

Whatcom County Business & Commerce Committee

August 24, 2020

Voting members zooming: Andrew Gamble, Troy Muljat, Debbie Ahl, Clark Campbell, Ryan Allsop, Sarah Rothenbuhler, Bob Pritchett, Pete Dawson, Paul Burrill

Non-voting members zooming: Don Goldberg, CJ Seitz, County Councilor Rud Browne, Michael Jones

Public zooming: Jed Holmes, Jennifer Noveck, Gina Stark, John Michener, Derek Long, Cara Buckingham

Phone calling in: 1.360.739.1002

Clark called the meeting to order at 11:02am. Seconded by Ryan Allsop.

Asked if there was anyone available for public comment? No one here and nothing submitted.

Clark noted that Debbie has taken on the Vice Chair role and then next year Debbie will take over as Chair and a new Vice Chair next year.

A few items:

- Format for the meeting
- Getting it on to a regular schedule, rather than do a doodle poll every time, this Zoom scenario, new normal seems like a thing we will be doing for several months and so we should just normalize our meeting time
- Formalizing the process for the meeting
- Sees his role to keep the group on track and set the agenda with Don and Debbie each meeting
- Format they are thinking about:
 - o Recaps and updates
 - o Topic / issue defined, see who has expertise and if a presentation is necessary
 - o Is there something policy related? If there isn't consensus, that is still good information for the Council to hear
 - o The role of this group is NOT business advocacy, there are other organizations that serve that function, ours is to distill it, what information can we provide the county and can that help form policy for the county and sometimes the cities and once we've formulated that to a recommendation, we can then talk about the most effective way to drive that
 - o If a new issue comes up then Don's team can pull background data to see if there is a consensus view. If there is, next steps, if not, communicate that and maybe table it and move on.

We have tried to do this in the past. How are we most effective? We do not want to be seen as just an opinion group, but a group that takes the action.

Don noted that it was one of his goals to move the control of the committee over to the Chairs, so that his role shifts to a support role and a facilitator, similar to what he does for Mayoral meetings. He will also help with the guest speakers. Today Erika will join us at about 11:30 to give an update about what the health department is doing and she will be available to answer questions. Team is here to support you as you create this committee to be what you want it to be.

A few people have joined us after. So we have a few that joined recently.

Clark asked if there were any comments from the public today? No replies.

Rules and bylaws

Motion to strike the second sentence regarding the committee proxies, seconded by Debbie.

All in favor?

Opposed?

Jennifer explained the second line was struck, so Andrew said he is not opposed and so the proposed amendments have been approved unanimously.

Rud noted that the Council usually has to approve replacements, particularly as this committee is application based and based on approval of the committee. There are some structural pieces related to the law.

Jennifer noted that she will send out an email with a request a proxy contact information.

This will also help us always have a quorum.

Any further comment?

Meeting minutes for July?

Motion to approve meeting minutes from last month. So moved by Troy. Meeting minutes approved.

Schedule for this meeting

We have been scheduling via Doodle. Does the 11-1pm time period work for the group? Then what day of the week would be ideal?

On the POB side, the time works for us.

Clark opened it to the rest of the group – 3rd Monday of each month from 11-12:30pm.

Sarah asked if it could be move into the work.

Clark said what about Wednesday.

Motion to move meetings to 3rd Mondays 11-1230pm. Voted 7 yes, 1 no/no vote.

Prior to COVID we discussed shifting this group from Council to Executive.

Don noted that he believes we decided to not move this forward and the group agreed. Unless there is other feedback from the group on scheduling, process, rules, that seems settled. Any feedback?

While waiting for Erika to come, maybe we can get an update from Don and Rud on Unified Command?

Don said Erika will be 2 minutes. WUC is still run by Scott from the POB. At one point there were over 100 people working at WUC< now it is much smaller, more like 20. We still participate on the Border and Economic Impact sub-cmmittees. The county decided to not have a fixed site, but a site that is affiliated with schools and specific locations in the county. There are a lot of border issues going on. We are right at the top of that issue because of Point Roberts. All the border communities are hurting economically, we are almost 12% down on sales taxes. We have 1500 residents in PR that are landlocked. The port is starting tomorrow a temp ferry service on Tuesdays, allowing up to 40 residents to come to Blaine and then a bus will be waiting to get them to Bellingham's bus terminal The port is paying for it and we are hoping it will be temporary and something better that is land-based will reopen.

Rud noted that Unified Command is not that unified because most of the agencies have disengaged because of where we are in the stage of the emergency.

Don said we are also working with them on FEMA money, CARES Act funding, all of those things we are trying to get reimbursed for. I think that the organization is smaller, its expensive, as Rud mentioned, we need to be prepared if our numbers continue to go up (isolation facilities, etc.). That's basically it.

Don said he'd like to introduce CJ. She is our newest member, she represents WWU and is the director of the SBDC. Just wanted to welcome her again.

Don introduced Erika. She is our WHD Director. I really want to thank her for attending, Don asked for her to give a brief update on what they are doing and be available to answer your answer your questions.

Erika provided updates.

A few things they are working on and will try to focus on business aspects. The HD is responsible for continuing services. The first step is exposure, so trying to limit exposure by communicating messages about large gatherings, working with businesses to limit spread among employees and customers, working with long term care facilities and to protect the most vulnerable, the general public has a sense about what causes the spread. We are not seeing a lot of workplace outbreaks.

Outbreak is a surveillance term. It is not a risk term. Most of the cases are related to people gathering in groups, on the weekends and evenings, not in the business setting. We are dedicating more effort to that.

The next step is testing, we have worked for months with healthcare providers to make tests available. That hasn't been the case. The provider refers them to NW labs and Skagit county, so Skagit is having trouble keeping up with the demand. They piloted a testing facility, it was very successful, they had 1800 people over 4 days, it was very expensive and the Skagit model is also. \$60-70k/week to do that testing model. It is not sustainable or efficient. We have been trialing a secondary testing site and it went live last week. And this week it went live county-wide, don't quote me on this – two days will be at civic field and the other 3 days will be split by school district (morning in Blaine, afternoon in Ferndale, afternoon in Meridian, Mt Baker, Nooksack-Everson, etc). So they are trying to hit all geographic areas, but also change the model to be appointment only, register online. Very easy. The longest waits are about 35 minutes as opposed to 3 hours with drive thru no appointment. More sustainable, cheaper, achieve hopefully the same result. That's the second part of the continuum. A lot of focus on testing, but it is only one piece.

Once they have a positive test, they make contact with the individual and do contact tracing. For the most part, they have good participation. A few do not want to. Mostly people are very open about where they have been and who they may have exposed. Usually within 24 hours they have contacted those people for quarantine and testing. That is the next piece. Getting a test result doesn't help unless you take steps to isolate and stay away from other people. Team that checks in with individuals every single day to make sure that they do not have symptoms, if they do, they get more testing. If symptoms are worse, a nurse triages with them. They have an isolation and quarantine facility with Motel 6 off Samish Way.

We've tried to address it in a variety of ways to contain it. She cannot tell us that everything is working but the case rates have gone down significantly. We are not pre Phase 2 rates but we are getting closer. Erika noted that they've been talking about how to move forward with Phase 3 businesses that are lower risk, especially since people are mostly being exposed outside of work. There's not reason to punish businesses that are diligent to be closed while case rates drop. There is no reason why we cannot have a creative conversation with the state about how to get some of the low risk businesses reopened.

Questions?

Ryan Allsop asked how they can help? Can we write letters? This has been strangely good for their business. But I am very concerned about restaurants and bars. Worried about the vitality of downtown. This is killing our downtown cores. Apartment buildings have to have retail space on the ground floor. There is going to be more vacancy than we've ever seen. It is going to be painful for building owners / landlords. There is going to be a big impact. It is going to take Pete and Troy a long time to lease out those ground floors. We still have an influx of people into Whatcom County. It is mostly people moving out of Seattle. Housing seems like it will be even more of a problem. Even if we just focused on restaurants – how do we make their lives easier and better? If they have to work outside and can't – how are they going to survive?

Erika is happy to follow up with Don about how they can potentially be involved. I think it is important businesses are heard in this process. We are not seeing that the major source of spread is through business settings, with the exception of bars. We need to follow the epidemiology here.

Don agrees with Ryan, we need to rethink our ground floor retail requirements. What about LEED buildings? Do we want fresh air? No HVAC? And Erika has heard me talk about the mental health issues that we will see more and more as this goes on longer and the weather changes, financial losses build. How do we help on physical and financial but how do we help with the mental stress?

Erika noted that their human services staff are really focused.

Sarah asked about domestic violence and child abuse and are those rates going up?\

Erika said they are working on getting those numbers county wide. We know they are going up. We have had pretty solid use of the isolation and quarantine facility and those are spots from hospital referrals, so if they leave the ICU, they go there. There are severe impacts in the long term care facilities.

Clark asked about WWU. WSU started yesterday and had new cases. Even though classes are online, many kids are going to choose to come to Bellingham to do the classes. What has been the outreach between WHD and WWU in terms of restarting?

Erika said that they really appreciate that WWU, WCC, and BTC have worked closely with them. WWU was one of the first to announce to move online. They have discussed contact tracing with students as WWU staff have closer relationships with them. The state department of health is helping them a lot as they have a lot more employees.

Clark: what percent of students will do work online but be on campus?

Don: Chris Roselli said majority of housing is closed, up to 1000 will remain off campus a

Clark: Ya for the off campus, they've signed leases. But that does mean we will see an influx of people in a high risk group.

Ryan: CJ, do you know about WWU numbers?

CJ: I can take a look and get back to you.

Rud: Just an observation, wanted to say how impressed he is with the work Erika and the WHD staff have been doing. We may think life is difficult but we are not doing like 160 hours of work per week. He thought the drive thru testing was very well run. Two issues he would like to point out for business – at the moment we are managing it because we are outside, once the weather changes, it will change behaviors. The second thing – a lot of people focus on mortality rates. Maybe you can talk about consequences to people who survive?

Erika: It would be better if a medical doctor were to talk about health impacts. We are seeing really severe impacts to the lungs, other organs, and so recovery may look different for different people. It's really hard to track down the spread because so many people do not have symptoms. But those that do have such an incredible range of symptoms. What concerns her the most is that you do not know the impacts until the person has them. The death rate is mostly people in their 70=90s but it does not reflect the permanent impacts that younger people will have on their health long term.

Michael: If I understand the dashboard correctly, its 50 or more tests per case. It implies you want to test a lot of people so you can have fewer people showing up as sick? Do I understand that? Does that mean if we should try to get more people into testing to "fix that metric"? so we can go to Phase 3?

Erika: Tested per case and percent individuals testing positive are actually the same. But the intent from a public health perspective, is that we have a low concentration of illness in our community. The only metric that is all or nothing is the rate per 100,000. So having tested available is important, but it is more about the concentration of sick people. We need to balance this with resources, we do not want to get to a point where everyone is getting tested weekly. That will not actually contain the virus, just getting negative tests doesn't mean we have it under control.

Michael: I'm about finding a solution. Would it be advantageous for the County if everyone was tested at least once to know how many people are sick?

Erika: Working with NWL on a saliva validation program. It would reduce the number of medical professionals required to test people. It would also help us to do a point prevalence study. We could take a sample of the population and mail order them a kit and they mail it back and then we'd understand what the actual prevalence is in the community. We cannot do it yet, we need the technology.

Clark noted that we did not allot enough time for the conversation. Thanks for the update. The work you are doing and the outcome.

Erika noted that the business response team can work with businesses on compliance practices. They have not had to close any businesses because they have such cooperative relationships. There is a dedicated phone and email and a great team at the WHD, whether you have a case or not.

Ryan noted a friend had a positive test and their experience with WHD was first class.

Gina Stark, REP team, Program manager

Went through a quick presentation update, funding streams that have already passed, currently working on, in the future. Important to note that for all of the funding sources, businesses are required to comply with state and local health guidelines.

Funding streams reviewed:

1. Working Washington Small Business Emergency Grant (WWSBEG)
 - a. Early funding stream, WA Commerce dollars
2. Whatcom ReStart Small Business Grant & Licensed Childcare Provider Grant
 - a. Collective CARES Act pool – County, COB, Small Cities
 - b. Currently in the review process
3. Working Washington Small Business Emergency Grant Part II (WWSBEG Part II)
 - a. WA Commerce CARES dollars
4. EDA Revolving Loan Fund
 - a. John Michener, who manages the fund, reviewed the details of the original and new COVID-19 program

- b. This is a federal loan program, administered on the EDA's behalf
5. EDA COVID-19 grants

Ryan asked about how we distributed the grant information.

Ryan asked about rent relief for landlords.

CJ from SBDC, thank you to the committee members and proud to be part of this team.

CJ presented on what the WWU SBDC is and what does. The SBDC has been at WWU for almost 30 years and work with businesses on opportunities and challenges. Industry research, financial projections, business valuations. When the pandemic hit, it spun how they deliver their service.

Pandemic pivot

- Community resource page set up, web traffic in our community
- Inundated with phone calls, people panicking, starting doing more webinars
- Reading and interpreting policies and funding streams, relied upon as a trusted source in the community
- Provided information
- SBDC received money and they invested it in capacity of the program

Demographics

- Skewed highly to top industries: services, accommodations, healthcare, social assistance, retail
- Covid related, managing the business, start ups, buying and selling businesses

Center Activity

- They served 244 businesses, 168 prior year
- 8 student research projects, 12 prior
- Training events: 976 served, 130 prior year
- Information and resources: 166, 56 prior year

They helped 51 businesses apply to EIDL /PPP loans to SBDC clients: \$3,452,700

They helped 69 businesses applying for PPP loans \$7.6 million, they work direct with lenders

Information Dissemination

- Website resources: the usage is way up. Probably 3-4x as many.
- Newsletter shifted to weekly, everything is still on the website
- Daily social media blasts

Industry trends

- Danger: Accommodation, travel, restaurants, gyms, yoga, real estate, venues
- Doing well: grocery, home and garden, building supply

What about businesses closing?

- Still some silver tsunami

Rud: how's the landscape changed for the buyer side? Last recession, Chinese govt sponsored purchases of tech companies. A lot of tech transfer to the Mainland.

CJ: They do not market a lot of information about buyers. Sometimes they bring in buyers, like employees or families. We are not seeing a lot of outsiders.

Rud: Any changes in the valuations?

CJ: Will ask my team about that.

Don: Boat sales, RV sales have gone through the roof because people are not traveling. They are choosing to spend money so they can do more things locally. Some interesting trends during a recession.

Clark: If you are seeing an increase in buy/sell, we are in a recession, how much of that is investment outside the region? At risk of jobs leaving the region? Or are most within the county?

CJ: We did not have an increase in buy/sell, but we are still seeing it. Of course we are always looking for buyers that are local, starting with employees, so no we are not seeing a lot, but we have seen a couple because the prices are higher. We tried to talk to them about local opportunities, we have had strong commitments, but what happens in five years from now? Ryan asked about the number of students – Donna Gibbs said that she was going to ask at their next meeting, who will be on campus and how many will return to Bellingham?

Don: Bob and I had a discussion on the businesses but the employees, how will remote work effect businesses? In particular, IT and other industries. Will IT now have to compete with cities like San Fran in order to get employees?

Clark: Bob do you want to put that on the docket for next time? We are seeing a huge shift there.

Bob: I am curious to see how this plays out. Location is now not as important, but now they may be in competition with different markets.

Clark: It was full agenda, we may need more time and a little leaner agenda. All three presentations had great detail and it would be great to hear more from members in future meetings. Unless there are further topics to be raised, we do not have time for a roundtable.

Clark moved to close the meeting unless there were additional comments at 12:36pm. Seconded by Ryan Allsop.