

Whatcom County Business & Commerce Committee

Mount Baker Conference Room, Port of Bellingham

February 24, 2020

Voting members in attendance: Paul Burrill, Andrew Gamble, Doug Thomas, Troy Muljat, Casey Diggs, Clark Campbell

Voting members calling in: Ryan Allsop, Debbie Ahl

Non-voting members in attendance: Don Goldberg, Rud Browne, Michael Jones, County Executive Satpal Sidhu

Public in attendance: Jennifer Noveck, Gina Stark, Commissioner Ken Bell, Paul Schlisser, Jacqueline Stryna

Public calling in: Lynn Murphy

Clark called the meeting to order at 12:07pm. We have a quorum with Ryan on the phone.

Andrew Gamble seconded the motion to bring the meeting to order.

Public comments were asked for. Does any of the public present want to make a comment?

Paul Schlisser is present. He is interested in housing affordability and saw this committee made it a top priority. Here to help answer questions if committee has any on housing affordability.

Don noted that Tyler Bird asked for the Housing recommendations and presentation. Jenn noted that the City of Ferndale has requested the documents and shared them with their staff. Small Cities meeting the group noted that they would like their codes reviewed. Ferndale and Blaine both initiated the discussion and at the meeting there was a general consensus that this was a good idea. This would be using some of the annual Small Cities fund of \$100,000. It will require a vote, but we got an initial informal okay to proceed with this review.

Michael Jones noted that the Small Cities are interested in participating, but would like to direct as well as be a subject of. Everyone knows there room for improvement. They'd like it to be as simple as possible for the customer because it is easier for them as well. They want to be as efficient as possible.

Clark asked if there was another public comment? No more comments.

Since we did not have a quorum, meeting minutes need to be passed.

We need to approve the minutes from our last official meeting as well as our January meeting.

Motion to approve 10-21-2019 minutes by Clark, so moved by Troy Muljat, seconded by Andrew Gamble. Motion approved to pass the 10-21-2019 and the 1-22-2020 meeting minutes.

Clark noted that at the last meeting they discussed:

Format of the group

Before new business, updates on old topics and issues

Do we have any updates, first?

Housing

Clark noted that the Herald had an article on new housing options in Berkeley Village, seems like an interesting P3 model that might be working and might be good to get those groups to present.

Don noted that Seth Fleetwood is on our mailing list, but it would be great to have him or a representative from the city at the meeting. It is important because they really impact the group and are a central actor.

Michael Jones and Tara Sundin were added to the Housing Advisory Committee (another County committee)

Don noted that Debbie Ahl wants to advance the childcare topic, which we did not get to send a letter of support for since we didn't have a quorum, but it will move forward either way.

Philips 66 Project Pull Out

Satpal provided an update on Philips 66, they reached out after P66 issued its statement. Its uncertainties were identified to be external, they said it was not about the County or the County permitting process or even the Dept of Ecology. It was their internal decision that they will have a lot of nonprofit and other objections even if they were able to get permits. There is a meeting this Friday between P66, Ecology, and other groups so that they can identify the uncertainties.

Ken noted that they were unaware they would have to do a full EIS. Having to go through this process actually reduces the likelihood that the project will get approved because it pulls a lot of people out of the woodwork. They are going to do it, probably in Louisiana. Don noted that there would \$7-8 million additional in spending.

Satpal noted that they should have been aware that they'd need to do an EIS. They have experience in setting up these developments all over the world. We need to bring in more evidence and data and not political rhetoric. We could be losing a \$750 million investment and 600 jobs, 100 permanent jobs. We do not want to lose that. There are open to reconsidering and will provide their conditions on Friday 2/28. They've booked nearly the entire day just for this discussion.

Don asked about the position of the Lummi. Satpal responded that right now they need to know what P66 wants before the Lummi can make an assessment. Of course it will include issues such as a discussion of vessel traffic, rail traffic and capacity, etc.

Rud said that the Green Apple project is dependent upon the renewable identification numbers you get for producing biofuels / whatever. If the EPA renewable fuel standards change, it will change the economic viability of the project.

If the project moves ahead, Satpal hopes to bring the issue before nonprofits and environmental groups to review the proposal. County Council 100% supports this project.

Paul asked if the environmental impact statement is a federal or local requirement. Don and Satpal said it is federal. Paul wanted to know what Louisiana has the same sort of restrictions that we have? Don said it was unclear if they had done anything in Louisiana yet, they may have to complete an EIS there too.

Andrew noted that our location is preferable because they are closer to the intended customer base, but all the factors are overshadowed by the amount of time it will take to get into business. If they can get moving and in business 6 months faster, then that that will probably outweigh all other factors.

Doug: Why do we not have a team to walk businesses through this process? In other places, there is a whole welcome team that helps businesses navigate permits, ecology, and so on.

Don: Actually, hopefully this is changing because this is exactly what our group is trying to do, we have a bunch of Canadian firms that we are helping move here now. Per Clark's question: can the committee help Satpal and the County somehow?

Satpal noted that as soon as we know what the challenges are, he will share them with us.

Don noted that he stays in touch with BP and P66 on a monthly basis so will do his best to keep the group updated as well.

Moving BAC from County Council to County Executive

Andrew Gamble noted that this change is a fundamental change. It should go out to all voting members, so everyone understands what the change means. As a manager with groups of people reporting to him, he'd be adverse to the group of people deciding they will just report to someone else. It seems like this should be pushed back to the County Council.

Don noted that from Committee be happier and would the Committee get better representative and more opportunities for feedback. But this was meant to be a discussion. Does this group want to continue to report to the County Council? Or do we want to move it?

Andrew is aware that County Council make up has changed. He thinks maybe we should take some time to develop a new relationship with some of the new members, Maybe the Council and its approach has changed? See how things will work.

Ryan seconded Andrew's suggestion.

Rud understood the discussion in that this committee would be selected and created by the Exec but that they would still be reporting to County Council. So the Council would still be involved.

Clark and Ryan talked and Ryan had a talk with Tyler Bird regarding this potential change. Clark said that if we are a County appointed board that is to provide advice to Council on policy, are we going to have more or less impact having that filtered through? And the second is if it is not unanimous within the Council and it is another thing that divides the Council, then that changes things. We are subject matter experts in our industry, how can we help the County make better policy in our areas? What are the unintended consequences? Its ultimately not our decision, we can have an opinion, but the manager makes the choice.

Don noted that this was precipitated by the fact that members did not feel heard or responded to by the Council. We got nothing in return. When we discussed how we could be more effective, this came up as an option to make the committee more effective? Then only one person is responsible to respond to us. But it is a discussion, up to the group. Does the committee want to make a suggestion on what to do?

Michael Jones commented that we have not had time to really build a relationship between BAC and the County Council. Relationship building takes time. He thinks having the Exec appointing members could be useful, this could be helpful. Shifting the appointment authority. But moving the committee out of Council

reporting may not be wise, we need them hear and respond to what we are saying. They get to make the laws at the end of the day. Maybe more time.

Clark asked Rud if appointment authority versus reporting accountability had different impacts. He basically agreed with Michael Jones.

Don noted that one difference of the BAC now is that Satpal and Rud are now in this meeting, whereas in the past we only had Carol Frazey, who was a relatively new Council member.

Rud thinks that one thing that would help would be how to make this committee include and have a connection to the City of Bellingham, because they such a huge influence. It would be great if this was a joint county-city advisory group.

Clark said right now we'd be voting on shifting appointment authority, nothing else.

Doug said he does not think that who they report to is the challenge.

Ryan votes to stay as is and do a better job building relationships with the Council and bringing the city in.

Don asked about blending this to be a County-City committee. Would it be difficult?

Satpal wants to take direct action and responsibility with the committee and will keep doing that irrespective of what the Committee decides

Clark asked if we want to vote to draft a letter suggesting the changes to the County Council or we want to stay with the status quo. The group decided that they will stay as is.

Rud wants this group to report to the Bellingham City Council, so they are recognized.

Don said he will think about how to bring the agencies together.

Clark wondered what the perspective of the Small Cities would be, Michael said that they would understand and as long as the Small Cities.

Doug noted that if the group gets a response, he will drive wherever we are, Blaine, wherever. But getting a response and feeling like the meeting is productive and they are actually being effective. What value is the group adding? What is the goal?

Discussion about meetings & lunch

- The POB can host at the Mt Baker Conference Room
- Looking for lunch time hosts, here or elsewhere

Rud noted that he and Satpal were very discouraged that they were not able to sit on the board last year and they are here now and hope to provide direct access.

Rud wants to focus on childcare and housing. The message that came to Council was: throw out the rule book. That is not a message that is productive for Council, they can't do much with that. If we have specific examples, something done in another WA jurisdiction, we could try it here. He wants everyone to understand where the guard rails are. Doug said we should take a field trip to the Tri Cities.

Rud said if they can provide other County examples, so they know what is legal and following WA state laws, especially the GMA.

Rud reread the housing recommendations. He's done two things. 1) Sent to Mark Personius, asked him what could be done on the list? What is viable? 2) Asked their legislative analyst to see what other jurisdictions are doing to limit staff discretion during the permitting process? How to provide more certainties to applicants? What's best practice?

Doug asked if the County and City Planning, Public Works, are they interested in moving towards being the best? Or are they interested in retaining what they have? Do they want to be best in class?

Clark said he thinks we have to assume everyone involved has 1) best intentions and 2).

Ken noted that Rud's information about the County Council's response to the housing recommendations were the 1st time that the group had heard anything.

Michael said that a consultant needs to come on board to provide the County Council with recommendations on how to revise County Code to be better for housing and climate. This board is not equipped with the skills or the time to do so, so the County should take similar activities as the Small Cities.

Satpal spoke with his planning staff and he is waiting for them to come up with suggestions. One possibility is to create a permitting department that is a one stop shop so that everyone involved with permitting reports to the same person (rather than differences with Planning, Public Works, Health). A very preliminary discussion. Tyler [Schroeder] has a lot of experience with these departments.

Don sent the housing report back out to County Council.

Don noted that each voting member can assign a designee. They are not required to have one, but they can have one. This will make it easier to make a quorum.

Don also noted the options of making an annual vote on Chair and Vice Chair. Clark and Debbie have agreed to do it this year. If there is anyone else who would like to run, email Don. There will be a space for run-ins.

Clark said we will table that issue. Vote next meeting if necessary.

Rud would like to propose that the Planning Director reviews the document and presents on what the County can and can't do. The committee liked that idea.

Clark would like Mercy Housing to come in. Don and Gina will contact the group.

Clark motioned to close the meeting at 1:29pm, Andrew seconded.