



**WHATCOM COUNTY ECONOMIC DEVELOPMENT INVESTMENT (EDI) BOARD
MEETING MINUTES**

Thursday, May 8, 2025, 9:02 – 10:35 a.m.

Garden Level Conference Room, 322 N. Commercial Street, Bellingham (Hybrid Meeting)

MEMBERS PRESENT:

- Satpal Singh Sidhu, Whatcom County Executive (Chair)
- Andrew Calkins, Bellingham/Whatcom Housing Authority (New Member)
- Atul Deshmane, Public Utility District #1
- Dan Dunne, Whatcom County Business and Commerce Committee
- Drew Smith, People's Bank (New Member)
- Guy Occhiogrosso, Bellingham Whatcom Chamber of Commerce
- Kayla Schott-Bresler, Whatcom County Deputy Executive
- Ken Bell, Port of Bellingham Commissioner (represented by Mike Hogan)
- Kevin Hester, Small Cities Caucus Representative (Nooksack)
- Kim Lund, Mayor of Bellingham (represented by Tara Sundin)
- Marcus Warolin, Whatcom Community Foundation (New Member)
- Mark Stremler, Whatcom County Council
- Scott Korthius, Small Cities Caucus Representative (Lynden)
- Tyler Schroeder, Associate Development Organization Representative

STAFF PRESENT:

- Jake Logan, Clerk of the Board, Executive's Office
- Jill Boudreau, Senior Policy & Project Manager, Executive's Office
- Tawni Helms, Office Administrator, Executive's Office

OTHERS PRESENT:

- Chris Benedict, WSU Extension
- Henry Bierlink, Washington Red Raspberry Commission
- Trevor Holman, American Family Insurance
- John Mayberry, Whatcom Food and Farming Station Board
- Paul Schissler, Madrona Community Development
- Eric Chambers, Whatcom County Health Department

1. WELCOME AND INTRODUCTIONS, NEW MEMBERS

Chair Sidhu called the meeting to order at 9:02 a.m. and welcomed everyone to the meeting, particularly the four new members joining the Board.

Executive Sidhu opened the meeting with remarks about the EDI program's structure and evolution. He emphasized that the EDI program had undergone significant development over the past year with substantial input from the County Council and city mayors, aimed at making the process more efficient and creating greater certainty for cities in their planning processes.

The Executive highlighted the importance of maintaining a strong loan component within the program, noting: "If we keep the loan component as strong as we can possibly do, it would help us in the long run." He explained that the current revolving fund of approximately \$10 million could potentially grow to \$25 million due to the program's attractive 1-2% interest rates, "which is unheard of even during COVID days."

Executive Sidhu suggested the Board might consider offering two-year payment holidays at the beginning of loan terms, explaining: "When you give the money, they're doing the project. It takes a couple of years for a project to actually take shape, so they have a couple of years' window where they don't have to return that money or make payments, and then they can start."

While acknowledging that grants are sometimes necessary when jurisdictions lack available funds or have their resources tied up in other ways, he expressed his preference for loans with favorable terms rather than grants: "I'd rather give more loans and give more favorable terms than give more grants." The Executive emphasized that a strong revolving fund would benefit future projects and jurisdictions, encouraging cities to be creative in their approaches to utilizing the fund.

Chair Sidhu introduced the four new members who each provided brief self-introductions:

- **Drew Smith** (Commercial financing/housing development expertise): Senior Vice President at People's Bank with 15 years' experience lending over \$200 million to Whatcom County businesses and developments.
- **Marcus Warolin** (Philanthropic community): Controller at Whatcom Community Foundation managing \$100 million in assets and \$3 million Impact Investment program.
- **Andrew Calkins** (Non-profit housing development): Executive Director of Bellingham & Whatcom County Housing Authorities, managing, with previous experience at King County Housing Authority.
- **Dan Dunne** (Whatcom County Business and Commerce Committee): Founder of CAZ, a multitrade contractor with 40 employees focused on residential remodel and repair, and recipient of the 2022 Whatcom Housing Alliance Luminary Award.

It was noted that **Councilmember Mark Stremler** is also new to the EDI Board, though the designation he holds (Member of the Whatcom County Council) was pre-existing. Mark was welcomed to the EDI Board.

2. PUBLIC COMMENT

Paul Schissler commented that this meeting represents a milestone as the EDI fund is now larger than the Bellingham Home Fund. He recalled the first time the EDI Board approved spending on

impact fees and utility hook-up charges about 15 years ago, when \$1.2 million was invested in 80 homes, resulting in a taxable value more than 15 times the County's investment. He noted these homes have been generating property tax revenue for nearly 15 years, demonstrating how EDI investments can create dramatic long-term financial impacts for the community.

4. ADMINISTRATIVE STRUCTURE

Jill Boudreau presented on the new administrative organization for the EDI program based on the recent code update (WCC 2.130) and changes in state law (RCW 82.14.370). She highlighted four key elements:

1. **Annual Calendar:** A structured process has been established to provide predictability for all stakeholders.
2. **Updated Application:** [Available on the website for review and feedback.](#)
3. **Scoring Sheets:** Under development for standardized evaluation of applications.
4. **August Meeting:** Scheduled for August 5 to review applications and make recommendations to county council, (the Whatcom County Council that has ultimate granting power of EDI funds).

Tara Sundin raised an important consideration regarding the proposed calendar timeline, noting that housing developers face unique timing challenges when seeking multiple funding sources. She explained that when housing developers apply for State Housing Trust Fund money and tax credits, they need to demonstrate committed local investment, and the EDI funding timeline would need to align with those state application deadlines. **Andrew Calkins** elaborated on this point, sharing that the State Housing Trust Fund application deadline typically falls in October, and suggested that having EDI recommendations by August, with Council action in September, would provide the timing housing developers need to leverage state funds effectively. He noted, "If there's some indication that the Board would be recommending funding, or that the executive's taking action on that and submitting it to council... that kind of indication would be helpful. A procedural question was raised regarding how housing projects would satisfy the requirement to be incorporated into the [CEDS \(Comprehensive Economic Development Strategy\) document](#), which is mandated by [RCW 82.14.370](#) for EDI funding eligibility. He offered to help facilitate this process, noting, "The port helps facilitate the CEDS document. We are starting a process, and maybe I'll bring the updated CEDS to the board to just consider that because it'll be '26 through '31. So later this year into the next year, we're going to be updating that document." **Kayla Schott-Bresler** indicated that housing projects were exempt from the requirement to be on the CEDs list. (RCW 82.14.370(3)(b),)

Jill Boudreau thanked them for the input and shifted the discussion to the development of scoring sheets for applications, which would include both objective criteria compiled by staff and subjective evaluation criteria for Board members.

***Reader's Note:** Affordable (Capital A) Housing development typically requires assembling multiple funding sources from various levels of government. State funding programs, like the Housing Trust Fund, often require developers to demonstrate they have secured local funding*

commitments before they will award state dollars. This "leveraging" process is critical for affordable housing development, as projects typically need 4-6 funding sources to be financially viable. The discussion highlights the importance of aligning the EDI funding calendar with these state application deadlines to maximize the impact of local dollars. Additionally, the CEDS document referenced is a federally-recognized planning document that identifies economic development priorities in the region, and projects must be included in this document to be eligible for certain funding sources, including EDI under state law.

Jill Boudreau then discussed the development of scoring sheets for applications, explaining they would include:

- Objective criteria compiled by staff based on application answers
- Subjective criteria for Board member evaluation
- Combined scores to create a prioritized list for funding recommendations

Guy Occhiogrosso asked how scoring would be managed between different project types, particularly between infrastructure and housing projects, noting the challenge of applying uniform criteria across diverse project types. **Jill Boudreau** explained that separate scoring schemes would be developed for different project types to ensure fair evaluation while still allowing comparison across categories. **Dan Dunne** inquired about considering Area Median Income (AMI) floors and ceilings for housing projects, suggesting that projects serving particular AMI brackets could receive special consideration since they are often underserved by other funding sources. **Tara Sundin** responded that the private market is currently meeting rental housing needs for 80-120% AMI in Whatcom County (rental, not homeownership), but noted that tax credits for lower-income housing don't have the value they used to, creating funding gaps of \$5-6 million for affordable housing projects. **Executive Sidhu** emphasized that all cities in the county, not just Bellingham, should be considering affordable housing projects, encouraging more geographic diversity in housing applications.

Atul Deshmane expressed concern that a more complex application process might disadvantage entities with smaller staffs, noting that 'when you add more process, you reward people for the ability to comply with more process.' **Executive Sidhu** responded that the pool of eligible applicants is relatively small, primarily consisting of government entities and housing organizations with experience in grant processes.

5. FINANCIAL UPDATE

Jill Boudreau presented the financial update showing:

- Estimated fund balance of \$16,633,742 by the end of 2025
- Less 15% fund reserve of \$2,495,061
- Total available to allocate in 2026: \$14,138,681

Council Prioritized Target Allocations

Boudreau explained that the County Council had established target allocations for the 2026 funding cycle:

*Readers note: It should be emphasized that this subject and the following discussion are regarding ****target allocations****.*

*See link: ****target allocations****.*

- Whatcom County: 30% (\$4,241,604)
- Housing infrastructure projects: 30% (\$4,241,604)
- Government infrastructure projects: 40% (\$5,655,472)

Dan Dunne asked about sales tax revenue trends and projections, inquiring how monthly collections were tracking compared to forecasts. Executive Sidhu responded that current trends are not encouraging. **Kayla Schott-Bresler** explained that sales tax revenue is cyclical and recent buying patterns have been difficult to interpret clearly, but generally expressed that optimism would be unwarranted. She indicated the County would likely be developing updated sales tax projections in summer, noting that King County had already downgraded its revenue forecast and Whatcom County would likely follow suit. **Scott Korthius** initiated a substantive discussion about the allocation formula, questioning how the 30/30/40 split should be applied. He explained that traditionally the County received 30% of new sales tax revenue, but questioned whether the County should also receive 30% of loan repayments. He pointed out that jurisdictions making loan repayments should benefit from those funds returning to the pool, rather than having the County receive a percentage of those repaid funds. **Executive Sidhu** acknowledged this policy question and noted that over time, the actual distribution has been close to the intended 30% target for County allocations. **Tyler Schroeder** suggested establishing separate cost centers for each funding category to improve tracking and transparency. This idea received encouragement from the board. It was proposed creating three distinct tracking buckets - one for County projects, one for housing, and one for government infrastructure projects - to prevent confusion about allocations when funds from one category aren't fully utilized in a given year.

Mark Stremmer asked about the types of County projects typically funded with EDI dollars, specifically inquiring about bonding intentions and long-term capital planning. **Kayla Schott-Bresler** explained that the County uses EDI funds for general capital facilities, excluding law and justice construction. She provided examples such as courthouse roof repairs and the Northwest Annex project. **Jill Boudreau** acknowledged the importance of this discussion and committed to bringing additional financial analysis to the August meeting to help inform future allocation decisions.

***Reader's Note:** This discussion highlights an important aspect of the EDI fund's financial structure: the distinction between new tax revenue and revolving loan repayments. The EDI fund operates partially as a revolving loan fund, where money lent to jurisdictions is repaid and becomes available for future projects. The historical practice has been to allocate 30% of new sales tax revenue to County projects, but there is ambiguity about whether loan repayments*

(money coming back into the fund) should follow the same allocation formula. This has significant implications for fund management and available resources for each funding category. The suggestion to create separate tracked "buckets" reflects a move toward greater transparency in how revolving funds are managed and allocated, which is particularly important as housing has been added as a new eligible use.

6. ANNUAL CALENDAR UPDATE

Jill Boudreau presented the proposed annual calendar in alignment with the updated code ([WCC 2.130.050](#))

- February-March: Board reviews membership and prepares for May meeting
- May: Board meets to review processes and open application period
- June 30: Application deadline
- July: Staff reviews applications and prepares for Board meeting
- August: Board scores/prioritizes projects and creates recommendations
- September-December: Executive's Office presents recommendations to County Council during the budget process for adoption in December

She noted that special meetings could be called by the County Executive to consider emergent funding requests, as provided in the code.

Request to Open Application Period

Jill Boudreau requested Board action to open the application period from May 14 to June 30, 2025, providing approximately six weeks for applicants to prepare submissions.

MOTION: Dan Dunne moved to open the application period from May 14 to June 30, 2025. Scott Korthius seconded. **The motion passed unanimously.**

7. EDI APPLICATION FOR WHATCOM AG RESEARCH STATION

Tyler Schroeder, Economic Development Director for the Port of Bellingham, presented an application for the Whatcom Agricultural Research Station.

Schroeder provided background on the project:

- The concept evolved from discussions dating back to 2018, when \$470,000 was committed for an Agricultural Education Center at the Northwest Washington Fairground
- The project didn't move forward in that form but evolved into the current proposal
- In 2023, Executive Sidhu approached the Port about acquiring a farm facility to support agricultural research
- This led to discussions with Boxx Berry Farm about property acquisition and with the Washington Raspberry Commission about operations

- The project is listed on the [County's CEDS list](#), as required by [RCW 82.14.370](#), following update by the County Council in January 2024

Schroeder described the project specifics:

- 58.81-acre property purchase at 6211 Northwest Drive for \$3.39 million
- Includes a 3,000 sq. ft. facility for research, processing kitchen, storage, office and meeting space
- Also includes a 2,450 sq. ft. WSDA-permitted processing facility and additional storage buildings
- Purchase and sales agreement signed with a 60-day feasibility period ending June 15
- Anticipated closing date of October 1, 2025
- The Boxx family reserves the right to buy back 4.71 acres within 3 years

Schroeder outlined the funding structure:

- \$741,080 grant from Washington State Department of Commerce (awarded in 2023)
- \$2,899,813 request from EDI:
 - \$1,966,542 grant (approximately 2/3)
 - \$933,271 loan (approximately 1/3)
- 20-year loan term at 1% interest
- Annual loan repayment approximately \$55,000

Schroeder highlighted the importance of agriculture to the local economy:

- \$350 million annual farm gate value
- Nearly 1,500 farms in the county
- \$959 million in food processing gross sales with 1,774 jobs

He explained that the project meets the criteria for EDI funding under [RCW 82.14.370](#) as a public facility that serves economic development purposes in a rural county. He noted that the facility would provide research, testing, and incubation facilities, which are specifically listed as eligible public facilities in the statute. **Henry Bierlink** (Washington Red Raspberry Commission) (Attending in Support of the Project, also a member of the Whatcom County Agricultural Advisory Committee) explained that the station would provide critical space for raspberry breeding programs, noting that 95% of the state's raspberries are grown within 50 miles of Lynden. He emphasized that good genetics are one of the key competitive advantages for local growers, and the facility would consolidate research plots that are currently scattered across various farms.

Scott Korthius spoke in favor of the project, praising its potential benefit to the berry, potato, and dairy sectors. He suggested that if the 4.71-acre parcel is sold back to the Boxx family, those funds should return to EDI as a grant refund. The board as well as the Port agreed with that principle and it should be noted when the terms of the grant agreement are created. Korthius also suggested reaching out to Skagit County's EDI program for a potential contribution to the

project, noting that Whatcom County had previously contributed to a similar agricultural facility in Skagit County.

Mark Stremler asked about water rights on the property. **Schroeder** responded that Associated Earth Sciences is conducting an analysis of the water rights, noting there are two certificated water rights on the property and one on an adjacent property. He acknowledged the complexity of water rights in the context of the upcoming water rights adjudication. **Atul Deshmane** asked about the specific activities that would be housed at the facility and how it would support new farmers. **Schroeder** and **Bierlink** explained that the facility would provide research space, including approximately 35 acres for raspberry breeding programs and additional acreage for other agricultural research. The facility would be managed by the newly formed Whatcom Food and Farming Station nonprofit, which includes representatives from various agricultural sectors including dairy, berries, potatoes, and small farms.

MOTION: Scott Korthius moved to approve the application for the Whatcom Ag Research Station. **Atul Deshmane** seconded.

During discussion, **Marcus Warolin** asked which funding allocation the project would come from (Housing, Government Projects, or Infrastructure). After discussion, the Board agreed that this was a legacy project predating the new allocation structure and should be considered outside the new allocation formula.

The motion passed unanimously.

Guy Occhiogrosso requested that the August 5th meeting be scheduled and calendared soon.

3. MINUTES REVIEW AND APPROVAL

(This action was taken at the end of the meeting, see page 6 of this document)

MOTION: Scott Korthius reminded the board to approve the minutes of the previous meeting. **Guy Occhiogrosso** seconded. **The motion passed unanimously.**

9. ADJOURNMENT

Chair Sidhu adjourned the meeting at approximately 10:30 a.m.

Next Meeting: Tuesday, August 5, 2025, 12:00 - 3:00 p.m.

Respectfully submitted,



Jake Logan
Clerk of the EDI Board
Administrative Secretary/Grant Coordinator
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INFORMATION FOR APPLICANTS:

- Application Period: May 14 - June 30, 2025
- Application Materials:

<https://www.whatcomcounty.us/1025/Application-Process>

