



## Whatcom County Economic Development Investment (EDI) Board

### Meeting Minutes

**Date:** October 29, 2024 – 9:00am-10:00am

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#### Members Present:

- Satpal Singh Sidhu (Whatcom County Executive, Chair)
- Atul Deshmane (Public Utility District Commissioner, Board District 2)
- Aubrey Stargell (Forestry Representative)
- Barry Buchanan (Whatcom County Council)
- Dave Franklin (dsfranklin1@gmail.com)
- Guy Occhiogrosso (President/CEO, Bellingham Chamber of Commerce)
- Ken Bell (Port of Bellingham)
- Kevin Hester (Mayor of Nooksack)
- Kim Lund (Mayor of Bellingham)
- Scott Korthuis (Mayor of Lynden)
- Tyler Schroeder (Associate Development Organization Rep.)

#### Others Present:

- Jake Logan (Staff, Whatcom County Executives Office)
  - Jill Boudreau (Facilitator)
  - Jori Burnett (City Manager)
  - Kayla Schott-Bresler (Whatcom County Deputy Executive)
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#### Call to Order and Introductions

- **Chair:** Satpal Sidhu, Whatcom County Executive
- **Time:** 9:03 AM

**Topic:** Establishing quorum and introducing attendees.

#### Approval of Previous Meeting Minutes

- **Date of Last Meeting:** October 9<sup>th</sup>, 2024
- **Outcome:** Approved unanimously, provided that the description Tyler Schroeder's membership qualification be changed from "Port of Bellingham Staff Representative" to "Associate Development Organization Representative."

## Meeting Summary:

### 1. Presentation by Jill Boudreau (Facilitator)

#### Introduction:

Jill Boudreau provided an update on her activities since the last meeting, emphasizing her efforts to engage community members and stakeholders, particularly around housing development needs.

#### Housing and Area Median Income (AMI) Brackets:

Discussed housing needs and introduced potential AMI brackets for future housing projects.

- **Feedback:**  
The board discussed raising the upper AMI limit from 120% to 150%. Additionally, the board considered whether there should be a defined floor.

#### Discussion Outcome:

The consensus was to remove the floor and leave the upper bound at 120%, with the understanding that if the State law changes to allow up 150% AMI, the policies could or would be adjusted accordingly.

### 2. Funding Policy for AMI Projects

#### Local Match Requirement:

The board discussed the local match requirement for projects. Concerns were raised regarding the ambiguity of "in-kind" contributions, especially when it came to staff time.

#### Discussion Outcome:

The board discussed reducing the local match requirement to 10% and eliminating the "in-kind" contribution option.

### 3. Loan Term Guidelines

#### Loan Terms:

The board discussed the need for flexibility in loan terms.

#### Discussion Outcome:

The board discussed creation of separate loan terms for housing and infrastructure projects. With infrastructure projects generally receiving more favorable terms than housing projects.

### 4. Interest Rates for Loans

The board discussed setting interest rates at half of the Federal Funds Rate, with a minimum of 1%.

#### Discussion Outcome:

The board agreed on maintaining a minimum interest rate of 1% for public facilities loans, while housing projects would have interest rates set higher. The board is seeking to keep the program flexible and useful to applicants.

### 5. Fund Balance and Allocation Strategy

**Current Fund Balance:**

Approximately \$14 million, with \$2.8 million allocated annually for housing projects in 2025 and 2026.

**Predevelopment Grants:**

The board agreed to provide grants of up to \$200,000 for housing predevelopment costs, focusing on assisting nonprofits and developers to cover initial project feasibility expenses. There was concern over ensuring projects that receive these funds are capable of moving forward to completion.

**Outcome:**

Due to meeting time constraints the board requested an additional meeting to discuss.

**6. Timber Representation**

**Concerns About Increasing Housing Focus:**

Concerns were expressed by Aubrey Stargell that the board's increasing focus on housing projects might overlook the importance of the timber industry, which plays a role in housing affordability. Mr. Stargell pointed out that numerous local, municipal, and state regulations contribute significantly to increasing housing costs. The board was reminded to be mindful of these factors when considering future housing policies. He requested that his comments be recorded for the record.

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**Adjournment:**

The meeting concluded at 10:00 AM. The next meeting date was not specified.

*Respectfully Submitted,*

*Jake Logan*

*EDI Board Clerk*

*Whatcom County Executive's Office*

*(Last Changes 10/31/2024 3:56pm)*