 people, new city, new sewer, new technology, new roads, new school, everything new. What is happening to Blaine? We just gave them \$5 million because they developed. They grow outside. But the way they are located, their sewer plant, everything goes through downtown to get the sewer plant, and that is the bottleneck. So they cannot grow until they fix the downtown sewer plant and sewer lines. So now they got some state funds. We give them the money because the growth cannot happen on the other side.

They can't build a thousand homes. They can't do that. So that is just one example. I don't know why I think that. And I will speak at my own peril. But Custer. Why can't Custer be 20,000 people city? That land is not ag land. That's perfect. It is very close to the freeway. And I checked with some state legislature later. They said, no, Custer does not connect to Ferndale. I said, why can't Ferndale just say it will be Ferndale too? And we will have homes there. And Ferndale city council will run that. But we have a system where people have to say, we want to become a city first. We have to have people, then they have to say that we want to become a city and then we create a new city. Otherwise you cannot create a new city. You know, Birch Bay, Birch Bay has 9000 people. We are glad they are in the county. We get a lot of lot of revenue, tax revenue from them. But Blaine is 5000. Birch Bay is 9, right.

And they have consciously said, we don't want to be sitting we don't want to have extra burden on us. We are happy with what County is doing. So I think there are fundamental flaws which we never realized in

the last 50 years or 70 years that what our needs are going to be. We always thought the United States will never run out of land. We have such a natural bounty of land. Look at one of the most expensive thing is land. To build a house. Because we have not learned how to use our land for habitat, for human habitat. We never do that. So the other thing is the I think that, like Mark said, in the county, there is no land left, which you can come and get a permit and build upon it. It has. You know, hair on that. Could be a critical area, buffer, whatever, all those things. And land bank is the answer. It may take a little longer to do that. And we are only 25% of the housing part. So it's more on the cities. But we are, as a county, are willing to help and council has been very cooperative. Like you have said, things council passed in 2022. They were all what were asked for. But we are not impactful in increasing housing because we do not want to take up the land and put houses there because that's the only option we have left. Lynden is the same thing. Why can't Lynden go say, okay, we are enough and we can go build a new city and let's put all the people there. Lynden is at the tipping point in a sense. It's a big enough city to do what they're doing. They get enough revenue. They can be self-sustaining, but the only thing they can do is to grow, is to build more homes and spend more money, build more homes, spend more money. Sorry, I'll just stop here.

Sarah Rothenbuhler: It's perfect timing. If you're ready, we'll go into Q&A.

Satpal Sidhu: Please.

Sarah Rothenbuhler: Okay. Excellent. Who would like to start?

Lance Calloway: In our group – this is Lance Calloway – and in our Housing Subcommittee, there's a lot of discussion of contracting out per se, some of the permitting processes and or giving a developer or builder the option to pay an additional fee to expedite it. What has your department kind of done with that thought process?

Mark Personius: We have equity issues about pay to play, right? So that's a concern. We did hire when we were short of staff. We have and we will do again. We will hire outside third party consultants to do, you know, critical area review because as I mentioned, that tends to be where things get take the longest. We can and have used third party plans examiners at the building permit stage, but right now— we were 4 to 6 weeks out on building permits alone. We're now back to we were short one of those one of those vacancies was, was in the plans examiner, but we filled that position recently or getting that person onboarded and trained. So we're down to about four weeks, which is pretty standard on building permits. But again, that's not the main problem. The main problem is back on doing site plan reviews and figuring out where that building envelope is going to go on a piece of project because critical area, right? So like I said, all the consultants we've reached out to were busy and frankly said, thank you, no thank you, we don't have any to spare right now. We got our own private clients and customers. So we're reaching out down to Seattle to see if we can get some of the larger firms that might have more capacity.

Satpal Sidhu: Yes. I want to add to that, that if there are a single large project, we are willing to do that, you know, if there's a hydrogen plant. I had a discussion with BP that if they have that kind of investment and a project, we will be able to work with them. If they can pay us, we'll do that. But we don't want to do it as general. Anybody coming in like equity issues, if the community council, everybody wants to say, okay, that's where we're going to go. It's the decision, policy decision by the council and by the community.

Clark Campbell: Thanks, Mark, for a lot of really good detail there. What I heard, other than the unfunded mandates that are making our job in some ways harder is generally, we've got the GMA that's driving changes that have to be as part of the comp plan in July 2025 to get more housing. It sounds like

that's 85% of that has to be done within cities and the UGAs. If we're going to be looking at UGAs, that's going to require funding for utilities again back to cities, and then eventually upzoning, which is going to mean changes to zoning rules. Right. So I guess my question is, if that's the path we're on to get to housing, what are we doing with Cares Act funding to create that link for utilities? Is there any is there any other funding sources? And I'm talking about the federal dollars that we're given that might make building out some of those or annexing those UGAs and then being able to build them because the utility links are there?

Mark Personius: That's a good question. I don't know the strings attached.

Satpal Sidhu: Let me answer that— When you say Cares Act dollars, you really mean it's federal money, right? The Cares Act dollar was very specific. It had a life of only six months. We got the money in March, April, we got the clarification. By June and by November we would we were supposed to spend all the money. That was in 2020. It came from the federal government. Then after that, that was about \$26 million. And we got as a whole county and that \$26 million, a lot of it was going to the Covid operations, testing, vaccination, all kinds of PPE and other things. After that we got \$44 Million as a County American Rescue Plan. American Rescue. Yes. Which actually had a larger sidebar or furthermore ability for us to work with. The city got 22 and all these small cities, 5 or 6 million. So that was in addition to the WTA, got \$35 million, tribes got \$50 million. There were \$150 million dollars injected into Whatcom County by American Rescue Plan.

Clark Campbell: Right. I guess my question is, is there any earmark on that?

Satpal Sidhu: Right. So earmark of that, the issue for infrastructure, just the core data expansion alone would cost \$50 million. So the costs are enormous for county government to take on infrastructure. Now, what we have tried to do that helped with that money was we put over \$10 Million in child care. We put more than \$10 Million in affordable housing. The Samish Commons. You look at Samish Way, it's totally different city now, totally different place now. And that's what has come up with that. So we were able to do that Mercy Housing in Barkley, that other housing going on the waterfront the Georgia-Pacific property. So we have been able to inject— and the Forest and Laurel Street property— so we've been inject a million here, two here, one here, three here. But that's our capacity.

Clark Campbell: Yeah. I guess, my what root cause analysis that I'm kind of doing in my brain with this is it seems like cities are reluctant to annex until they know they have funding. The funding is going to be required to do the utilities. Is there some sort of nexus overlap here between that speeding some of those dollars to do utilities upgrades, which makes the annexation decision more palatable.

Satpal Sidhu: The decision was as a state that private developers would pay for it and cities will have that benefit and take over. It worked for a while. For a while. Right. And first the government was giving all the money come and grow the west. And we did that right. What happened in California and other places. Then we shifted to, okay, these people are making money, so move it over to them, right? They did that gladly as things were reasonable. Now it's become totally unreasonable. You cannot expect a developer to put \$50 million to build 1000 homes and then build homes on top of it and then make them affordable. Yeah. Yeah, it's impossible.

Gina Stark: Derek has a question. Derek, do you want to ask your questions? I think it's an important one, it's an actual action item for the committee.

Derek Long: Yes. Thank you. I have to run for another meeting, so I appreciate this quick opportunity. I'm not sure if the Business and Commerce Committee can endorse a proposed Bellingham policy or not, but certainly I think County Council can contribute thoughts on this. But City council in the next two months will be voting on whether or not to adopt the state's new 1337 full measure in whole or in part. Bellingham City Council's been studying an update to 2018's ADU ordinance for perhaps a year. And yeah, I would just like to encourage it's part of the recommendations from the Housing subcommittee to adopt 1337 in full and be aggressive on ADUs. And so I just wanted, before I have to take off, encourage the committee to consider sending a letter to the City of Bellingham Council. Dan Dunne is there, I believe and Dan can speak very well to this issue.

Sarah Rothenbuhler: We already have endorsed it with our housing letter, but I don't see why we can't—

Ryan Allsop: Narrow it down.

Sarah Rothenbuhler: Yes..

Ryan Allsop: Thank you for that. Thank you. Encouraging to expedite the process from 120 days to 65. I know it sounds like a daunting feat for the county and the cities, but that would be a massive change. Satpal, you talked about market forces, which I think is always an interesting conversation. Yeah, I agree, I don't think anybody here in this room at least would say that the government could drive that much change on the on the development side. But they can sure slow it down, which is what we spent the last five years actually discussing and how to fix that problem. And so they will fix it. But it's driven the developers out of here through that process of being challenging government to work with. I think that is the role that we are trying to change and the impact we're trying to have a committee and what not is to try to drive it. And the state's even taking acknowledged that now and trying to drive that change down to the counties and cities, which is actually great to see, I think. And a lot of the stuff we talked about subcommittee is being enacted. But I think that's a critical part of this is that the government can't change it on the other side, but they can slow things down and make it much harder for developers.

Ryan Allsop: And I think you keep talking about mitigation. I just want to throw out— I throw this out every time, but the we have the Greenways Levy and we have a massive bank of land that we could sell back to developers and not that goes into a conservation easement potentially. I'm just throwing out the crazy idea. And that could go back on the tax revenue that tax revenue, because now we're taking something off, right now it's off the tax rolls for the county. It goes back on the tax rolls, at the conservation easement prices, it's not going to be obviously high value, but it goes back as farm and ag, if you want to call it that value. So it's funding other projects that could be funding pipelines, sewer treatment plants in areas we want to grow. I mean, can we take a maybe like a unique look at this and see if there's other ways to do it?

Satpal Sidhu: Can I address that? Sure. Because time is limited. When you say we have a whole chunk of land, the easement, the conservation easement, we don't own the land. This is a misnomer that Whatcom Land Trust owns 30,000 acres of land, we can give it back to developers to do that. That's not true. What we do, we put an overlay on a land. You are a farmer, you say, I would like to get an easement or that's for PDR. Also, when we do a conservation easement, you give a promise that I will never develop it. But we even if we give it to back then you can develop it, right? It does not change the ownership of the land. We cannot give up that land or give away to a developer. Now, there are if you look at the easements, if you do a little study into that, they are all far out lands which cannot be built in, but they are not suitable for housing anyways. There is no easement like within the city of Bellingham. There are 5000 acres with an easement on it. That conservation easement on it. There is none. Right?

So those lands are out in the county, but they are good for developing a wetland bank because already the owners have promised we won't build on it, but we can go enhance it so that we can spare the land inside the city. If we go and say we will use it as a wetland bank, get the approval through the Army Corps of Engineers, then we are able to enhance it. It still won't change the purpose of that, but it will spare the land which is already buildable. But we cannot make the conservation easement land as a housing matter.

Ryan Allsop: So you're saying the county doesn't actually own the land that they purchased in the Greenways Levy around the lake? The 2000 to 5000 acres they purchased?

Satpal Sidhu: 8000 acres is purchased land.

Ryan Allsop: It's stayed in forest land. It's just a combination.

Satpal Sidhu: Yes. That's the only way it was bought. That's the only way here. Yeah. Yeah it's not outright. I wish 40 years ago we would have the vision. County owns very little land. Very little. City does also, very little land everywhere, even in the county.

Ryan Allsop: I'm not totally—I would love to see that. I thought we owned that land. We are buying it. It's come off the tax rolls.

Satpal Sidhu: No. It doesn't come off that way.

Sarah Rothenbuhler: It's nice to hear we're talking about getting the infrastructure into those UGAs, we keep hearing how much money that will cost, but at least that's going towards infrastructure. We're spending millions to billions of dollars without supporting necessary long-term infrastructure, hopefully we can change that focus. And it's interesting when I hear talk about how housing has changed, I feel like a fundamental American way has always been enhancing, building equity in your home. And I think that opportunity is a really important piece to America. It concerns me, if the focus is only on Mercy Housing and those type of developments, there's no form of equity building for people. Not moving on infrastructure and creating opportunity for all housing is limiting, and scarcity raises prices. Housing has always been a form of living and also building opportunity, you see people work on their homes, and move to the next and it's been that way.. But we're creating more division with main emphasis and money going to long-term housing apartments with expensive costs like the electrical for residences.

Satpal Sidhu: I can give you a personal example. I came to this country. I was here one year. I bought a house. Kids who both husband and wife are making good job, with their master's degree good. They can't even get a down payment for their house. So American Way is great. I'm not denying that. I am an example of that. But what has happened is, is the inequities in wealth. Because \$250,000 to get a master's degree to start with, never mind house.

Sarah Rothenbuhler: And scarcity of land and bureaucracy is adding to cost increases.

Kim Lund: I just want to make a comment with my planning commissioners had on about that the wetland bank strategy and how that's an efficient compromise to streamline building, but also it's an opportunity to identify if done right, you know, wetlands that have high ecological function and we can do uplift there versus kind of mitigating around the function. So it can be a win-win.

Satpal Sidhu: It can be a win-win.

Kim Lund: Yes.

Satpal Sidhu: So and those processes are many years long. I can't believe Army Corps of Engineers take ten years to give a permit for that.

Sarah Rothenbuhler: It's a good comment. We're going to move our last topic, the cannabis tax, to our next meeting and maybe we can get— there's a better word for jail, but maybe we can get an update on that at the same time for July meeting. So we are running on track. If we take one more comment.

Kathy Kershner: Just real quick, I just wanted to encourage the committee to please send the council your recommendations on the city's actions on Mr. Long's recommendation. And we can also take that up and support that.

Sarah Rothenbuhler: Excellent. Thank you.

Ryan Allsop: Can the small cities adopt even though they're not required? Like you mentioned that the only city of Bellingham is required to adopt that some of the new state legislature that's been pushed down. But can the small cities adopt that? I mean, is there any reason they can't go to higher density and fourplex and on a single apartment? So is there any encouragement for that? I mean, should we I mean, to drive not just in the city of Bellingham, but Lynden and Ferndale and Blaine to actually adopt those policies all?

Mark Personius: I have talked about this this next update cycle. And as I talked about, you know, cities are accounting for the lion's share of the growth. And so it's incumbent on them to do that or to figure out the best ways to do that. And everybody can set their own policy, right? So it might be in some jurisdictions, it might be infill and urban villages and mixed use. And in other jurisdictions it might be, no, we don't want to increase densities in single family zones because of neighborhood pushback. So we don't think we can accommodate new growth there. So we're going to need to expand the growth areas instead. And that's going to be the strategy we recommend. And so that's the policy discussion that'll be going on around the county next week.

Clark Campbell: What's the population requirement in the state in 1337? Or ADUs? I don't know. Like we're asking whether small cities would like to do this as opposed to-

Mark Personius: I think Ryan's talking about 1110, which is the one that said raise the minimum densities and allow complexes.

Clark Campbell: Okay. That's a different bill.

Mark Personius: The small cities are not subject to that.

Ryan Allsop: But can I ask one last thing— I know City of Bellingham, I think Blake's got \$6 or \$8 million budget surplus right now. And the permitting department, if I recall, wasn't that what it was at least last year when we talked. I think that you don't know currently, but it was \$6 or \$8 million I think last when we talked in the June meeting. Do you have a budget surplus right now?

Satpal Sidhu: I'll tell you the city is much, much richer than the county. I can tell you that. We have big obligations like jail and health department and mental behavioral health is a bigger lift for us than and city is more flush with money than us. I can get in trouble for that [laughter].

Sarah Rothenbuhler: Thank you. Thank you both of you for being here. And we would love to stay involved.

Mark Personius: We'll come back.

Sarah Rothenbuhler: Excellent. Thank you.

Gina Stark: Pete had a question real quick. Pete, do you want to unmute and ask your question?

Pete Dawson: Can you hear me okay? Okay. So the question I have and what can we learn from other states? You know, question for our county and city leadership is why is the price of a new home in many states such as Indiana, Ohio, Michigan, Iowa, Kansas, numerous others at well under 300,000, which is less than the half the cost of a like home in Whatcom County. Materials and labor are about the same. Contractors get paid about the same. This is talking to our peers in other states. Big corporations can buy houses in any state. So what makes Whatcom County and certain states have almost double the cost of a new home. And, you know, I've posed that to our county leadership here.

Satpal Sidhu: Yeah, I don't have a quick answer to that. It's kind of unique situation we are facing. And maybe because of the international border we are on and how the market is reacting to this region. And the other thing is this boom and bust cycles which are happening. So I think that Frank or somebody else in the real estate business may be able to give more insight into that. But it's a very good question. Why are they having the same issues, why we are having those?

Mark Personius: I would just add, when we did our last comp plan update, which was six, seven short years ago, if you did one of those word cloud searches of all the issues and everybody was talking about affordable housing was hard to mention. And today in this update, it dominates the room, right? So that's how quickly things can change on a national, international scale. And so we have to pivot obviously pretty quickly here. And now we're all focused on affordable housing and doing what we can.

Satpal Sidhu: And wetlands is a big issue. But that's what Washington state has become and it's a huge issue. I don't think you go in Ohio or Kansas— first, their topography is different. And second thing, they don't have these regulations. What we have, our regulations are even stronger or more stringent than federal regulations.

Sarah Rothenbuhler: And it could be a circle back to not developing our UGAs. Many of those states, the permitting process is night and day streamlined to ours, Kaizen LEAN management, eliminating wasted motion is a lot more prevalent. I wish we could solve it all now. But we should go on to our next easy topic. [Laughter] Guy, are you ready?

Guy Occhiogrosso: Yes.

Sarah Rothenbuhler: Okay. Thank you so much.

Guy Occhiogrosso: But on that whole housing front, I can appreciate the willingness to push into affordability. Affordability doesn't mean anything, and that's important. AMI does. Affordability doesn't

mean much. Availability, I think, is what we need to really lean in to. All right. So getting to my portion of the agenda, this not the city of Bellingham, but there are two citizens initiatives on or possibly probably on the ballot for this fall. A little bit of a history lesson. Two years ago, in the fall of 2021, People First Bellingham put out four initiatives. Two of them passed. Two of them failed. This right now, you are seeing people gather signatures for two initiatives, a slight rewrite of the two that failed two years ago. One is a wage initiative. One is a rental relocation initiative. The wage one is one that I've spent most of. And when I say most of my time, a little bit of time on trying to understand a little bit better, it's where I have some concerns, so much so that our board has officially opposed the first one. If it does happen to be on the ballot, which I don't see, I don't see it not being on the ballot.

The rental relocation was a little fuzzier, let's say. And so just to kind of keep it high level, very factual. The wage initiative is basically a two wave or two annual increase in the minimum wage in the city of Bellingham. If it were to pass this November, it would take the first phase would take into effect next May. So May of 2024, with the second wave hitting May of 2025. First wave is a dollar above the state minimum wage. The second phase and final completion of the initiative is \$2 above the minimum wage. Now, many of us know the minimum wage is a ever increasing based on an algorithm that the state determines. So if we were to look two and a half years from now or let's say three years from now, my estimation is the minimum wage in the city of Bellingham would probably be about \$18.25 if we're assuming a slight increase in inflation because the state adjusts the minimum wage, which is currently \$15.70, something that I don't see it very I don't see it unlikely to have an \$18.20-ish minimum wage. So that is just kind of how the facts are for that wage initiative. The rental relocation, as I said— Yeah.

Casey Diggs: The initiative with the minimum wage, will that go on forever, so it'll be \$2—

Guy Occhiogrosso: It will always be \$2 more than the state, regardless of whether our cost of living locally decreases or increases, it will always be \$2 more. So it sets the new local minimum wage. Now, there are some intricacies with this initiative that we don't fully know, like I looked at. I mean, I'm going to use Dan, we had this conversation at our committee. If Dan has someone who is working inside the city of Bellingham versus outside the city of Bellingham, does those rates change now? Dan probably pays more than 18 bucks an hour for that role. But there's a lot of questions that come up. One of the things that we saw during the pandemic was the— oh, I cannot remember what it was called, but basically the \$4 bump due to being an emergency. Yeah, we did see some ramifications of how something implemented in the city could ripple throughout the county. I do think that's fairly ancillary, but it does kind of play into again, we want to talk affordability. Let's talk affordability. So yeah, I do think it could have some ramifications among wage pressure, cost of goods, cost of services. But getting one to the second initiative, it is a rental relocation initiative and it kicks into effect when maybe lean on Lance a little bit here— 8%?

Lance Calloway: It's an 8% increase.

Guy Occhiogrosso: Within the 12 months. I know it gets into effect at an 8% annual increase or more. So if a if a landowner increases rent by 8% or more, you then have this complex set of situations that take place which would encourage, allow, someone to relocate from that situation. Go to somewhere else. And then the landowner would then have to pay three months of rent at the new location or three months of I can't remember the technical name of that was three months of the current rent that they were paying at the residence that they were living.

Casey Diggs: Hm. So what's going to stop a landowner from just doing 7% annually?

Guy Occhiogrosso: That's a good question! And so here's where the other piece comes in. I think we do have a couple city council members on the call that could certainly speak to this. And this is where, again, this is a citizen initiative. The city council city staff are not endorsing pushing this, right. The city council – and the county council, but we're talking city because this is the city specific piece – has been leading on what I would say, climate initiatives, climate programs. And so if the city were to enforce, let's say, heat pump regulation, right. They're not tied. And so what type of expectations are we putting on landlords? Casey, to your point, I don't know why a landlord wouldn't just say, Great, 7% annual increase, and that will destroy the affordability thing that we spent the last 50 some odd minutes talking about. Right. So. Yes. Couple of my own opinions interjected in there, but I tried to keep it as factual with both, just to make sure everyone's aware. I think everyone loves supporting petitioners. We love engaging in our process, but I think it's important to know what people are signing and what, you know, what these initiatives actually say. So we as the chamber, our board is officially opposed the wage initiative. So if and when that gets the signatures and is submitted to the city council and city council goes through their process, it will be something to watch probably in the next couple of months. But we've already opposed.

Clark Campbell: So just to be clear on that, that with if you went two dollars just the two cycles at the current rate, minimum wage was I think up 8% this year. It's \$15.74 now, if you assume that inflation comes down, which it's based on CPI to say 5% for the next two years, that would bring us to \$17.35 which would make the effective minimum wage and the minimum wage for Bellingham would then be at \$19.35. So your numbers are rounding down. \$19.35 is probably a safe, low, low estimate based on that. And given that is a three years from now, so May 2025. Yeah. So that's the challenge for businesses, is the minimum wage really does set the floor. The effective minimum wage, what you can hire for right? Is probably \$2 higher than whatever that number is.

Guy Occhiogrosso: And there's no factoring in of tips.

Ryan Allsop: Yeah, in this current and the way it's structured, I believe so.

Sarah Rothenbuhler: Layers of regulation make everything more expensive.

Guy Occhiogrosso: And again the wage pressure is what I'm seeing. I mean we all see and feel the cost of goods, the like again, everyone has their dollar price for a burger, right? Like X dollars now for a burger. Well, this will make those burgers more expensive.

Ryan Allsop: It's usually a beer for me. Just so we know, \$7 beers is my limit. [Laughter]

Guy Occhiogrosso: But again, this has multiple impacts into the dialog, right? There's the actual cost to the business that they then again give to the customer because that's how businesses operate and then the customer's expectations. So what is going to be the wage pressure from a cost of living perspective that this will ripple out?

Ryan Allsop: And you're bringing this to our attention, just so we're aware of it, and then if it gets on the ballot. . .

Guy Occhiogrosso: I don't know if it's appropriate for this body to do any kind of enforcement. I think it's important that we know what's going on, that we know the issues that are impacting or could be impacting the business community. And that's why I thought it was important to fix housing.

Sarah Rothenbuhler: It affects staffing. It affects all the topics that we're focused on. So thank you.

Clark Campbell: Yeah. And we can't actually make anything sit formally on the ballot. We can't make a position on it, so I can't tell you why.

Guy Occhiogrosso: I mean the city, I mean the city council's role is pretty limited in what they can do. If this initiative gets the signatures to be again on the ballot. That's why it's important to have these dialogs now. So when people are like, Oh yeah, I'd love to have, you know, people get more wages in Bellingham, I'm for that. I would love to see a way to increase our wage base in the community through more better jobs. But at the moment that we push the floor up like the only the distance we're creating for those experiencing homelessness, for those that are on a fixed income, for those that are not employed, we just push the floor further away while making it more expensive for everyone in the City Council did not endorse. The last time they came out against came out against it including the mayor. Yeah. The one interesting thing on this initiative, the writers of this learned not to include the City of Bellingham employee in the workers to be required in the minimum wage.

Ryan Allsop: That's one of the reasons they voted it down. You're right.

Guy Occhiogrosso: Yes. So Initiative 1, which is the wage initiative is fairly straightforward, right? The second one is complicated and fuzzy.

Ryan Allsop: Well, who's going to manage it to enforce?

Guy Occhiogrosso: It's going to be loaded. It's going to be well again, the enforcement's going to come through the legal pushback. Yeah, that's where the enforcement is going to come in.

Casey Diggs: There's also aspects of what they consider short term rentals, that's six months or less, they're going get to 8%.

Guy Occhiogrosso: Yeah, there's just some funny carveouts. Is it possible that I take two minutes on a different topic?

Sarah Rothenbuhler: Yes.

Guy Occhiogrosso: So one of the other initiatives that – let me use a different word – opportunities, coalitions, partnerships that most of you probably seen with us, the chamber and the Downtown Bellingham Partnership is the sign on letter. I want to thank Casey, your leadership and Boundary's leadership of being one of the first. And so basically public safety has been a big topic of this body. We have got to take care of our whole county, but we have to take care of our downtown and people's perception and experience in downtown. Everyone has their own story. And what I want to talk about is the opportunity for those of you as businesses, as residents, to send this letter. We currently, as of this morning, have 1600 signatures, both businesses, residents, shoppers, employees, organizations. But more than that, and for those of you that have done any type of research in your own businesses, 600 testimonials at this point. So 600 humans said this is such an important thing that here, let me take the time and write a paragraph or 3 or 4 about my experience. That tells me a couple of things.

Number one, people are still hopeful that we can change it, right? Because people wouldn't bother. It's easy enough to just click delete, if people didn't want to see change and didn't have hope that it would be changed. So a little bit of a push. If you've not seen that, let me know. Please feel free to share it. I would love to get a few more signatures on there, and I do. I did see Darby still on and so I don't think Seth is on

anymore. I just want to say thanks to Darby and Seth for, specifically, they've done a really great job of engaging in the dialog, hearing us out. I know that they're working on things. It's been three weeks. We can't expect action in three weeks from that, even though the letter that's actually the sign on letter does have some specific requests in it that I think could be done in a very short term, some of which the city has already done. And so I think we need to give credit to the city and some of that action and a couple of council members that are or were on the call hear the plea.

Sarah Rothenbuhler: Anything else?

Ryan Allsop: Yeah, we need to vote on the minutes. We didn't have a quorum before so if you could quickly, let's vote on the minutes.

Clark Campbell: We should probably open the meeting.

Sarah Rothenbuhler: Okay. We're officially opening the meeting and we're going to vote on the minutes.

Clark Campbell: Second that, yeah.

Sarah Rothenbuhler: So now, should we officially close the meeting. Let's do it. All right. Thank you, everybody, for being here.

Gina Stark: Thank you, everyone online.

Next meeting: Monday, July 17, 2023 11-12:30pm

Hybrid Meeting - In-person encouraged and Zoom option available