

Whatcom County Business and Commerce Committee Meeting Minutes
Tuesday, January 22, 2019
Faithlife

Voting committee members present: Bob Pritchett, Chair; Ryan Allsop; Clark Campbell, Vice Chair; Ryan Allsop; Pete Dawson; Casey Diggs; Andrew Gamble; Mayor Kelli Linville, Troy Muljat; Brad Rader

Non-voting committee members present: Carol Frazey; Don Goldberg; Tyler Schroeder

Public present: April Barker, Ken Bell, Rud Browne, Cara Buckingham, Jennifer Noveck, Guy Occhiogrosso, Gina Stark

First motion to pass the minutes from the last meeting by Andrew Gamble.

Motion seconded by Clark Campbell.

Motion passed.

Don Goldberg –

- Webpage – county had someone call and ask where they could get info
- Port's webpage for Economic Development, B&C committee has a link there with all future locations and agendas
- Health sector person to add to the committee and the county will vote on the 29th
- If the committee needs to be further expanded, let them know (experience or diversity)
- It will be open for applications in a week or two

Rud Browne –

- Change the economic development strategy of the county
- Be conscious of what we want to be, what is our focus going forward, what are our strengths
- Most of the time we are only reactive to development opportunities
- This is a great rebirth of what our community's economic development can or could be
- When the Alaska ferry moved from Seattle to Bellingham, it changed the area a lot
- The economy did well because we sold people a lot of things before they got on the ferry (both retail and services)

Don Goldberg –

- The Port (Don, Ken, Rob) did a lot of work to try to get this committee together in order to be more programmatic about development
- We are hoping that this committee will help us do so, we see the committee as a conduit between public and private sector working on tangible solutions and actions
- Identifying problems is great, but we want to be a solution group
- How to improve the community are for business, housing is a big issue right now

City of Bellingham and Whatcom County have comprehensive strategic plans

- Taking the City & County plans and we developed our strategic plan, we have some drafts to share with the group
- Taking info we have on needs, we are hoping that this plan tells us what our team is doing, about our partnerships, we will update this every year, if need be it will be more

- We want to be boots on the ground, implementation focused, deliver product

CEDS

- 2015, updated 2016, we are required to have an updated CEDS list as a DOC requirement, but prior to that COG did it
- Since EDD is fully staffed, Colin asked our dept to maintain the list, which means that our team will have influence on direction
- In future we will have questions about updating the study and properties
- The list is due Feb 15th, any potential projects, allows us to get funding, such as Broadband (EDI match with CERB funding), Sumas, Nooksack, all need to get projects on the list in order to get funding, majority are rolling over, take off stuff we aren't working on
- If it isn't on the list, we can't go for grants
- We make recommendations, County Council votes to approve

Housing

- Spent a lot of time talking about Housing, what do we want to do? Should the group come up for solutions on housing? Do we want a sub-committee on housing? Do we want to move on from the topic? Implementation strategies?
- Good job thinking through the issues, Don was hoping the email would start some additional conversations
- What should our position be regarding reporting about housing crises across the income spectrum?

Clark Campbell –

- Has some ideas and concepts about housing – when you look at housing separate from transportation and other issues, we aren't likely to fix it, not sure of the group's role yet (a vision or solutions?)

Rud Browne –

- Concerned with capturing the cybersecurity graduates from WCCC, currently we are losing them
- He spoke with cybersecurity firms and they basically ended the conversation when they found out that Bellingham's housing problem is as bad or worse than Seattle's

Mayor Kelli Linville –

- Homelessness, housing, jobs are the top 3 community survey issues, not necessarily parks or trails, talks about it all day
 - o People's concerns: Where am I gonna live? Where am I going to get a good job? Where are other people going to live?
- What have the city and county done? Would it be helpful for a planning director to come and provide some feedback about what is going on?

Andrew Gamble –

- Focus has been on Bellingham, affordable housing is outside of Bellingham, how do we get people not having to commute? Traffic problems if everyone has to commute
- Housing segregation, minimum you can pay is in the Northern part of Bellingham, barely
- Housing is super important, but that isn't what some people came to this meeting for, people want to focus on how to expand business

- How should we be expanding marketability of businesses we want in Bellingham?
 - o Part of this is housing!
- Analyze businesses that recently moved, what were barriers, why did you end up here, maybe interview businesses that tried to come but didn't, so that we can put stuff in place to help with

Bob Pritchett –

- Everything is about housing, a very small amount of businesses have moved here recently
- Housing is one of the only issues that the government can help, businesses do not pay attention to government, right now businesses are coming for lifestyle
- The real obstacle here is that we can't house employees (can't pay them enough to afford housing)
- Individual people and staffers that are currently within the government who are standing in the way of actually doing something about housing, not everyone
 - o Is it about rezoning and permitting?
 - o Stop caving to Neighborhood Associations and nimbyism
 - o Fire marshall issues
 - o Cost of building houses is increasing
- People who move from medium to high end homes free up the medium cost homes, high end homes funds housing at other levels (trickle down housing)
- Many workers commute from Everson, over 30 minutes commute for others
- They move because of life style and they look at Zillow, Google maps, maybe loopnet to make that decision

Rud Browne – fire code issue is split into 2 categories (health & safety), kids should be able to get out for a fire and first responders to get in safely are the main goals. Beyond that -

- What is our responsibility about damages to a private property or buildings? Should the county or the city really be liable? We can get too tough on the fire code and other requirements meaning buildings are built less

Reasons people put their businesses here --

- Relocation of existing business (CEOs spouse's preference)
- Market access to customers not being served
- Access to resources (talent, location, water)
- Quality of life (environment, proximity of Canada)
- Where does a new business start? Washington state can't do / doesn't have as many incentives, least competitive state in terms of giving things away to businesses. Oregon has enterprise zones.

Mayor Kelli Linville –

- A lot of time economic incentives do not work or are abused with no benefit
- The city finds the best incentives are a private-public cooperation
- Things governments can do: regulations, infrastructure, workforce training

Clark Campbell –

- We also have to look at commercial housing? Price tiers, size tiers, options all along the spectrum. This is just as important in retaining businesses
- When he interviewed people he really needs, they don't want to commute far
- Need to keep business where density is and where employees want to be

- If you want over 30,000 sq/ft, you should move to Ferndale, but a lot of ppl do not want to do that because their employees don't want to live there
- Cities and states are recruiting businesses with incentives, so we are at risk of losing medium sized or expanding small to medium sized businesses

Comments from Troy Muljat, Pete Dawson, Ken Bell, Don Goldberg on housing –

- Commercial real estate is not cohesive in the area, there isn't a lot of information, if a business needs a 35k sq/ft and he sends that out, no one replies to the email with information
- We need to get brokers and developers to trust our dept so they'll respond
- The math doesn't work for doing business in Bellingham, the cost of land + building + so on doesn't outweigh potential benefits, costs are too high
- Do we have any data on what age condo to single family house? Reasons for moving from a condo to a house?
- Seattle has a high vacancy rates of condos, will that happen here?
- But if people are coming from outside WA, they may not like condos (you are from Colorado Springs then you want a house, if you are from Manhattan, you might like downtown)

Mayor Kelli Linville –

- City is trying to save our light industrial land and rezone so we have light industrial zoned land, and we aren't giving away all our land to retail / big box stores

Pete Dawson -

- We've created our own problem, almost everyone wants to move here because of lifestyle (then schools, housing, respectively)
- It takes a long time to get permits and persistence to get the plans through, really hard for developers to go through this process, plus a lot of uncertainty
- Do we have a fast track program? If a fancy company comes here, is there anything they can do?

Don Goldberg –

Where do we go as a group? What are 3-5 things that this committee should work on, and Don can coordinate? **The business community and voting members have to decide what that focus is -**

- It could include housing, climate change, agriculture, water, permitting times, permit costs
- How can we get the government to accept those things?
- How can we communicate to the community where we have a solution that allows us to have both our quality of life maintained and have businesses stay and grow?

Don is going to email with notes, asking everyone to give 3-5 specific areas to focus on and then we can start focusing on those and developing action points. He will send out the Economic Development team's strategy report, which takes into account details from both the city and county comprehensive strategies via email to everyone.

First motion to conclude the meeting by Troy Muljat.

Motion seconded by Tyler Schroeder

Motion passed.

Meeting adjourned at 1:35pm.