



City of Bellingham
City Council Regular Meeting Agenda
May 10, 2021, 7:00 PM

Mayor Seth Fleetwood

Council Members Hannah Stone, Gene Knutson, Daniel Hammill,

Pinky Vargas, Lisa Anderson, Michael Lilliquist and

Hollie Huthman

Deputy City Clerk Elisabeth Oakes

Contact: (360) 778-8200, ccmail@cob.org

www.cob.org/council

All meetings are held in the City Hall Council Chambers at
210 Lottie Street, Bellingham, WA, unless otherwise noted.

Please note the doors to City Hall unlock at 6:30 PM.

Council members will participate in this meeting remotely through an online web-based meeting platform. Per Washington State Proclamation 20-28, in-person attendance at meetings is prohibited at this time.

Council meetings are streamed live via the City's website at meetings.cob.org and on the [City's YouTube channel](#). Meetings are broadcast in high definition on BTV on Comcast channel 321, and in standard definition on Comcast channel 10. Members of the public who do not have cable or Internet access may contact the City Council office to receive phone numbers in order to listen to the meeting via telephone.

Anyone wishing to comment during the public hearing or during the regular public comment period is invited to do so. Advanced testimony is encouraged and can be presented to the Council by mail (210 Lottie Street, Bellingham, WA 98225), online (<https://cob.org/ccsignup>), or by telephone (360-778-8200). For live testimony, pre-registration through the meeting link (<https://cob.org/ccsignup>) is encouraged but not required. Anyone wishing to testify live during the meeting can join the remote meeting at the following link: <https://cob.org/cczoom>.

Those who would like to listen in by phone can do so using any of the following phone numbers:

- (253) 215-8782
- (346) 248-7799
- (669) 900-6833
- (301) 715-8592
- (312) 626-6799
- (929) 205-6099

Meeting ID: 941 9601 5179

Password: 9

The following items are heard in the Regular Meeting only:

Call to Order

Announcements & Upcoming Meetings:

Bellingham City Council meets all requirements of the State of Washington Open Meetings Act.

- 1. On May 24, 2021 at 7:00 PM, there will be a Public Hearing on the DRAFT 2022-2027 Transportation Improvement Program (TIP), which is based on recommendations by Public Works staff (posted to the City website on May 3, 2021) and will be reviewed by the Transportation Commission on May 11, 2021. Following the Public Hearing, Council will hold a work session on June 7, 2021 to consider adoption of the 2022-2027 TIP, which is required before July 1 each year per RCW 35.77.010.**

Roll Call

Presentation

- 22593 1. Update on COVID-19 Response p. 7**

Public Hearing

- 22979 1. Public Hearing on a Proposed Alternative James Street Arterial Standard p. 8**

Mayor's Report

Standing time for briefings, updates and reports to Council by the Mayor, if needed. Information only.

Public Comment Period

The following are heard in both Committee sessions and Regular Meeting in order below:

Council Standing Committee Meetings:

Open to the public to attend. Note: there is generally no public comment period for Committee sessions. Standing Committee Members receive reports and information, ask questions and, when appropriate, vote on a recommended action for consideration by the full Council at the Regular Meeting. The notice of Committee Meetings identified below also serves as notice of Special Meetings of the City Council at the times identified as Council Members who are not members of the committee routinely attend and participate in the Committee Meetings. Committee Chairs give a report of the Committee Meeting at the Regular Meeting in the evening prior to deliberation and formal vote in the order shown below:

Public Works and Natural Resources 10:00 AM

Michael Lilliquist, Chair
Gene Knutson, Lisa Anderson

- 22928 1. Proposed Public Benefit Lease to The Pedal Project, Doing Business as the HUB Community Bike Shop p. 26**
- 22981 2. Interlocal Agreement Between Whatcom Conservation District and the City of Bellingham for Support of the Lake Whatcom Watershed Wildfire Risk Reduction Program p. 48**

Parks and Recreation 10:20 AM

Gene Knutson, Chair
Pinky Vargas, Lisa Anderson

- 22982 1. Amendments to BMC 8.04 Parks General Provisions in Reference to Speed Limits, Motorized Bicycles, and Other Updates p. 54**

Climate Action 10:45 AM

Pinky Vargas, Chair
Daniel Hammill, Michael Lilliquist

- 22983 1. Puget Sound Energy Community Solar Installation Lease Negotiations p. 88**
- 22984 2. Puget Sound Energy Presentation on Beyond Net Zero Commitments p. 91**

Committee Of The Whole 1:00 PM

Hannah Stone, Chair
Gene Knutson, Daniel Hammill, Pinky Vargas, Lisa Anderson, Michael Lilliquist,
Hollie Huthman

Please be advised that if the City Council is ahead of schedule, they may start with old/new business before the official Committee of the Whole meeting time.

- 22985 1. An Ordinance Authorizing the Issuance of Limited Tax General Obligation Bonds p. 103**
- 22986 2. Legislative Session Update p. 125**
- 22987 3. Mental Health Court Presentation p. 127**
- 22596 4. An Ordinance to Reduce Single-Use Plastic Waste in Bellingham and to Encourage Compostable or Reusable Alternatives p. 149**

- 5. **Approval of Minutes**
- 6. **Old/New Business**

Executive Session 3:15 PM

Closed to the public. Report in the Regular Meeting only:

- 1. **Litigation: Juarez v. City of Bellingham, et al. (Brady approx. 15 min)**
- 2. **Litigation: Bianchi v. City of Bellingham, et al. (Brady approx. 15 min)**

Consent Agenda

All matters listed on the Consent Agenda are considered routine and/or non-controversial items and may be approved in a single motion. A member of the Council may ask that an item be removed from the Consent Agenda and considered separately.

- 22988 1. **Authorization of Payroll Labor Cost Payments Dated April 01, 2021 to April 15, 2021** p. 160
- 22989 2. **Authorization of A/P Transactions Issued April 16, 2021 through April 22, 2021** p. 161
- 22990 3. **Authorization of A/P Transactions Issued April 23, 2021 through April 29, 2021** p. 162
- 22991 4. **A Resolution Setting the Date and Time for a Public Hearing Before the Hearing Examiner for Consideration of a Street Vacation Petition for a Portion of Stuart Road Between Northwest Drive and Interstate-5** p. 163
- 22992 5. **Bid Award for the Annual Pavement Markings BID #15B-2021** p. 167
- 22993 6. **Authorize the Mayor to Enter Into an Interlocal Cooperative Purchasing Agreement Between the City of Bellingham and the 1 Government Procurement Alliance.** p. 171

Final Consideration of Ordinances

- | | | | |
|-------|----|---|--------|
| 22025 | 1. | An Ordinance Of The City Of Bellingham, Washington, Relating To Land Use And Zoning, Extending A Moratorium On Development Applications And Permits Relating To The Redevelopment Of Existing Mobile Home Or Manufactured Home Parks, And Setting Six Months As The Effective Period Of The Moratorium To Allow The City To Review Options And Draft Regulations For The Preservation Of Existing Mobile Home And Manufactured Home Parks | p. 176 |
| 22929 | 2. | An Ordinance Of The City Of Bellingham, Washington, Providing For Establishment Of The Bellingham Whatcom County Tourism Promotion Area And Approving Other Matters Related Thereto | p. 182 |
| 22953 | 3. | An Ordinance Of The City Of Bellingham, Washington, Relating To Employment In Bellingham; Establishing Labor Standards Requirements For Additional Compensation For Certain Grocery Employees Working In Bellingham | p. 191 |
| 22970 | 4. | An Ordinance Amending The 2021-2022 Biennial Budget Increasing Revenues And Expenditures For Paramedic Training Classes | p. 203 |
| 22973 | 5. | An Ordinance Amending The 2021-2022 Adopted Biennial Budget Reconciling The Differences Between Estimated 2021 Beginning Reserve Balances And Actual 2021 Beginning Reserve Balances And Applying The Differences To The Ending Reserve Balances | p. 206 |
| 22974 | 6. | An Ordinance Amending The 2021-2022 Biennial Budget, Increasing Appropriation Authority In Various Funds To Pay For Goods And Services Authorized In The Previous Biennium | p. 210 |
| 22975 | 7. | An Ordinance Amending The 2021-2022 Biennial Budget Increasing Revenues And Expenditures Consistent With Updated Revenue Forecasts And To Ensure Balanced Fund Budgets | p. 214 |

Adjournment

Agenda Information:

Council Committee and Regular Meeting agendas and agenda packets, which contain the supporting documentation for agenda items, are available to the public Wednesday afternoon prior to the meeting. They are posted at <https://meetings.cob.org>. A hard copy of the agenda packet is available for review from the reference desk at the Central Library or the Finance office at City Hall.

Live Broadcast Information:

The Bellingham City Council Committee Meetings are broadcast live on BTV Bellingham at the times listed on the Agenda. Committee session start times between 9:00 AM and 5:00 PM are estimated. A specific Committee may start later than the time published but will not begin earlier than its published time.

BTV can be found on cable systems as follows: Comcast channels 10 (standard) and 321 (high definition), and CenturyLink channels 40 (standard) and 1040 (high definition).

The meetings are also [streamed live](#) on the internet as they occur. Online viewers will see exactly what cable customers would see.

The Bellingham Public Library also has DVD's available for checkout. Video and audio files are available on the Internet at <https://meetings.cob.org> within 5 business days following each meeting.

BTV Council Meeting Rebroadcast Schedule:

- Tues. 12 PM: Repeat broadcast of Monday afternoon Committee meetings
- Tues. 7 PM: Repeat broadcast of Monday night regular meeting
- Wed. 8 AM: Repeat broadcast of Monday night regular meeting
- Sat. 12 PM: Repeat broadcast of Monday afternoon Committee meetings
- Sat. 7 PM: Repeat broadcast of Monday night regular meeting

Accessibility:

The Council Chambers is fully accessible. Elevator access to the second floor is available at City Hall's west entrance. Hearing assistance is available, and a receiver may be checked out through the Deputy City Clerk prior to the evening session. For additional accommodations, contact the Legislative Assistant at 778-8200 in advance of the meeting. Thank you.

**Next City Council Meeting
Monday, May 24, 2021**

Deadline to submit material for any public hearing for inclusion in the published agenda packet is 8:00 a.m. on Wednesday prior to the meeting.



City Council Agenda Bill

22593

Bill Number

Subject: **Update on COVID-19 Response**

Summary Statement: Staff will provide an update on planning and mitigating efforts related to the outbreak of COVID-19.

Previous Council Action: **Staff Presentations on 3/23, 4/13, 4/27, 5/4, 5/18, 6/8, 6/22, 7/6, 7/20, 8/31, 9/14, 9/28, 10/26, 12/14/20, 1/25, 2/8 and 3/22/21**

Fiscal Impact: **Yet to be determined**

Funding Source: **Citywide Funds**

Attachments:

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Evening Presentation	5/10/2021	Information/Discussion	Staff and Guests	30 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Brian Heinrich, Deputy Administrator

Reviewed By

Department

Date

Brian M. Heinrich

Executive

4/20/2021

Council Action:

Alan A. Marriner

Legal

4/20/2021

Seth M. Fleetwood

Executive

5/04/2021



City Council Agenda Bill

22979

Bill Number

Subject: **Public Hearing on a Proposed Alternative James Street Arterial Standard**

Summary Statement: Public Works proposes approval of a non-traditional arterial street standard for James Street in the King Mountain Neighborhood as documented in the 2019 James Street Multimodal Feasibility Study. The preferred arterial standard would be established by ordinance. The ordinance would allow for development to occur without constructing standard street frontage improvements for property owners who elect to make a proportionate financial contribution to the City towards the cost of designing and constructing the preferred alternative standard. The preferred alternative standard consists primarily of a 12-foot wide paved multi-use pathway that consolidates the pedestrian and bicycle mobility improvements along the west side of James Street. The action is to conduct a Public Hearing. Consideration of the ordinance will occur at a future Council meeting.

Previous Council Action: **Council direction to conduct a Public Hearing April 2021, Public Hearing for draft 2021-2026 TIP on May 18, 2020; Council adoption of 2021-2026 TIP on June 8, 2020**

Fiscal Impact: **The proposed ordinance does not have a direct fiscal impact to the City, but does allow for developers to make financial contributions in lieu of standard street improvements at the time of development.**

Funding Source: **Street Fund #111**

- Attachments:
1. JAMES STREET ARTERIAL STAFF MEMO
 2. STANDARD ARTERIAL STREET SECTION
 3. JAMES STREET ARTERIAL ORDINANCE
 4. JAMES STREET ARTERIAL PROPOSAL QUESTIONS
 5. JAMES STREET ARTERIAL PROPOSAL RESPONSES
 6. PUBLIC HEARING NOTICE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Public Hearing - Information Only	5/10/2021	Information/Discussion	Chad Schulhauser, PW Director	10 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Chad Schulhauser, City Engineer 778-7910

Reviewed By

Eric C. Johnston

Department

Public Works

Date

5/03/2021

Council Action:

Matthew T. Stamps

Legal

5/04/2021

Seth M. Fleetwood

Executive

5/04/2021



City of Bellingham
210 Lottie Street
Bellingham, WA 98225

STAFF REPORT

TO: CITY COUNCIL
FROM: ERIC JOHNSTON, PUBLIC WORKS DIRECTOR
CC: MAYOR SETH FLEETWOOD
SUBJECT: PUBLIC HEARING FOR THE JAMES STREET PREFERRED ARTERIAL STANDARD
DATE: 10 May 2021

BACKGROUND:

The main north-south connector in the King Mountain neighborhood, annexed into the City in 2009, is the secondary arterial James Street. The James Street corridor is expected to see an increase in traffic, both from general growth in Bellingham and the imminent development of multiple large parcels for new residences. James Street corridor improvements are cost prohibitive due to restrictions associated with critical areas (ravines, wetlands, fish barrier culverts) as well as site distance limitations in the roadway profile, making it too expensive for individual parcels to develop. In 2019, the City hired Transpo Group to evaluate a range of feasible options for increasing mobility and providing pedestrian and bicycle facilities throughout the corridor while also minimizing impacts to the environment.

EVALUATION:

The City of Bellingham arterial street standards are codified in BMC [13.04](#) and [13.08](#) and are illustrated in ST-132 of the [Public Work Improvement Standards and Development Guidelines](#). These codes and standards specify that substandard arterial streets along private property frontage must be brought up to City arterial standard at property owner cost when redevelopment occurs. In the [2019 James Street Multimodal Feasibility Study](#), Transpo Group identified a preferred alternative arterial standard for James Street that includes a 12-foot wide paved multiuse pathway consolidating the pedestrian and bicycle mobility improvements along the west side of James Street. This preferred alternative was identified in the Council adopted [2021-2026 Transportation Improvement Program \(TIP\)](#). Staff proposes to allow private development abutting each side of James Street to proceed without constructing traditional arterial street frontage improvements on the condition that a voluntary proportionate share funding contribution is made toward the costs of design and construction of the westside multiuse pathway. This will allow development to move forward in those portions of the James Street corridor that meet other City standards and requirements and permit the City to move forward with design and subsequently pursue construction funding. This revised arterial standard would be authorized through the ordinance included in the Council packet.

RECOMMENDATION ACTION:

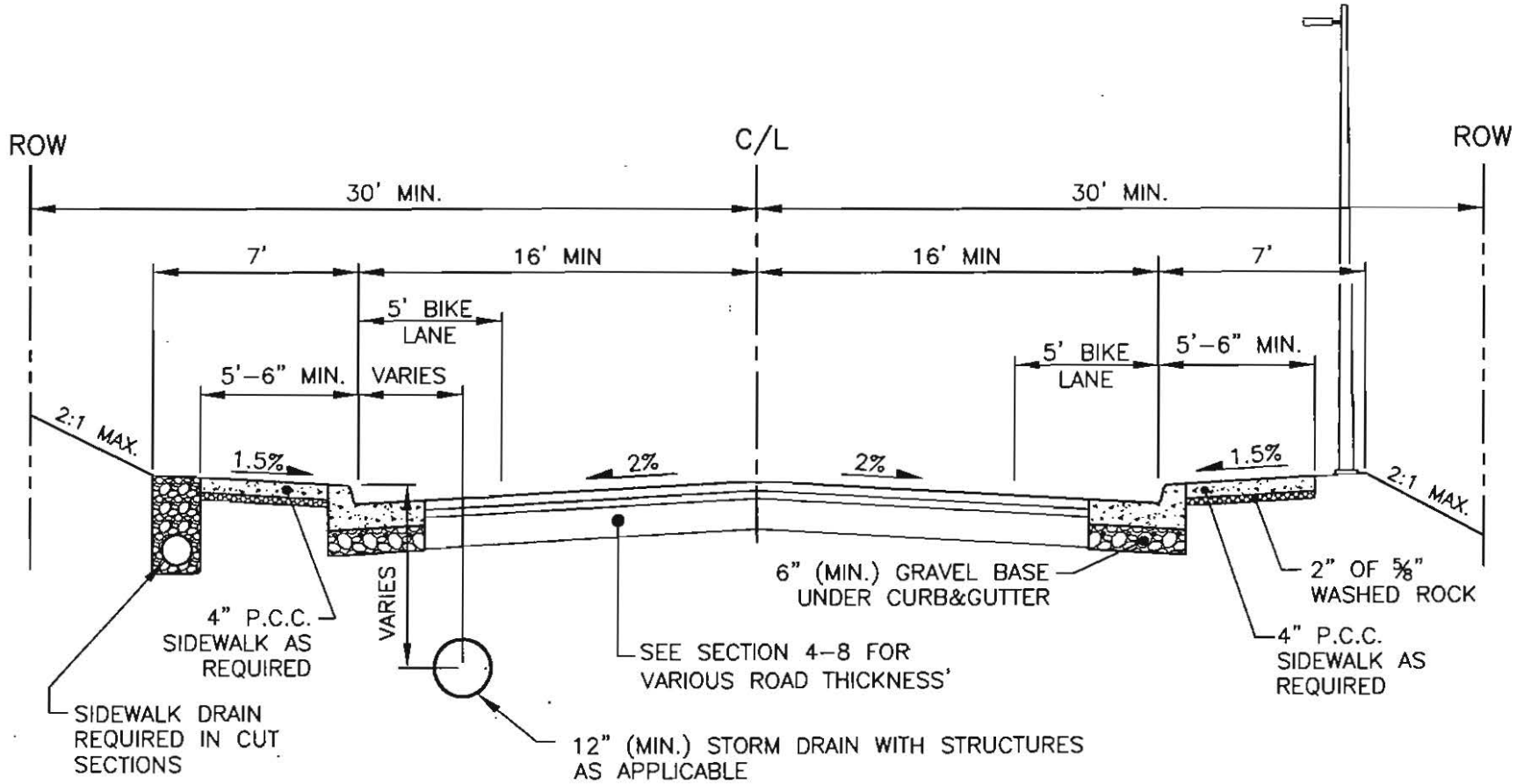
Pass the attached ordinance

APPROVED
 City Engineer *R. J. [Signature]*

Date 11-6-05

CITY OF BELLINGHAM
 STANDARD STREET SECTION
 COLLECTOR, SECONDARY OR PRINCIPAL ARTERIAL

DRAWING
 ST-132



NOTES:

1. ALL MATERIAL AND WORKMANSHIP SHALL CONFORM TO THE PROVISIONS OF APWA "STANDARD SPECIFICATIONS" AND SHALL CONFORM TO THE REQUIREMENTS OF THE CITY ENGINEER.
2. SIDEWALK STANDARD VARIES DEPENDING UPON LOCATION, ROAD CLASSIFICATION AND ON-STREET PARKING.
3. 12' WIDE TURN LANES REQUIRED AT CROSS STREETS AND MAJOR DRIVEWAYS.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON ADOPTING AN ALTERNATIVE ARTERIAL STREET IMPROVEMENT STANDARD FOR JAMES STREET BETWEEN ORCHARD DRIVE AND GOODING AVENUE IN THE KING MOUNTAIN NEIGHBORHOOD.

WHEREAS, in 2009 approximately 900 acres of the northcentral portion of the Urban Growth Area (UGA) were annexed from Whatcom County into the City of Bellingham and became the King Mountain Neighborhood; and

WHEREAS, the annexation included the responsibility for land use planning, zoning, and permitting, as well as funding, maintenance, repair, and reconstruction of many public arterial streets throughout the King Mountain Neighborhood; and

WHEREAS, the City of Bellingham arterial street standards are codified in BMC 13.04 and 13.08, are illustrated in ST-132 of the Public Work Improvement Standards and Development Guidelines and require ADA-compliant sidewalks, curbs, gutters, storm water conveyance, bike lanes, vehicle lanes, and street lighting; and

WHEREAS, BMC 13.04 Street Standards and BMC 13.08 Street Improvements specify that substandard arterial streets along private property frontage must be brought up to City arterial standard at property owner cost when redevelopment occurs; and

WHEREAS, BMC 13.52 Driveways Giving Access to Arterial Streets specifies the number, spacing, management, and construction standards for driveways on arterial streets, as well as safety standards, such as sight distance, turns, and corner clearance.

WHEREAS, James Street is locally classified as a secondary arterial street trending north-south through the middle of the King Mountain Neighborhood, but does not meet arterial standards from Orchard Drive to Gooding Avenue; and

WHEREAS, the 2012 Pedestrian Master Plan, 2014 Bicycle Master Plan, and 2016 Transportation Element of the Bellingham Comprehensive Plan all identify James Street as needing sidewalks and bike lanes on each side; and

WHEREAS, the 2019 James Street Multimodal Feasibility Study (ES-0549) determined that constructing arterial standard sidewalks and bike lanes on each side of James Street would cost \$17.8 million (2025 dollars), excluding an additional \$6.3 million dollars in fish passage improvements to 3 major culverts beneath James Street; and

Ordinance Adopting Alternative
Arterial Standard for James Street (1)

City of Bellingham
CITY ATTORNEY
210 Lottie Street
Bellingham, Washington 98225
Telephone (360) 778-8270

WHEREAS, the 2019 James Street Multimodal Feasibility Study (ES-0549) also identified a preferred alternative arterial standard for James Street that includes a 12-foot wide paved multiuse pathway consolidating the pedestrian and bicycle mobility improvements along the west side of James Street determined to cost \$8.3 million (2025 dollars), as well as 5-foot-wide concrete sidewalks on portions of three segments on the east side of James Street determined to cost \$2.03 million (2025 dollars).

WHEREAS, an additional \$5.9 million (2025 dollars) will be required for fish passage improvements to 3 culverts beneath James Street if the preferred arterial standard is constructed, but these are not included as transportation costs for the purposes of voluntary proportionate share contribution from properties; and

WHEREAS, the City of Bellingham will construct several major transportation improvements along the James Street corridor, including the Orchard Drive Extension (ES-0440) from James Street underneath Interstate 5 to Birchwood Avenue in 2021, the Telegraph Road Multimodal Improvements (ES-0537) from James Street to Deemer Road in 2022, and the James-Bakerview Roundabout (ES-0473) in 2023; and

WHEREAS, on June 8, 2020, the Bellingham City Council adopted the 2021-2026 Transportation Improvement Program (TIP) with projects 15 and 17 (Exhibit A) specifically calling for the preferred alternative west side multiuse pathway along James Street to be integrated into all the transportation improvements listed above; and

WHEREAS, per BMC 13.04 and 13.08, properties abutting each side of James Street are responsible for improving it to arterial street standards as development occurs, but at \$8.3 million dollars, the cost of the preferred alternative westside multiuse pathway will be significantly less than the \$17.8 million dollar cost of traditional arterial street frontage improvements on each side of the street; and

WHEREAS, the preferred alternative westside multiuse pathway is likely to be far more competitive for state and federal active transportation grant funding than traditional arterial street improvements, but it will take many years and multiple funding sources for the City of Bellingham to accumulate enough funding for construction; and

WHEREAS, the City of Bellingham proposes to allow private development abutting each side of James Street to proceed without constructing traditional arterial street frontage improvements on the condition that a voluntary proportionate share funding contribution is made toward the costs to complete both Preliminary Engineering (PE/Design/ROW) and Construction phases for the preferred alternative westside multiuse pathway identified in the 2019 James Street Multimodal Feasibility Study (ES-0549); and

Ordinance Adopting Alternative
Arterial Standard for James Street (2)

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WHEREAS, the calculation to establish the proportionate share contribution amount toward the preferred alternative westside multiuse pathway is based on the cost of active transportation improvements by corridor segment determined in the 2019 James Street Multimodal Feasibility Study (ES-0549), exclusive of fish passage improvement costs, divided by the linear feet of street frontage abutting each property proposed for private development; and

WHEREAS, in a March 22, 2021 work session, the City Council directed Public Works to notify property owners and to hold a public hearing regarding the proposed ordinance to establish a James Street Arterial Standard; and

WHEREAS, after published notice, the City Council held a public hearing regarding the proposed ordinance to establish a James Street Arterial Standard on May 10, 2021; and

WHEREAS, the City Council has considered the options and alternatives and finds this ordinance to establish a James Street Arterial Standard to be in the best interests of the City of Bellingham and its citizens.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLINGHAM DOES HEREBY ORDAIN THAT:

Section 1. The City hereby adopts a preferred alternative arterial standard for James Street between Orchard Drive and Gooding Avenue, which includes a 12-foot-wide paved multiuse pathway consolidating the pedestrian and bicycle mobility improvements along the west side of James Street and 5-foot-wide concrete sidewalks on select portions of three segments on the east side of James Street, as depicted in **Exhibit B** (“Preferred Alternative”). The Preferred Alternative is a City-constructed alternative to the arterial street frontage standards in BMC 13.04 and 13.08 and the Public Works Development Guidelines and Improvement Standards.

Section 2. An owner (“Applicant”) of property abutting either side of James Street between Orchard Drive and Gooding Avenue (“Property”) may elect to proceed with development of the Property without privately constructing the arterial street frontage improvements required in BMC 13.04 and 13.08 and the Public Works Development Guidelines and Improvement Standards if the Applicant voluntarily enters into a financial participation agreement with the City that provides for the Applicant to pay a proportionate share of the City’s estimated cost of designing and constructing the Preferred Alternative at the linear foot rate shown in Table 1 in **Exhibit C**. Payment shall be made prior to issuance of a building permit or public facilities contract permit for the Property. Proposed developments covered by a financial participation agreement entered into pursuant to this Ordinance must meet all City of Bellingham applicable code, regulations, and requirements, excepting only the frontage improvements required under BMC 13.04. and 13.08.

Ordinance Adopting Alternative
Arterial Standard for James Street (3)

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Section 3. Voluntary proportionate funds collected from Applicants developing Property will directly fund the required preliminary engineering, design, and right-of-way phase and construction phase for the entire corridor from Orchard Drive to Gooding Avenue, or any portion thereof, regardless of the segment funds are collected from.

PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this ____ day of _____, 2021.

Mayor

ATTEST:

Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:

EXHIBIT A

Ordinance Adopting Alternative
Arterial Standard for James Street (4)

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Projects 15 and 17 adopted in 2021-2026 Transportation Improvement Program

**Project #15: James Street Pedestrian & Bicycle Safety Improvements; Segment 3
(West side James Street from Telegraph Rd to E. Bakerview Rd)**

PROJECT NARRATIVE: James Street is the only north- south transportation corridor serving north-central Bellingham between Meridian (SR 539) and Hannegan, which is already zoned for 3,000 or more housing units. James Street provides access to Squalicum Creek Trail and Sunset Pond Park between Sunset Square Shopping Center, Telegraph Road, and East Bakerview Road. Pedestrian and Bicycle Master Plans call for sidewalks and bike lanes and WTA high-frequency Gold GO Line Route 331 service requires sidewalks and crossings to bus stops. Segment 3 is the most financially feasible section to construct and if grant funding can be secured, could be completed in 2023 to complement the Telegraph Road improvements and the James/Bakerview roundabout.

MULTIMODAL TRANSPORTATION BENEFITS: Tier 3 sidewalks, Tier 3 bicycle lanes, turn lanes, increased access, safety, sight distance, and efficiency. WTA Gold GO Line high-frequency transit route 331 and future WTA transit routes as King Mountain Neighborhood continues to develop.

PROJECT STATUS: Feasibility Study Completed 2019. Unfunded. WSDOT grant funds applied for.

No.	PROJECT DESCRIPTION	FUNDING SOURCE	Cost Estimates (000's) 2020 Dollars						PROJECT TOTALS	
			Previous Budget	FUNDED			UNFUNDED			
			2021	2022	2023	2024	2025	2026		
15	James Street Pedestrian and Bicycle Safety Improvements; Segment 3	T-Fund Non-Motorized				160				
	Segment 3 = Telegraph to Bakerview	State				740	Pending WSDOT Grant			
	Subtotal				900				900	

TRANSPORTATION IMPACT FEES COLLECTED Yes, for local funds
RIGHT-OF-WAY ACQUISITION NECESSARY No

**James Street Preferred Alternative
West Side Shared Use Path**

SHARED USE PATH

- 11-foot vehicle lanes with a 10 to 12-foot wide bi-directional shared use path on one side
- Vegetated planting strip between path and roadway used for stormwater conveyance and treatment and separation from traffic
- Curbed shoulders in locations where additional sidewalk is needed on the other side of the road

Visualization (looking south just s/o Mcleod Rd)

Ordinance Adopting Alternative Arterial Standard for James Street (5)

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 210 Lottie Street
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Project #17: James Street Pedestrian & Bicycle Safety Improvements; Segments 1, 2, & 4 (West side James Street from E. Orchard to Gooding Rd)

PROJECT NARRATIVE: James Street is the only north- south transportation corridor serving the King Mountain Neighborhood, which is zoned for 3,000 or more housing units. James Street provides access to Squalicum Creek Trail and Sunset Pond Park between Sunset Square Shopping Center, Telegraph Rd, and East Bakerview Rd. Pedestrian and Bicycle Master Plans call for sidewalks and bike lanes and WTA high-frequency Gold GO Line Route 331 service requires sidewalks and crossings to bus stops. Significant costs include, removal of a vertical curve sight distance issue on the hill between Orchard and McLeod and reconstruction of culverts beneath James Street between Orchard Dr and Telegraph Rd and Bakerview Rd and Kellogg Rd will require reconstruction for fish passage improvements.

MULTIMODAL TRANSPORTATION BENEFITS: Tier 3 sidewalks, Tier 3 bicycle lanes, turn lanes, increased access, safety, sight distance, and efficiency. WTA Gold GO Line high-frequency transit route 331 and future WTA transit routes as King Mountain Neighborhood continues to develop.

PROJECT STATUS: Feasibility Study Completed 2019. Unfunded. Grant funds will be sought.

No.	PROJECT DESCRIPTION	FUNDING SOURCE	Cost Estimates (000's) 2020 Dollars						PROJECT TOTALS	
			Previous Budget	FUNDED			UNFUNDED			
			2021	2022	2023	2024	2025	2026		
17	James Street Pedestrian and Bicycle Safety Improvements; Segments 1, 2, & 4	Street (Study)	110				Grants being sought			
		T-Fund Non-Motorized								
	Segment 1 = Orchard to McLeod	Pvt Mitigation								
	Segment 2 = McLeod to Telegraph	Unknown							14,000	
	Segment 4 = Bakerview to Gooding	Subtotal	110						14,000	14,110

TRANSPORTATION IMPACT FEES COLLECTED Yes, for local funds
RIGHT-OF-WAY ACQUISITION NECESSARY Possibly, yet-to-be-determined

James Street Preferred Alternative West Side Shared Use Path

SHARED USE PATH

- 11-foot vehicle lanes with a 10 to 12-foot wide bi-directional shared use path on one side
- Vegetated planting strip between path and roadway used for stormwater conveyance and treatment and separation from traffic
- Curbed shoulders in locations where additional sidewalk is needed on the other side of the road

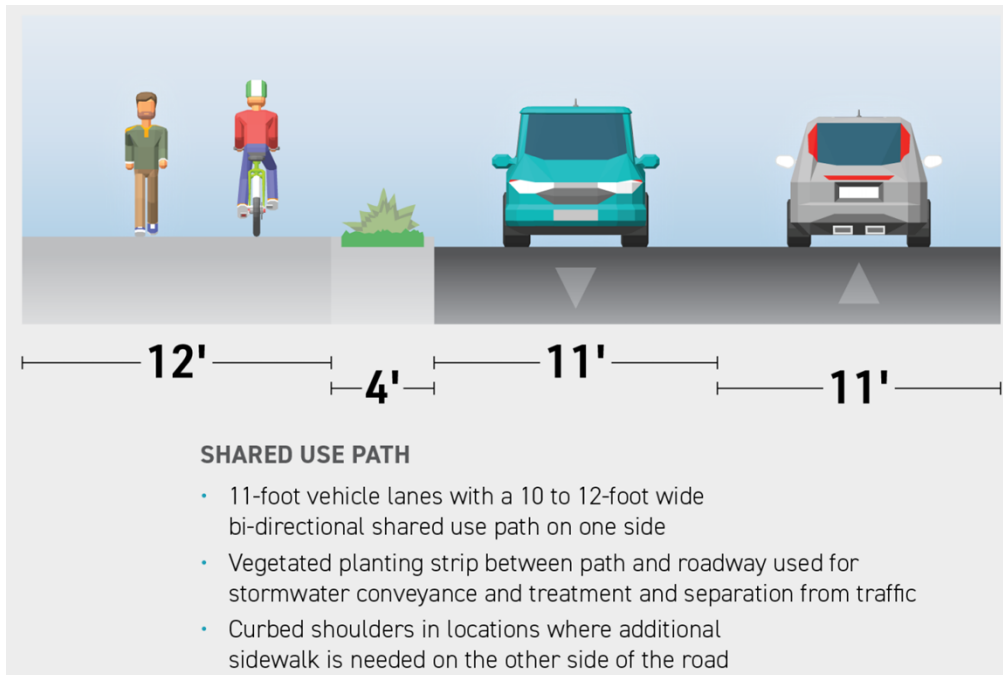
Visualization (looking south just s/o McLeod Rd)

Ordinance Adopting Alternative Arterial Standard for James Street (6)

City of Bellingham
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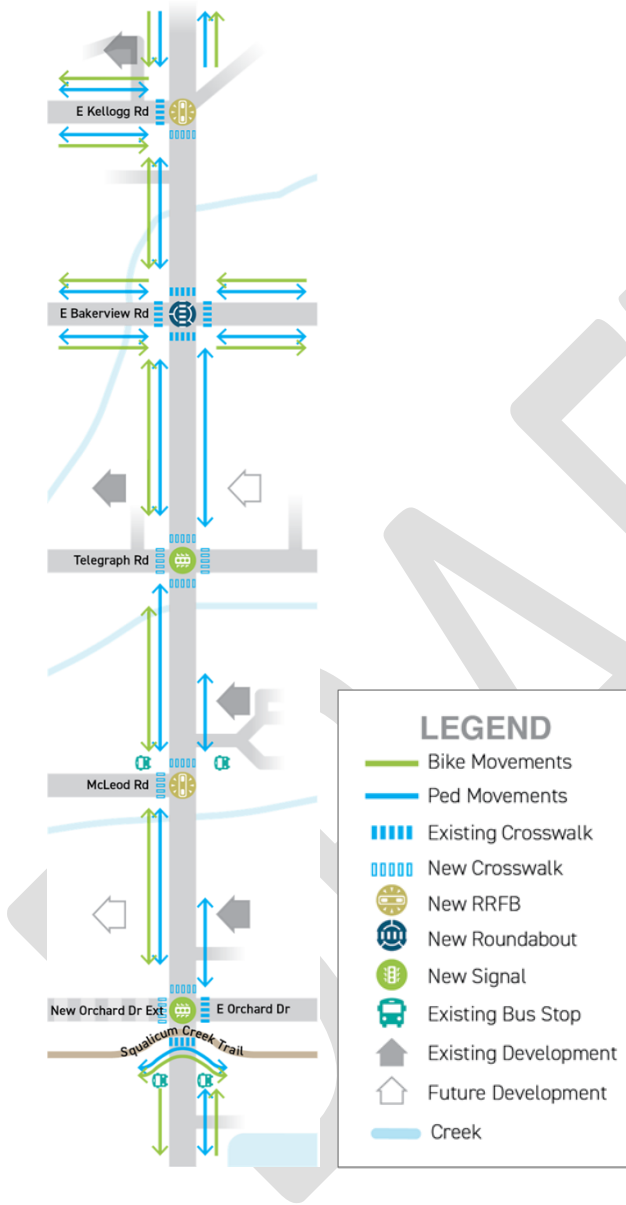
EXHIBIT B

James Street Arterial Standard from Orchard Drive to Gooding Avenue



Ordinance Adopting Alternative
Arterial Standard for James Street (7)

City of Bellingham
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Ordinance Adopting Alternative
Arterial Standard for James Street (8)

City of Bellingham
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EXHIBIT C. Breakdown of Costs by James Street Arterial Street Segment

Table 1. Costs of Active Transportation Improvements* by Segment of James Street Secondary Arterial Street									
	12-Foot Wide Multiuse Pathway			5-Foot Wide Concrete Sidewalk			Combined West & East Side		
	Westside	Cost Per	Cost	Eastside	Cost Per	Cost	Combined	Cost Per	Cost
James Street Road Segment	Linear Feet	Segment¹	Per Foot	Linear Feet	Segment²	Per Foot	Linear Feet	Segment	Per Foot
1.) Orchard Dr - McLeod Rd³	1,275	\$3,100,000	\$2,431.37	700	\$568,750	\$812.50	1,975	\$3,668,750	\$1,857.59
2.) McLeod Rd - Telegraph Rd⁴	1,275	\$2,300,000	\$1,803.92	900	\$731,250	\$812.50	2,175	\$3,031,250	\$1,393.68
3.) Telegraph Rd - Bakerview Rd⁵	1,250	\$800,000	\$640.00	900	\$731,250	\$812.50	2,150	\$1,531,250	\$712.21
4.) Bakerview - Gooding Ave⁶	2,700	\$2,100,000	\$777.78	0	\$0	\$0.00	2,700	\$2,100,000	\$777.78
Total Corridor Lengths & Costs	6,500	\$8,300,000		2,500	\$2,031,250		9,000	\$10,331,250	
Notes:	Sources of Infrastructure Cost								
*Active Transportation costs above include 12-foot wide multiuse pathway (westside) and prescribed sidewalk sections (eastside), but do not include reconstruction of culverts beneath James Street roadway for fish passage improvements.	1) 2019 James Street Multimodal Feasibility Study (ES-0549)								
	2) 2012 Pedestrian Master Plan Project List								
	3) Includes cost to remove James St vertical curve/sight distance issue								
	4) Includes cost of James/McLeod intersection and RRFB crosswalk								
	5) Does not include James/Telegraph traffic signal (2022) with ES-0537								
	6) Does not include James/Bakerview roundabout (2023) with ES-0473								

Ordinance Adopting Alternative
Arterial Standard for James Street (9)

City of Bellingham
CITY ATTORNEY
210 Lottie Street
Bellingham, Washington 98225
Telephone (360) 778-8270

Schulhauser, Chad M.

From: Johnston, Eric C.
Sent: Friday, March 26, 2021 11:30 AM
To: Schulhauser, Chad M.
Subject: FW: #22939 PUBLIC WORKS PROPOSAL FOR JAMES STREET PREFERRED ARTERIAL STANDARD

.....

Eric Johnston, P.E.

Public Works Director
2221 Pacific St. Bellingham, WA 98229
360.778.7700
360.778.7710 (direct)
360.201.3713 (mobile/text)
ecjohnston@cob.org

All incoming/outgoing e-mail messages are subject to public disclosure requirements per RCW 42.56

Remember: Wash your hands with Soap and Water and Stay Home if you are Sick.

FAQ <https://staff.cob.org/groups/disaster/SitePages/COVID-19.aspx>

Whatcom County Health <https://www.whatcomcounty.us/3329/Novel-Coronavirus-COVID-19>

From: Lilliquist, Michael W. <mlilliquist@cob.org>
Sent: Monday, March 22, 2021 11:45 AM
To: Therese Kelliher <theresek@protonmail.com>
Cc: Johnston, Eric C. <ecjohnston@cob.org>; Brown, Kimberly A. <kimbrown@cob.org>
Subject: Re: #22939 PUBLIC WORKS PROPOSAL FOR JAMES STREET PREFERRED ARTERIAL STANDARD

Therese,

Thank you for your comments. I am here by asking staff to make sure your correspondence is included in the packet for a public hearing on this item.

Michael Lilliquist
Bellingham City Council
Representative, Ward 6
mlilliquist@cob.org

Per state law RCW 42.56, my incoming and outgoing email messages are public records and are therefore subject to public disclosure requirements.

From: Therese Kelliher <theresek@protonmail.com>
Sent: Sunday, March 21, 2021 10:43:11 PM
To: Lilliquist, Michael W. <mlilliquist@cob.org>; Knutson, Gene R. <gknutson@cob.org>; Anderson, Lisa A. <laanderson@cob.org>
Cc: MY - mayorsoffice@cob.org <mayorsoffice@cob.org>; Johnston, Eric C. <ecjohnston@cob.org>; Stone, Hannah E.

<hestone@cob.org>

Subject: #22939 PUBLIC WORKS PROPOSAL FOR JAMES STREET PREFERRED ARTERIAL STANDARD

RE PUBLIC WORKS PROPOSAL FOR JAMES STREET PREFERRED ARTERIAL STANDARD

#22939 Council Agenda March 22, 2021

To Council Members Lilliquist, Knutson, and Anderson:

It's great to see plans for the James Street reconstruction moving forward to address the multiple transportation needs of the area.

I've heard from a number of people who look forward to the critical changes necessary for safe travel – especially for access to/from the bus, as well as travel by bike to services in town.

Questions about personal safety:

1. Who will have the responsibility for clearing debris from the multimodal path (branches, leaves, snow, etc.)?
2. Will there be lighting directed primarily onto the path?

These are important components for the multimodal trail to best serve people. I hope you will clarify Council expectations for them before moving ahead with the ordinance.

There are also concerns about the logistics for the James/Bakerview roundabout:

1. Speed of car travel into & out of the roundabout. Infrastructure design can cue the desired speed by changing the entry/exit curves.
2. If people want an alternative to bike travel other than in the roundabout with cars/trucks traveling at 25 mph, they need a separated facility. A separated bike lane or a multimodal sidewalk design need to include manageable turning angles for all sizes of bikes/trikes for people of varying ages and abilities. (Pedestrian ramps do not usually accommodate this need because they require a person on a bike to make 90° turns in the crossing.)

There are ways to address these concerns through design that emphasize our community values for equitable and safe transportation. I am asking the Council to explicitly call for infrastructure plans to address these concerns before you make the next TIP approval. I am happy to meet you at an existing roundabout to demonstrate these items from a user perspective.

Thanks for your time.

Therese Kelliher

Schulhauser, Chad M.

From: Comeau, Christopher J.
Sent: Thursday, April 22, 2021 4:01 PM
To: Therese Kelliher
Cc: Johnston, Eric C.; Schulhauser, Chad M.; Baldwin, Brent L.
Subject: RE: James Street questions

Therese,

My responses to your questions about the James Street multiuse pathway are below with the over-riding caveat that as a planned, but unfunded project with a current \$14 million dollar cost estimate to construct in four distinct segments, including required fish-passage improvements to three under-roadway culverts, it will be a long time before there is a continuous and usable multiuse pathway along the west side of James Street.

1. Would you confirm that the westside multimodal path will be mostly paved/asphalt and the eastside segments will be concrete sidewalk?

Staff response: The intent is to construct a 10- to 12-foot wide paved asphalt pathway along the west side and, in just a few select locations where it is considered feasible, 5-foot wide concrete sidewalk on the east side.

2. Given the current zoning, how many additional driveways are possible on the west side of James?

Staff response: Legally, the City must allow access to the arterial street unless there is access available on a side street. There are currently only a few properties along the west side of James Street that have existing driveways and only one or two that will require new driveways.

3. Who will have the responsibility for clearing debris from the multimodal path (branches, leaves, snow, etc.)?

Staff response: As a City-owned public facility, Public Works will maintain the paved multiuse pathway. Because the pathway will be 10-12 feet wide, it is very likely that the existing City street sweeping vehicle would have full access for maintenance.

4. Does Bellingham have a standard for pedestrian-scale lighting directed to a multimodal path? If not, will path lighting be included for James Street?

Staff response: No, but this will be considered when funding becomes available to begin work on preliminary engineering and design of the facility, which will be in future years.

5. How will people on the multimodal path access the James / Bakerview roundabout? For example: how would a person on a bike traveling northbound on James turn left /west onto Bakerview?

Staff response: The James/Bakerview Roundabout was designed before the 2019 James Street Multimodal Feasibility Study was complete. The roundabout is not scheduled for construction until 2023 and will require a slight redesign of the west leg of the roundabout to accommodate the multiuse pathway. A northbound bicyclist on the future multiuse pathway along the west side of James Street would cross the west leg of the roundabout and have full access to a westbound bike lane that will merge into the 6 to 8-foot wide shoulder that exists between James Street and Deemer Road, where a 5-foot bike lane continues west.

I cannot emphasize enough that there is currently no funding available for any of the four segments of the planned west side multiuse pathway and, due to the high cost, there is no one single grant funding source that will fund this project. It is going to take many years and several funding sources for the City to find enough funding to complete each segment of this project and, because it must be constructed in phases, it will be even longer before there is a complete, continuous pathway between Orchard Drive and Gooding Avenue. This is why we are asking City Council to adopt an alternative street standard for James Street, which will allow private developers to contribute funding toward this project rather than constructing traditional street frontage, which as the feasibility study demonstrated is far more expensive and would never complete the pedestrian and bicycle network along James Street.

I hope this answers your questions and paints a realistic picture for expectations about this planned future multiuse pathway.

Sincerely,

Chris Comeau, AICP-CTP, Transportation Planner

Bellingham Public Works Engineering

104 W. Magnolia Street, Bellingham, WA 98225

Phone: (360) 778-7946 Email: ccomeau@cob.org



NOTE: All email subject to public disclosure requirements per RCW 42.56



Sign up at [Engage Bellingham](#), our online venue for public feedback about key projects.

From: Therese Kelliher <theresek@protonmail.com>

Sent: Thursday, April 22, 2021 2:59 PM

To: Comeau, Christopher J. <ccomeau@cob.org>

Subject: James Street questions

Chris,

Checking in with you about the James Street project (between Orchard and Gooding). Since this is an alternative to the standard, I have a few logistical questions:

1. Would you confirm that the westside multimodal path will be mostly paved/asphalt and the eastside segments will be concrete sidewalk?
2. Given the current zoning, how many additional driveways are possible on the west side of James?
3. Who will have the responsibility for clearing debris from the multimodal path (branches, leaves, snow, etc.)?
4. Does Bellingham have a standard for pedestrian-scale lighting directed to a multimodal path? If not, will path lighting be included for James Street?

5. How will people on the multimodal path access the James / Bakerview roundabout? For example: how would a person on a bike traveling northbound on James turn left /west onto Bakerview?

Thanks for your time with these questions.

~Therese



BELLINGHAM CITY COUNCIL

210 Lottie Street, Bellingham, Washington 98225
Telephone (360) 778-8200 Fax (360)778-8101
Email: ccmail@cob.org Website: www.cob.org

BELLINGHAM CITY COUNCIL NOTICE OF PUBLIC HEARING

Notice is hereby given that the Bellingham City Council will hold a Public Hearing on **May 10, 2021 at 7:00 PM** or as soon thereafter as possible during their Regular City Council meeting, which will take place remotely, to take public comment on the following:

Proposed ordinance adopting an alternative arterial street improvement standard for James Street between Orchard Drive and Gooding Avenue in the King Mountain Neighborhood.

Detailed information can be found at: meetings.cob.org five days prior to the public hearing.

Staff Contact: Chris Comeau, Transportation Planner 360-778-7946 ccomeau@cob.org

Anyone wishing to comment on this item is invited to do so. Advanced testimony is encouraged and can be presented to the Council online (<https://cob.org/ccsignup>), by telephone (360-778-8200), or by mail (210 Lottie Street, Bellingham, WA 98225). Comment received prior to **10:00 a.m. Wednesday, May 5** will be included in the agenda packet. Comment received after that will be distributed to Council but not included in the published packet. Anyone wishing to testify live during the public hearing can do so by registering at the following link: <https://cob.org/ccsignup>. Pre-registration is encouraged. Anyone wishing to join the public hearing on **May 10 at 7:00PM** may do so via the following link: <https://cob.org/cczoom>.

Those who would like to listen in by phone can do so using any of the following phone numbers:

- (253) 215-8782
- (346) 248-7799
- (669) 900-6833
- (301) 715-8592
- (312) 626-6799
- (929) 205-6099

Meeting ID: 941 9601 5179

Password: 9

Publication date: **April 30, 2021**



City Council Agenda Bill

22928

Bill Number

Subject: **Proposed Public Benefit Lease to The Pedal Project, Doing Business as the HUB Community Bike Shop**

Summary Statement: In accordance with BMC 4.88.050 and direction from Council, staff has negotiated a below-market lease for the premises located at 1320 Commercial Street in the Commercial Street Parking Garage based upon the anticipated public benefits to be derived from the lease arrangement. Approval of a below-market lease to The HUB Community Bike Shop is consistent with the City's policy goals to promote bicycles as an alternative mode of transportation. The below market lease rate is, in effect, a subsidy by parking permit, meter and fine revenues. The proposed lease requires council approval based upon a finding that the anticipated public benefits justify the below-market rental rate. The proposed lease rate and other material terms are summarized in the staff memo provided in the Council packet. A copy of the proposed lease agreement is also included in the Council packet.

Previous Council Action: **Climate Action Plan Approval 2019, Transportation Mode Shift policy approvals, direction to negotiate below market lease, March 8, 2021**

Fiscal Impact: **The proposed agreement will produce \$600/year in rent revenue. At the market rate of \$9/sqft the City will be foregoing approximately \$21,000/year in revenue for the Parking Fund**

Funding Source: **Parking Fund (465)**

- Attachments:
- 1. HUB LEASE STAFF REPORT
 - 2. HUB COMMERCIAL LEASE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	5/10/2021	Vote to Approve	Eric Johnston, PW Director	10 minutes

Recommended Motion:

Council Committee:
Public Works and Natural Resources
Committee

Agenda Bill Contact:
Matt Gossett 778-7980

Reviewed By	Department	Date
<i>Eric C. Johnston</i>	Public Works	4/20/2021

Council Action:

<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



City of Bellingham
210 Lottie Street
Bellingham, WA 98225

STAFF REPORT

TO: CITY COUNCIL
FROM: ERIC JOHNSTON, PUBLIC WORKS DIRECTOR
CC: MAYOR SETH FLEETWOOD
SUBJECT: PROPOSED LEASE TO THE PEDAL PROJECT
DATE: 26 April 2021

BACKGROUND:

The City leases spaces in City owned facilities at market rate. In accordance with BMC 4.88.050, the City can negotiate a below market rental rate for spaces if instructed by the Council review committee.

The space at 1320 Commercial Street in the Commercial Street Parking Garage is currently vacant. It is a 2,400 square foot space with a market rental rate of approximately \$9 per square foot, which equates to a fair market rental rate of \$21,600 per year or \$1,800 per month, plus a pro rata share of operating expenses and state leasehold excise tax of 12.84%.

On March 8, City Council directed staff to negotiate a below market rental rate with The Pedal Project, a Washington non-profit corporation operating The HUB Community Bike Shop.

Staff has negotiated a proposed lease, the terms of which are described below. In order for Council to approve the lease, it must determine that the anticipated public benefits associated with Tenant's proposed use of the space are sufficient to justify the below-market lease rate. This determination ensures that the City does not run afoul of the constitutional prohibition against the gifting of public funds.

EVALUATION:

Kyle Morris, a corporate officer of The Pedal Project, has proposed to lease all 2,400 square feet of 1320 Commercial Street for \$0.25 per square foot, which equates to a rental rate of \$600 per year or \$50 per month. The City's negotiated offers of \$1.50 and \$1.00 per square foot were rejected by Mr. Morris and the rate of \$0.25 per square foot was incorporated into the proposed lease agreement for Council consideration.

Mr. Morris committed to providing the following public benefits, as set forth in the lease:

- a. Collect used and discarded bicycle parts from the waste stream and process them into useable bicycling products, selling them at an affordable and sometimes sliding scale value.
- b. Continue relationships with outside agencies to provide low-income people, and people without permanent housing, low cost (or free) access to bicycles as alternative forms of transportation.
- c. Regularly provide bicycle maintenance and repair sessions, community events and mentoring programs, open to all free of charge.
- d. Provide free flat tire repair and bicycle safety inspections for low-income people, residents of downtown Bellingham (regardless of income level), and persons who bike commute to work in downtown Bellingham. Total flat tire repair and bicycle safety inspection numbers will be tracked annually by The Hub Community Bike Shop and reported to Landlord in writing.

The proposed lease requires the Tenant to provide a written annual report to the City documenting compliance with the public benefit items.

To approve the lease, Council must determine that the anticipated public benefits, as set forth above, justify the waiver of approximately \$21,000 per year in rental revenue.

Other material terms of the proposed lease agreement -

- Site Address: 1320 Commercial Street (Parking Garage)
- Square Footage: 2,400
- Term: 5-year primary term, with option to renew for additional term of 5 years.
- Market Rent: \$1,800 per month.
- Lease Rent (Subsidized/Public Benefit): \$50 per month.
- Common Operating Expenses: Tenant pays pro rata share.
- Direct Utilities: Tenant pays all.
- Leasehold Excise Tax @ 12.84 % of market rent: Tenant pays \$231.12 per month. City remits that amount to DOR.
- Indemnification: Tenant indemnifies City.
- Insurance Requirements: Tenant provides CGL \$1M, City an additional insured on primary noncontributory basis with a waiver of subrogation.

RECOMMENDATION ACTION:

Vote to authorize the Mayor to enter into a below market lease agreement with The Pedal Project to bring The HUB Community Bike Shop to the Commercial Street Parking Garage.

COMMERCIAL LEASE

THIS COMMERCIAL LEASE is made as of _____, 2021 by and between **THE CITY OF BELLINGHAM**, a first class municipal corporation of the State of Washington ("**Landlord**"), and **THE PEDAL PROJECT, dba The HUB**, a Washington non-profit corporation ("**Tenant**").

For and in consideration of the mutual promises, covenants and conditions hereinafter set forth, the parties agree as follows:

SECTION 1 – BASIC TERMS

1. Lease Data; Exhibits. The following definitions apply, except as otherwise specifically modified herein:

1.1 Leased Premises. The leased premises consist of the commercial space and other existing improvements located at the street address of 1320 Commercial Street, Bellingham, WA 98225, which is a portion of Whatcom County Assessor’s Parcel No. 380330 165162 0000 (“Leased Premises”). The agreed rentable area of the Leased Premises is 2,400 square feet. The proposed floor plan of the Leased Premises is attached hereto as Exhibit A.

1.2 Possession Date. June 1, 2021 (“Possession Date”).

1.3 Rent Commencement Date. July 1, 2021 (“Rent Commencement Date”). See Section 3.1.

1.4 Primary Term. July 1, 2021 through June 30, 2026 (“Primary Term”). See Section 3.1. Tenant shall be allowed to occupy the Leased Premises on June 1, 2021 in order to perform tenant improvements prior to opening for business, and prior to rent commencement on July 1, 2021. Tenant’s obligation to pay leasehold excise tax, as described in Sections 1.5 and 6.3, below, shall commence on the Possession Date.

1.5 Base Rent. This is a subsidized lease, approved by City Council pursuant to Bellingham Municipal Code Chapter 4.88. The Base Rent amount has been set substantially below market rate in recognition of the substantial public benefit associated with Tenant’s authorized use of the Leased Premises as set forth in Section 5.3. Commencing on July 1, 2021 and continuing through June 30, 2026, Tenant shall pay Base Rent each month in the amount of Fifty and 00/100 Dollars (\$50.00) in accordance with Section 4.1. Thereafter, the monthly base rent will be adjusted as set forth in Section 4.1. Tenant shall also pay, as a part of Base Rent, (a) leasehold excise tax in accordance with Section 6.3, and (b) a pro rata share of Landlord’s operating and maintenance expenses in accordance with Section 4.1.

1.6 Security Deposit. \$600.00 due upon execution of this Lease. See Section 7.1.

1.7 Notice Addresses.

Landlord:	The City of Bellingham Department of Public Works 104 W. Magnolia Street, Suite 109 Bellingham, Washington 98225 Attn: Real Property Manager
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With a Copy to: The City of Bellingham
Legal Department
210 Lottie Street
Bellingham, Washington 98225
Attn: City Attorney

Tenant: Kyle Morris
2618 Peabody Street
Bellingham, WA 98225-2440

1.8 Use. Tenant shall use the Leased Premises only for bicycle sales, services and repair under the trade name The Hub Community Bike Shop. See Section 5.1.

1.9 Hours of Operation. See Section 5.4.

SECTION 2 - PREMISES

Landlord leases to Tenant, and Tenant leases from Landlord, the Leased Premises identified in Section 1.1 (the "**Leased Premises**"). Landlord reserves all air rights over the Leased Premises, the use of the exterior walls (other than store fronts), the roof and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through the Leased Premises.

SECTION 3 - TERM

3.1 Lease Term. This Lease shall be in effect for the Primary Term identified in Section 1.4. Any references in this Lease to "Lease term" or "term" without specifically identifying the Primary Term or an Additional Term (as defined in Section 3.2 below) shall be interpreted to be inclusive of the Primary Term and any Additional Term(s) entered into in accordance with the terms and conditions contained in this Lease.

3.2 Extension Option. So long as Tenant is not then in default under this Lease Tenant shall have, on the terms and conditions stated in this Section 3.2, the option to extend the effective term of this Lease for one additional 5-year period (the "**Additional Term**"). To exercise its option to extend this Lease for the Additional Term, Tenant must deliver to Landlord a written notice (an "**Option Notice**") exercising its option to extend at least three (3) months (but not more than six (6) months) prior to the date the Primary Term (or Additional Term, if more than one) will expire. The extension option granted to Tenant pursuant to this Section 3.2 is personal to Tenant and may not be exercised by or for the benefit of any assignee or sublessee of Tenant. All of the terms and conditions of this Lease shall apply during the Additional Term.

SECTION 4 - RENT

4.1 Base Rent. Commencing on the Rent Commencement Date, Tenant shall pay to Landlord in care of City Finance Director at City Hall, 210 Lottie Street, Bellingham, Washington 98225, without notice, set-off or deduction whatsoever, monthly Base Rent in the amount identified in Section 1.5. Monthly Base Rent shall be payable in advance on or before the first day of each month of the Lease term. Base Rent for partial months shall be prorated. The monthly Base Rent will be increased as follows:

Primary Term: July 1, 2021 through June 30, 2026: \$50.00 per month

Additional Term: July 1, 2026 through June 30, 2031: \$65.00 per month

If Tenant holds over, monthly Base Rent shall be recalculated as set forth in Section 16.2.

Base Rent payments shall be accompanied by (or include) (a) Tenant's payment of Leasehold Excise Tax in accordance with Section 6.3 and (b) Tenant's pro rata share of common operating expenses which include but are not limited to cost of insurance, HVAC service and repair, common area maintenance and repair, house power, landscaping, property management, utilities and all other expenses related to the operation of the building or to the Leased Premises. The operating expenses component of Base Rent for the first calendar year of this Lease shall be \$191.90 per month (which amount does not include Leasehold Excise Tax, or any assessment of Additional Rent), subject to year-end adjustment as provided herein. At the end of each calendar year, actual expenses will be reconciled with budgeted expenses and Tenant shall receive either a refund for overpayment or a billing for underpayment. The Leasehold Excise Tax and operating expenses component of Base Rent payments will commence on the Lease Possession Date and be pro-rated for any period less than a full calendar month. Tenant's obligation to pay Landlord its share of common operating expenses as described in this paragraph is in addition to Tenant's obligation to pay utilities that are separately metered or billed to the Leased Premises, including, but not limited to, power, gas, garbage, recycling, internet and cable services to the Leased Premises. Those separately billed utilities shall be paid in full directly by Tenant in accordance with Section 6.1.

4.2 Additional Rent. All other sums to be paid or reimbursed by Tenant to Landlord, whether or not so designated, shall be deemed "**Additional Rent**" for the purposes of this Lease. If Tenant defaults in the performance of any of its obligations hereunder, Landlord may, but shall not be obligated to, perform such obligations, and the cost thereof to Landlord shall also be Additional Rent. Unless otherwise specifically provided herein, Tenant shall pay Landlord all Additional Rent upon demand and in no event later than the date on which the next monthly Base Rent payment hereunder is due and payable.

4.3 Late Charge; Interest. If Tenant fails to pay any amount due under this Lease within ten (10) days of the due date, a late charge equal to five percent (5%) of the unpaid amount shall be assessed and be immediately due and payable. In addition, interest shall accrue on the delinquent amount at a per annum rate which is the lesser of the highest interest rate permitted by applicable law or twelve percent (12%) per annum.

SECTION 5 - CONDUCT OF BUSINESS

5.1 Use of Leased Premises. Tenant shall continuously during the Lease term maintain and conduct on the Leased Premises a business only for the purposes and under the trade name identified in Sections 1.8 and 5.2. Tenant shall not use or permit the use of the Leased Premises for any other business or purpose, or under any other name, without the prior written consent of Landlord.

5.2 Sidewalk. The Leased Premises does not include the sidewalk. Use of the sidewalk for commercial purposes requires separate approval from the City in its regulatory capacity through the temporary right-of-way use permitting process. Any unauthorized use of the sidewalk shall be deemed a material breach of this Lease.

5.3 Public Benefit. Tenant acknowledges that the aggregate Base Rent and Additional Rent constitute below "fair market rental value" for the Leased Premises. As additional consideration for and as condition as to Tenant's continued use of the Leased Premises, Tenant covenants to continue to provide the following public benefits:

- a. Collect used and discarded bicycle parts from the waste stream and process them into useable bicycling products, selling them at an affordable and sometimes sliding scale value.

- b. Continue relationships with outside agencies to provide low-income people, and, people without permanent housing, low cost (or free) access to bicycles as alternative forms of transportation.
- c. Regularly provide bicycle maintenance and repair sessions, community events and mentoring programs, open to all free of charge.
- d. Provide free flat tire repair and bicycle safety inspections for low-income people, residents of downtown Bellingham (regardless of income level), and persons who bike commute to work in downtown Bellingham. Total flat tire repair and bicycle safety inspection numbers will be tracked annually by Tenant and reported to Landlord in its annual report, discussed below.

Tenant shall provide a written annual report to the City documenting compliance with this Section 5.3. The report shall be provided annually within 30 calendar days of each anniversary of the Lease commencement date.

5.4 Operation of Business. Tenant shall conduct its business on the Leased Premises consistent with good business practices, fully staffed, stocked and fixtured unless prevented from doing so by causes beyond Tenant's reasonable control.

5.5 Appearance of Leased Premises. Tenant shall maintain the Leased Premises in a clean, orderly and neat appearance, permitting no offensive odors to be emitted from the Leased Premises and neither committing waste nor permitting any waste to be committed thereon. All garbage and refuse shall be kept in sealed containers, which are removed at regular intervals. Tenant shall not conduct or permit to be conducted any auction, fire, bankruptcy or "going out of business" sale on or about the Leased Premises without the prior written consent of Landlord.

5.6 Unlawful Use. Tenant shall not use or permit the Leased Premises or any part thereof to be used for any purpose in violation of any municipal, county, state or federal law, ordinance, rule or regulation ("**Applicable Laws**") or in any manner that may create a nuisance. Tenant shall promptly comply, at its sole expense, with, and obtain all licenses and permits required by Applicable Laws and with the requirements of any board of fire underwriters or similar body, relating to or affecting the condition, use or occupancy of the Leased Premises or the business conducted thereon.

5.7 Hazardous Materials

(a) "**Hazardous Material**" shall mean any matter (whether gaseous, liquid or solid) which is or may be harmful to persons or property, and which may now or hereafter be regulated under any Applicable Laws pertaining to health, industrial hygiene or the environment, including, without limitation, any asbestos and/or asbestos containing materials. "Hazardous Material" shall not include ordinary cleaning and maintenance products which are used with due care and in strict compliance with Applicable Laws and the instructions of the manufacturer of such products in the reasonable and prudent conduct of Tenant's business on the Leased Premises.

(b) Tenant shall not store, use, sell, release, generate or dispose of any Hazardous Materials in, on or about the Leased Premises without the prior written consent of Landlord. With respect to any Hazardous Materials stored, used, generated or disposed of from the Leased Premises after obtaining the prior written consent of Landlord, Tenant shall (i) promptly, timely and completely comply with all governmental requirements for recording and recordkeeping; (ii) submit to Landlord true and correct copies of all reports, manifests and identification numbers at the same time as they are required to be and/or are

submitted to the appropriate governmental authority; (iii) within five (5) days of Landlord's request, provide evidence satisfactory to Landlord that Tenant has complied with, and is in compliance with all Applicable Laws and (iv) comply with all Applicable Laws regarding the use, sale, transportation, generation, treatment and disposal of Hazardous Materials. Prior to the expiration and surrender of the Leased Premises by Tenant, Tenant shall remove any and all Hazardous Materials which Tenant, its employees, agents, contractors and/or sublessees have brought onto the Leased Premises after obtaining the prior written consent of Landlord. Tenant shall be solely responsible for and shall defend (with counsel acceptable to Landlord), indemnify and hold Landlord, its agents affiliates and employees harmless from and against all claims, costs, damages, judgments, penalties, fines, losses, liabilities and expenses, including attorneys' fees and costs, arising out of or in connection with Tenant's breach of its obligations contained in this Section 5.7 which arise during or after the Lease term as a result of such breach and any contamination that may result therefrom. Tenant shall be solely responsible for and shall defend (with counsel acceptable to Landlord), indemnify and hold Landlord, its agents, affiliates and employees harmless from and against any and all claims, costs, damages, lawsuits, penalties, liens, losses and/or liabilities, including attorneys' fees and costs, arising out of or in connection with removal, cleanup remediation and restoration work and materials necessary to return the Leased Premises and any other property of whatever nature to their condition existing prior to the appearance of Tenant's Hazardous Material on or about the Leased Premises; provided that Landlord's written approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as the actions would not potentially have any material adverse, long-term or short-term effect on the Leased Premises. Notwithstanding anything else set forth herein, Tenant's obligations under this Section 5.7 shall survive the expiration of this Lease.

(c) Landlord shall have the right in its sole discretion to conduct an environmental audit utilizing a contractor of Landlord's choice at the end of the Lease term, upon the earlier termination of this Lease, upon Tenant's default hereunder or if Landlord reasonably believes that Hazardous Materials are being stored, used, sold, generated, released or disposed of from the Leased Premises in violation of the terms of this Section 5.7. Tenant shall be responsible for the cost of the audit and any remedial, restorative or removal work if such audit discloses the existence, storage, disposal or other presence of Hazardous Materials occurring during the Lease term or attributable to Tenant, its employees, agents, contractors or sublessees. Failure of Landlord to conduct an environmental audit or to detect conditions attributable to Tenant, its employees, agents, contractors or sublessees, whether such audit is conducted or not, shall not operate as a release of Tenant of its liability as stated in this Lease or by operation of law. Tenant's obligations herein shall survive the expiration of this Lease.

5.8 Liens and Encumbrances. Tenant shall keep the Leased Premises free and clear of all liens and encumbrances arising from or out of its use and occupancy of the Leased Premises. If any lien is filed against the Leased Premises or adjacent or underlying property owned by Landlord as a result of the action or inaction of Tenant or its employees, agents or contractors, Tenant shall upon demand provide Landlord with a bond in the amount required by law to remove the lien of record.

5.9 Exterior Signs. Tenant shall obtain Landlord's written consent as to size, location, materials, method of attachment, and appearance, before installing any signs upon the Leased Premises. Tenant shall install and maintain any approved signage at Tenant's sole expense and in compliance with all applicable laws. Any signage installed by Tenant shall be removed from the Leased Premises at Tenant's expense upon the expiration or earlier termination of the Term. Tenant shall not damage or deface the Leased Premises in installing or removing signage and shall repair any injury or damage to the Leased Premises caused by such installation or removal.

SECTION 6 - UTILITIES AND OTHER CHARGES

6.1 Utility Charges. Tenant shall be responsible, and pay prior to delinquency, for all charges for utilities or services used or consumed on or supplied to the Leased Premises, including the charges, if any, for installing meters for them. Meter locations and installation methods shall be subject to Landlord's prior written approval. If Landlord elects to furnish any of the utilities, Tenant shall pay Landlord all charges levied by Landlord in accordance with rates established from time to time for the same. Landlord shall not be liable for an interruption of the supply of any such utilities to the Leased Premises.

6.2 Licenses and Taxes. Tenant shall pay when due all license, excise, business and occupation and other fees and taxes covering the business conducted on the Leased Premises and all personal property taxes levied with respect to all personal property located at the Leased Premises. If any governmental authority levies a tax or license fee on rents payable under this Lease or rents accruing from use of the Leased Premises or a tax or license fee in any form against Landlord or Tenant because of or measured by or based upon income derived from the leasing or rental thereof or a transaction privilege tax, such tax or license fee shall be paid by Tenant, either directly, if required by law, or by reimbursing Landlord for the amount thereof upon demand. If any such amount is paid directly to the taxing authority by Landlord, Tenant shall reimburse Landlord no later than thirty (30) days after the receipt from Landlord of a written request for reimbursement.

6.3 Leasehold Excise Tax. Tenant shall pay Landlord as Additional Rent, (a) all leasehold excise tax (as required by RCW 82.29A in lieu of real property taxes), (b) any surface water and other governmental charges and assessments (special and general) of every kind and nature levied or assessed against the Leased Premises, and (c) any taxes levied or assessed in lieu of the foregoing, in whole or in part. Tenant's obligation to pay Leasehold Excise Tax shall commence on the Possession Date and be pro-rated for any period less than a full calendar month. Leasehold excise tax is calculated by the State using a percentage multiplier (currently, 12.84%) of "taxable rent" as defined by state law. If Tenant provides Landlord with a proof of exemption from payment of leasehold excise tax issued by the Washington State Department of Revenue, then Tenant shall not be required to pay leasehold excise tax for the period that such exemption is effective. If the exemption is of limited duration, Tenant shall be required to obtain documented renewal of such exemption and provide such to Landlord in order to claim continued exemption under this Lease. LANDLORD AND TENANT ACKNOWLEDGE AND AGREE THAT TAXABLE RENT FOR THE LEASED PREMISES AS OF THE LEASE COMMENCEMENT DATE IS EQUAL TO THE CURRENT FAIR MARKET RENTAL VALUE FOR THE PREMISES OF \$1,800 PER MONTH AND, ACCORDINGLY, LEASEHOLD EXCISE TAX WILL BE CALCULATED AND PAID ON SAID AMOUNT IN THE MONTHLY SUM OF \$231.12, SUBJECT TO ANNUAL ADJUSTMENT BY LANDLORD ON EACH ANNIVERSARY OF THE RENT COMMENCEMENT DATE TO REFLECT THE THEN-CURRENT FAIR MARKET RENTAL VALUE FOR THE PREMISES.

SECTION 7 - DEPOSIT

7.1 Deposit. As partial consideration for the execution of this Lease, Tenant has deposited with Landlord the sum specified in Section 1.6. Landlord shall be entitled to withdraw from the deposit the amount of any unpaid Base Rent or Additional Rent or other charges not paid to Landlord when due, and Tenant shall immediately redeposit an amount equal to that so withdrawn. Landlord shall pay Tenant any remaining balance of the deposit, without interest, within thirty (30) days after the expiration or prior termination of the Lease term, or any extension thereof, if and only if Tenant has fully performed all of its obligations under the terms of this Lease.

SECTION 8 – CONDITION OF PREMISES; ALTERATIONS

8.1 Condition of Leased Premises. Tenant acknowledges that it has examined the Leased Premises and is in all respects familiar with the Leased Premises and the improvements therein and Tenant accepts the Leased Premises and the improvements therein "as is". Tenant further acknowledges that Landlord has made no representations and warranties to Tenant with respect to the Leased Premises, and that Landlord has no obligation to perform any work in the Leased Premises or to install any tenant improvements therein.

8.2 Alterations by Tenant. Tenant shall not make any alterations, additions or improvements in or to the Leased Premises costing more than Ten Thousand Dollars (\$10,000) without Landlord's prior written approval. All such alterations, additions and improvements shall be performed at Tenant's sole cost and expense by a contractor approved in writing by Landlord and in a good and workmanlike manner, in accordance with all Applicable Laws, ordinances, rules and regulations, and in a manner (a) consistent with the plans and specifications submitted to and approved by Landlord in writing and any conditions imposed by Landlord, (b) which includes acceptable insurance/bond coverage for Landlord's benefit and (c) which does not affect the structural integrity of the building. All such alterations, additions and improvements (expressly including, but without limitation, all light fixtures, heating, ventilation and air conditioning units and floor coverings), except trade fixtures and appliances and equipment not affixed to the Leased Premises, shall immediately become the property of Landlord without any obligation on its part to pay therefor, and shall not be removed by Tenant unless so directed by Landlord in connection with their installation or prior to the termination or expiration of this Lease.

SECTION 9 - MAINTENANCE OF PREMISES

9.1 Maintenance and Repair by Tenant. Tenant shall at all times throughout the Lease term keep the Leased Premises (including exterior doors and entrances, all windows and moldings and trim of all doors and windows, and all sidewalks adjacent to the Leased Premises) and all partitions, door surfaces, fixtures, equipment and appurtenances thereof (including lighting, plumbing, electrical, security, heating, air conditioning and ventilating systems and fixtures) in good order, condition and repair. Without limiting the generality thereof, Tenant shall keep the glass of all windows, doors and showcases clean and presentable; replace immediately all broken glass in/on the Leased Premises; keep the Leased Premises free from vermin; paint or refinish the interior of the Leased Premises, and the store front and entrances, if directed by Landlord, at intervals determined by Landlord; make all necessary repairs to, or replacements of, all door closure apparatus and mechanisms; keep all plumbing, electrical, heating, ventilating and other Leased Premises systems and fixtures clean and in a good state of repair; and keep all utilities within the Leased Premises in a good state of repair. Tenant shall promptly remove all snow and ice and debris from the sidewalks adjacent to the Leased Premises.

9.2 Failure to Maintain. If Tenant fails to keep and maintain the Leased Premises in the condition set forth in Section 9.1, Landlord may, at its option and as a non-exclusive remedy, put or cause the same to be put in the condition required thereunder, and Tenant shall pay Landlord the entire cost thereof upon demand.

9.3 Repairs by Landlord; Maintenance and Repair Charges. Except for maintenance attributable (a) to Tenant's breach of its obligations under this Lease, (b) to Tenant's acts or omissions or those of Tenant's employees, agents or contractors, or (c) to improvements made by Tenant, Landlord shall maintain and repair the roof, surface, exterior walls, foundation and building structure of the Leased Premises in a good state of repair. Landlord shall perform any of the aforementioned repair or maintenance work called to its attention by Tenant within a reasonable period of time after receipt of such notice from Tenant.

There shall be no abatement or reduction of rent arising by reason of Landlord's making of repairs, alterations or improvements.

SECTION 10 - INSURANCE AND INDEMNITY

10.1 Indemnification. Landlord shall not be liable for any injury to any person, or for any loss of or damage to any property (including property of Tenant) occurring in or about the Leased Premises from any cause whatsoever. Tenant shall indemnify, defend and save Landlord, its officers, agents, employees and contractors, harmless from all losses, claims, damages, fines, penalties, liabilities and expenses (including Landlord's personnel and overhead costs and attorneys' fees and other costs incurred in connection with such claims, regardless of whether claims involve litigation or bankruptcy) resulting from any actual or alleged injury to any person or from any actual or alleged loss of or damage to any property or any other damage or loss alleged to be attributable to Tenant's operation or occupation of the Leased Premises or caused by or resulting from any act or omission or breach of Applicable Laws by Tenant or any licensee, assignee, or concessionaire, or of any officer, agent, employee, guest or invitee of any such person in or about the Leased Premises or Tenant's breach of its obligations hereunder. Tenant agrees that the foregoing indemnity specifically covers actions brought by its own employees. The indemnification provided for in this Section with respect to acts or omissions during the term of this Lease shall survive termination or expiration of this Lease. Landlord shall not be liable for interference with light, air or view or for any latent defect in the Leased Premises. Tenant shall promptly notify Landlord of casualties or accidents occurring in or about the Leased Premises. Notwithstanding the foregoing if losses, claims, liabilities, damages, liens, costs and expenses so arising are caused by the concurrent negligence of both Landlord and Tenant, their employees, agents, invitees and licensees, Tenant shall indemnify Landlord only to the extent of Tenant's own negligence or that of its officers, agents, employees, guests or invitees. The foregoing indemnity is specifically and expressly intended to constitute a waiver of Tenant's immunity under Washington's Industrial Insurance Act, RCW Title 51, to the full extent necessary to provide Landlord with a full and complete indemnity from claims made by Tenant and its employees, to the extent of their negligence. LANDLORD AND TENANT ACKNOWLEDGE THAT THE INDEMNIFICATION PROVISIONS OF THIS SECTION 10.1 WERE SPECIFICALLY NEGOTIATED AND AGREED UPON BY THEM.

10.2 Insurance. At all times throughout the Lease term Tenant shall, at its own expense, maintain comprehensive or commercial general liability insurance with broad form and stop gap (employer's liability) endorsements in minimum limits of \$1,000,000 per occurrence and annual aggregate for property damage or loss and minimum limits of \$1,000,000 per individual and per occurrence for personal injuries and death, to indemnify both Landlord and Tenant against any such claims, demands, losses, damages, liabilities and expenses. If the policy has a damage to rented premises sublimit, said limit shall be no less than \$300,000. Landlord shall have the right to periodically review the appropriateness of such limits in view of inflation, changing industry conditions and court decisions and to require an increase in such limits upon ninety (90) days prior written notice to Tenant. Landlord and any property manager identified by Landlord shall be named as additional insureds and shall be furnished with a certificate and a copy of such policy or policies of insurance prior to the Commencement Date and thereafter upon Landlord's request therefor which shall bear an endorsement that the same shall not be canceled nor materially reduced in coverage or limits without thirty (30) days prior written notice to Landlord. Throughout the Lease term, Tenant shall also maintain, at its own expense, insurance covering its furniture, fixtures, equipment and inventory and all improvements which it makes to the Leased Premises in an amount equal to the full insurable value thereof, against fire and such other perils as are covered by an all risk policy (or subsequent equivalent) with plate glass endorsement, including and covering all glass on the Leased Premises. All insurance required under this Lease shall (a) be issued by insurance companies authorized to do business in the State of Washington and acceptable to Landlord; (b) be issued as a primary policy, or under the blanket policy, not contributing with and not in excess of coverage which Landlord may carry; (c) in the case of the liability policy, contain a contractual liability coverage endorsement covering Tenant's indemnification duty; (d) have deductibles

approved in writing by Landlord; and (e) include a waiver of subrogation in favor of Landlord. If Tenant fails to maintain such insurance, Landlord may immediately obtain such for Tenant's account as a non-exclusive remedy, and Tenant shall reimburse Landlord for the full expense thereof upon demand. *Tenant shall provide Landlord with a Certificate of Insurance on a ACORD form evidencing the coverages required herein and shall include copies of endorsements or excerpted policy pages establishing that the City is (a) an additional insured (b) on a primary and noncontributory basis and (c) with a waiver of subrogation. All relevant endorsements and excerpted policy pages shall be referenced on the face of the Certificate of Insurance and attached thereto.*

SECTION 11 - ASSIGNMENT AND SUBLETTING

11.1 Assignment or Sublease. Tenant shall not sublet the whole or any part of the Leased Premises, nor shall Tenant assign, transfer or encumber this Lease or any interest thereunder whether directly or by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of Landlord. Each assignment to which there has been consent shall be by an instrument in writing in form satisfactory to Landlord, an executed copy of which shall be delivered to Landlord. As a material inducement to Landlord to execute and deliver this Lease, Tenant agrees it shall be reasonable under this Lease and under Applicable Laws for Landlord to withhold consent to any proposed assignment, encumbrance or sublease if Landlord determines that any one or more of the following applies (without limitation as to other reasonable grounds for withholding consent): (a) Landlord is not reasonably assured that the proposed transferee will fully, completely and promptly perform all obligations of Tenant under this Lease, (b) either the net current assets or the tangible net worth of the proposed transferee, determined in accordance with generally accepted accounting principles, consistently applied by Tenant's and the proposed transferee's respective independent certified public accountants, is less than the net current assets or tangible net worth of Tenant as of the date of this Lease or the date of the proposed transfer, whichever is greater, (c) the transferee proposes to use the Leased Premises for any purpose other than the permitted uses under this Lease, (d) the proposed transferee fails to deliver to Landlord its written assumption of all of the obligations to be performed by Tenant under the Lease in connection with the portion of the Leased Premises which is the subject of the proposed transfer, or (e) if Tenant and all guarantors will not continue to remain liable on this Lease. No assignment or sublease shall release Tenant from primary liability on this Lease. In lieu of giving its consent to an assignment or sublease, Landlord may elect to terminate this Lease, effective upon thirty (30) days' prior written notice to Tenant. Any assignment or sublease without Landlord's prior written consent shall, at Landlord's option, be voidable. Tenant's option to extend this Lease is not assignable, per Section 3.2, above.

If Tenant assigns its interest in this Lease or sublets the Leased Premises, Tenant shall pay to Landlord any and all consideration received by Tenant for such assignment, which exceeds the reasonable out of pocket costs incurred by Tenant in connection with such assignment, if any. Tenant shall also pay all reasonable legal fees and other costs incurred by Landlord in connection with Landlord's consideration of Tenant's request for approval of assignments or subleases.

11.2 Corporate Ownership; Partnership. If Tenant is a corporation, then any transfer of this Lease by merger, consolidation or liquidation, or any change in the ownership of, or power to vote the majority of Tenant's outstanding stock, shall constitute an assignment for the purposes of this Section 11. If Tenant is a partnership or limited liability company, then any dissolution or termination of the partnership or limited liability company or change in a majority of the interests held by the general partners or members thereof shall constitute an assignment for purposes of this Section 11.

11.3 Assignment by Landlord. If Landlord sells or otherwise transfers the Leased Premises, or if Landlord assigns its interest in this Lease, and such purchaser, transferee or assignee assumes Landlord's

obligations hereunder arising thereafter, Landlord shall thereupon be relieved of all liabilities hereunder arising thereafter, but this Lease shall otherwise remain in full force and effect.

SECTION 12 - DESTRUCTION OF PREMISES

12.1 Partial Destruction. If the Leased Premises are rendered partially untenable by fire or other insured casualty, and if the damage is repairable within sixty (60) days from the date of the occurrence (with the repair work and preparations therefor to be done during regular working hours on regular work days), Landlord shall repair the Leased Premises, to the extent of the insurance proceeds available. Monthly Base Rent shall be abated in the proportion that the untenable portion of the Leased Premises bears to the whole thereof for the period from the date of the casualty to the completion of the repairs, unless the casualty results from Tenant's negligence or its breach of the terms hereof. If thirty percent (30%) or more of the Leased Premises are damaged, Landlord may terminate this Lease as of the date of such damage or destruction by giving notice to Tenant within thirty (30) days thereafter of the election so to do.

12.2 Total Destruction. If the Leased Premises are completely destroyed by fire or other casualty, or if they are damaged by uninsured casualty, or by insured casualty to such an extent that the damage cannot be repaired within sixty (60) days of the occurrence, or if the casualty occurs during the last year of the Lease term, Landlord shall have the option either to restore the Leased Premises or to terminate this Lease on thirty (30) days' written notice, effective as of any date not more than sixty (60) days after the occurrence. If this Section becomes applicable, Landlord shall advise Tenant within (30) days after such casualty whether Landlord elects to restore the Leased Premises or to terminate the Lease. If Landlord elects to restore the Leased Premises, it shall commence and prosecute the restoration work with commercially reasonable diligence. For the period from the date of the casualty until completion of the repairs (or the date of termination of the Lease, if Landlord elects not to restore the Leased Premises), the monthly Base Rent shall be abated in the proportion that the untenable portion of the Leased Premises bears to the whole thereof, unless the casualty results from Tenant's negligence or its breach of the terms hereof.

SECTION 13- EMINENT DOMAIN

13.1 Total Taking. If all of the Leased Premises are taken by eminent domain, this Lease shall terminate as of the date Tenant is required to vacate the Leased Premises and all Base Rent and Additional Rent shall be paid to that date. The term "**eminent domain**" shall include the taking or damaging of property by, through or under any governmental or statutory authority, and any purchase or acquisition in lieu thereof, whether the damaging or taking is by government or any other person.

13.2 Partial Taking. If a taking of any part of the Leased Premises by eminent domain renders the remainder thereof unusable, in the reasonable judgment of Landlord, the Lease may, at the option of Landlord, be terminated by written notice given to Tenant not more than thirty (30) days after Landlord gives Tenant written notice of the taking, and such termination shall be effective as of the date when Tenant is required to vacate the portion of the Leased Premises so taken. If this Lease is so terminated, all rent shall be paid to the date of termination. Whenever any portion of the Leased Premises is taken by eminent domain and this Lease is not terminated, Landlord shall at its expense proceed with all commercially reasonable dispatch to restore, to the extent of available proceeds and to the extent it is commercially reasonable to do so, the remainder of the Leased Premises to the condition it was in immediately prior to such taking, and Tenant shall at its expense proceed with all reasonable dispatch to restore its fixtures, furniture, furnishings, floor covering and equipment to the same condition they were in immediately prior to such taking. If this Lease is not terminated, the Base Rent payable hereunder shall be reduced from the date Tenant is required to partially vacate the Leased Premises in the same proportion that the area taken bears to the total area of the Leased Premises prior to taking.

13.3 Damages. Landlord reserves all right to the entire damage award or payment for any taking by eminent domain or a transfer in lieu thereof, and Tenant waives all claim whatsoever against Landlord and/or the governmental authority exercising eminent domain for damages for termination of its leasehold interest in the Leased Premises or for interference with its business. Tenant shall, however, have the right to claim from the condemning authority all compensation that may be recoverable by Tenant on account of any moving costs or loss or damage to Tenant's merchandise, furniture, trade fixtures and equipment, provided, however, that Tenant may claim such damages only if they are awarded separately in the eminent domain proceeding and not as part, or in reduction, of Landlord's damages.

SECTION 14 - DEFAULT OF TENANT

14.1 Defaults. Time is of the essence of this Lease. If Tenant fails to comply with any covenant, term or condition of this Lease or if a trustee or receiver is appointed for Tenant's assets, or if Tenant makes an assignment for the benefit of creditors, or if Tenant vacates or abandons the Leased Premises, and if such failure continues for or is not remedied within three (3) days (or, if no default in the payment of rent is involved, within twenty (20) days) after notice in writing thereof given by Landlord to Tenant specifying the failure, then Landlord may, in its sole discretion:

(a) Declare the term hereof ended and reenter the Leased Premises and take possession thereof and remove all persons therefrom, and Tenant shall have no further claim thereon or hereunder; or

(b) Without declaring this Lease terminated, reenter the Leased Premises and occupy the whole or any part thereof for and on account of Tenant and collect any unpaid rentals and other charges, which have become payable, or which may thereafter become payable; or

(c) Even though it may have reentered the Leased Premises, thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Leased Premises.

If Landlord reenters the Leased Premises under option (b) above, Landlord shall not be deemed to have terminated this Lease or the liability of Tenant to pay any rental or other charges thereafter accruing, or to have terminated Tenant's liability for damages under any of the provisions hereof, by any such reentry or by any action, in unlawful detainer or otherwise, to obtain possession of the Leased Premises, unless Landlord shall have notified Tenant in writing that it has so elected to terminate this Lease, and Tenant further covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes and the surrender of possession pursuant to such notice shall not (unless Landlord elects to the contrary at the time of or at any time subsequent to the serving of such notices and such election is evidenced by written notice to Tenant) be deemed to be a termination of this Lease. If Landlord enters or takes possession of the Leased Premises, Landlord shall have the right, but not the obligation, to remove all or any of the personal property located therein and place the same in storage at a public warehouse at the expense and risk of Tenant.

If Landlord elects to terminate this Lease pursuant to the provisions of options a. or c. above, Landlord may recover from Tenant as damages, the following:

(i) The worth at the time of award of any unpaid rental which had been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rental which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rental for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, any costs or expenses incurred by Landlord in (a) retaking possession of the Leased Premises, including reasonable attorneys' fees therefor, (b) maintaining or preserving the Leased Premises after such default, (c) preparing the Leased Premises for reletting to a new tenant, including repairs or alterations to the Leased Premises for such reletting, (d) leasing commissions, and (e) any other costs necessary or appropriate to relet the Leased Premises; plus

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of Washington.

As used in items (i) and (ii) above, the "**worth at the time of award**" is computed by allowing interest at the interest rate specified in Section 4.3 hereof. As used in item (iii) above, the "worth at the time of award" is computed by using a discount rate of four percent (4%).

For purposes of this Section 14.1 (and elsewhere within this Lease where applicable), the terms "rent" and "rental" shall be deemed to be the monthly Base Rent and all Additional Rent and other sums required to be paid by Tenant pursuant to the terms and conditions of this Lease. All such sums, other than the Base Rent, shall, for the purpose of calculating any amount due under the provisions of subparagraph (iii) above, be computed on the basis of the average monthly amount thereof accruing during the immediately preceding twelve (12) month period, except that if it becomes necessary to compute such rental before such a twelve (12) month period has occurred then such rental shall be computed on the basis of the average monthly amount hereof accruing during such shorter period.

14.2 Legal Expenses. If either party to this Lease consults an attorney in order to enforce any of the terms of this Lease, the prevailing party shall be entitled to reimbursement by the non-prevailing party of the prevailing party's reasonable costs and attorneys' fees, whether such costs and attorneys' fees are incurred with or without litigation, in a bankruptcy court (i.e., in a motion for assumption or rejection of the Lease, etc.), or on appeal.

14.3 Remedies Cumulative; Waiver. Landlord's remedies hereunder are cumulative, and not exclusive, and Landlord's exercise of any right or remedy shall not be deemed to waive, or alter, affect or prejudice any other right or remedy which Landlord may have under this Lease or at law or in equity, including the right to cure Tenant's default on Tenant's behalf and recover from Tenant upon demand all costs and expenses incurred by Landlord in connection therewith, including interest thereon at the rate stated in Section 4.3 from the date incurred until paid. Neither the acceptance of rent nor any other acts or omissions of Landlord at any time or times after the happening of any default or breach by Tenant shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Landlord of its right to cancel, terminate or forfeit this Lease, or estop Landlord from promptly exercising any other option, right or remedy that it may have under any term or provisions of this Lease, or at law or in equity.

SECTION 15 - ACCESS BY LANDLORD; DEFAULT OF LANDLORD

15.1 Right of Entry. Landlord and its agents shall have the right to enter the Leased Premises at any time to examine the same, and to show them to prospective purchasers or tenants, and to make such

repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. If Tenant is not personally present to permit entry and an entry is necessary or permissible, Landlord may enter the same by master key or may forcibly enter the same, without rendering Landlord liable therefor. Tenant shall not change the locks to the Leased Premises without first advising Landlord thereof and providing Landlord with a key.

15.2 Default of Landlord. Landlord shall be in default hereunder only if Tenant serves upon Landlord a written notice specifying the alleged default and Landlord does not remedy the failure within sixty (60) days following receipt thereof or, in the case of a failure which reasonably requires more than sixty (60) days to cure, if Landlord has not commenced to remedy the same within sixty (60) days following receipt of written notice thereof. Tenant shall not exercise any remedies available to it until the grace period provided for in this Section has elapsed.

SECTION 16 - SURRENDER OF PREMISES

16.1 Surrender of Leased Premises. At the expiration or sooner termination of this Lease, Tenant shall return the Leased Premises to Landlord in the same condition in which received (or, if altered, then the Leased Premises shall be returned in such altered condition, unless otherwise directed by Landlord under Section 8.2), reasonable wear and tear excepted. Tenant shall remove all trade fixtures and appliances and equipment which do not become a part of the Leased Premises, but not including the heating, ventilation and air conditioning systems, however installed, and shall restore the Leased Premises to the condition they were in prior to the installation of said items. Tenant's obligation to perform this covenant shall survive the expiration or termination of this Lease. Landlord may place and maintain signs in conspicuous places on the Leased Premises for one hundred twenty (120) days prior to the expiration or earlier termination of this Lease advertising the Leased Premises' availability.

16.2 Holding Over. If Tenant holds over without Landlord's express prior written consent, such shall constitute a tenancy at will, terminable upon notice from Landlord, at the market rent set forth Section 6.2 and Tenant shall be liable for all damages suffered by Landlord as a consequence of such holding over.

SECTION 17 - MISCELLANEOUS

17.1 Notices. Any notices required in accordance with any of the provisions herein shall be delivered personally, sent by overnight courier or mailed by registered or certified mail to the addresses set forth in Section 1.7 or to such other address as a party shall from time to time advise in writing. If Tenant is a partnership, limited liability company or joint enterprise, any notice required or permitted hereunder may be given by or to any one partner or member thereof with the same force and effect as if given by or to all thereof. If mailed, a notice shall be deemed received three (3) business days after the postmark affixed on the envelope by the United States Post Office.

17.2 Successors or Assigns. All of the terms, conditions, covenants and agreements of this Lease shall extend to and be binding upon Landlord, Tenant and their respective heirs, administrators, executors, successors and permitted assigns.

17.3 Brokers' Commission. Tenant agrees to indemnify and hold Landlord harmless from all liabilities and claims for brokerage commissions and finder's fees growing out of agreements which Tenant has made with brokers or finders.

17.4 Partial Invalidity. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to

which it is held invalid or unenforceable, shall not be affected thereby and each other term, covenant or condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

17.5 Recording. Tenant shall not record this Lease or a memorandum hereof without the prior written consent of Landlord.

17.6 Force Majeure. Landlord shall not be deemed in default hereof nor liable for damages arising from its failure to perform its duties or obligations hereunder if such is due to causes beyond its reasonable control, including, but not limited to, acts of God, acts of terrorism, acts of civil or military authorities, fire, floods, windstorm, earthquake, strikes or other labor disturbances, civil commotion or disorder or war.

17.7 Tenant Defined. When the term "Tenant" is used herein it shall mean each and every person, partnership or corporation who is mentioned as Tenant in this Lease or who executes this Lease as Tenant, other than in a representative capacity. If there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein.

17.8 Financial Statements. Within ten (10) days after Landlord's request therefor from time to time during the term of this Lease, Tenant shall provide Landlord with a copy of Tenant's most recent quarterly and annual financial statements, certified by Tenant as accurate.

17.9 Recycling. Tenant will take reasonable steps to prevent the unnecessary generation of refuse through the choice and use of products and packaging and other materials in its business that minimize solid waste or that are durable, reusable or recyclable. If so required by Landlord, Tenant will provide or obtain recycling containers for use in its business by its employees and customers and will recycle acceptable materials in the recycling containers and will otherwise participate in any recycling program established by Landlord or required by Applicable Laws.

17.10 Tenant's Authority. Tenant warrants that its execution of this Lease has been duly authorized in accordance with its constituent documents.

17.11 Headings. The headings in this Lease are for convenience only and do not in any way limit or affect the terms and provisions hereof.

17.12 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original, but which when taken together shall constitute one and the same instrument.

17.13 Quiet Enjoyment. So long as Tenant pays the Rent and performs all of its obligations in this Lease, Tenant's possession of the Leased Premises will not be disturbed by Landlord or anyone claiming by, through or under Landlord.

17.14 Entire Agreement - Applicable Law. This Lease and the Exhibits attached hereto, and by this reference incorporated herein, set forth the entire agreement of Landlord and Tenant concerning the Leased Premises, and supersede any other agreements or understanding, oral or written, between Landlord and Tenant. Any subsequent modification or amendment of this Lease shall be binding upon Landlord and Tenant only if in writing and signed by both. This Lease shall be governed by, and construed in accordance with the laws of the state of Washington without recourse to any principle of Conflicts of Laws. Venue in any lawsuit brought under this Lease shall be in the Superior Court of Whatcom County, Washington.

17.15 Execution by Landlord and Tenant. Landlord shall not be deemed to have made an offer to Tenant by furnishing Tenant with a copy of this Lease with particulars inserted. No contractual or other

rights shall exist or be created between Landlord and Tenant until all parties hereto have executed this Lease and fully executed copies have been delivered to Landlord and Tenant.

TENANT

Dated _____, 2021

By: _____

Name: _____

Title: _____

LANDLORD

Dated _____, 2021

THE CITY OF BELLINGHAM

By _____
Seth Fleetwood, Mayor

ATTEST:

DEPARTMENTAL APPROVAL:

Andrew Asbjornsen, Finance Director

Eric Johnston, Public Works Director

APPROVED AS TO FORM:

Matt Stamps, Office of the City Attorney

Exhibit A

[Proposed Floor Plan]



City Council Agenda Bill

22981

Bill Number

Subject: Interlocal Agreement Between Whatcom Conservation District and the City of Bellingham for Support of the Lake Whatcom Watershed Wildfire Risk Reduction Program

Summary Statement: The risk of wildfires is increasing throughout the region as the changing climate alters temperature and precipitation conditions within forests. Wildfires not only have the obvious impacts of threatening public safety, destroying forests, and harming ecosystems, but wildfires also create conditions that can increase soil erosion. In the Lake Whatcom Watershed, soil erosion due to severe wildfire could compromise the progress made towards meeting the City's TMDL obligations. Whatcom Conservation District's Wildfire Risk Reduction Program will provide outreach and wildfire preparedness assistance to watershed residents with an emphasis on residents adjacent to City Acquisition Program properties.

Previous Council Action: **Approval of the 2021-2022 Budget**

Fiscal Impact: **The City will pay the Whatcom Conservation District not more than \$8,000 for the services described in the interlocal agreement. Funding is included in the approved 2021-2022 Budget.**

Funding Source: **Fund 411**

Attachments: 1. ILA_COB_WCD_WILDFIRE_2021

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	5/10/2021	Vote to Approve	Eric Johnston, PW Director	3 minutes

Recommended Motion:

Council Committee:
Public Works and Natural Resources
Committee

Agenda Bill Contact:
Clare Fogelsong, Environmental Policy Manager, 360-778-7965

Reviewed By	Department	Date
<i>Eric C. Johnston</i>	Public Works	5/03/2021

Council Action:

<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

**INTERLOCAL AGREEMENT BETWEEN
WHATCOM CONSERVATION DISTRICT AND THE CITY OF BELLINGHAM FOR
SUPPORT OF THE LAKE WHATCOM WATERSHED WILDFIRE RISK REDUCTION
PROGRAM**

WHEREAS, increasing seasonal temperatures coupled with changes to precipitation patterns are of regional concern as those conditions increase the risk of wildfires; and

WHEREAS, the City of Bellingham (City) owns and manages over 2,000 acres of land in the Lake Whatcom watershed including forests, fields, and similar land use types; and

WHEREAS, the City is concerned for the increasing risk wildfires and their environmental impacts pose to City properties in the Lake Whatcom watershed, and the potential impacts to lake water quality; and

WHEREAS, other land uses found in the watershed, such as active forest operations, recreational trail use, and homes, are all potential sources of ignition for fires on the steep hills of the watershed and are therefore of concern; and

WHEREAS, the Whatcom Conservation District's (District) Wildfire Risk Reduction Program works with property owners to identify hazardous conditions, and develop risk reduction plans; and

WHEREAS, City staff have worked with District staff to implement risk reduction actions on City properties; and

WHEREAS, the City desires to expand the wildfire risk reduction services to Lake Whatcom Watershed residents adjacent to city acquisition lands, in the wildland urban/suburban interface.

NOW, THEREFORE, the City and District agree as follows:

1. TERM.

This Agreement shall be effective March 1, 2021 and shall continue through December 31, 2021.

2. WHATCOM CONSERVATION DISTRICT RESPONSIBILITIES.

- (a) The District will submit itemized invoices to the City quarterly.
- (b) The District will accomplish the tasks of the attached Scope of Work, Appendix A.

3. CITY RESPONSIBILITIES.

(a) The City shall pay the following amount to the District for the services of the Lake Whatcom Wildfire Risk Reduction Program as described in Appendix A: Eight Thousand Dollars (\$8,000) within 30 days following receipt of an approved invoice, provided all other terms and conditions of the contract have been met.

(b) The City will provide the Whatcom Conservation District staff with the addresses of residents adjacent to City properties in the Lake Whatcom watershed which are eligible to receive assistance through this agreement.

(c) The City will work with Whatcom Conservation District staff to plan and implement joint homeowner/City wildfire reduction projects should opportunities for joint projects with cooperating adjacent residents be identified.

4. PROJECT COORDINATION

(a) The project coordinator for the City is Clare Fogelsong, Natural Resources Policy Manager.

(b) The project coordinator for District is Jenny Coe, Wildfire Risk Reduction Program Coordinator.

5. INDEMNIFICATION

To the maximum extent permitted by law, each party shall defend, indemnify and hold harmless the other party from claims, demands, damages, causes of action, or suits of any kind arising from such party's negligent acts or omissions under this Agreement. For purposes of this provision the term "party" includes the party itself and its employees, agents, consultants and contractors. It is further provided that no liability shall attach to the Parties by reason of entering into this AGREEMENT except as expressly provided herein. EACH PARTY WAIVES IMMUNITY UNDER THE WASHINGTON INDUSTRIAL INSURANCE ACT, TITLE 51 RCW, BUT ONLY TO THE LIMITED EXTENT NECESSARY TO EFFECTUATE EACH PARTY'S OBLIGATION TO DEFEND THE OTHER UNDER THIS SECTION.

6. DISPUTE RESOLUTION

(a) The Parties shall first attempt to timely resolve disputes informally at the staff level. In the event that the dispute cannot be resolved at the staff level, a dispute resolution process shall be followed under the guidance of the Whatcom Dispute Resolution Center.

(b) Should the Parties be unsuccessful in resolving the the dispute or claim through the dispute resolution process described in paragraph (a), then the aggrieved party(ies) may pursue an action for relief in the Superior Court of the State of Washington in and for Whatcom County. The laws and regulations of the State of Washington are to be controlling both as to interpretation and performance of this agreement.

7. POSTING

The City shall post this Agreement on the City's website to satisfy the public notice requirements of the Interlocal Cooperation Act, Chapter 39.34 RCW.

8. MISCELLANEOUS PROVISIONS

(a) **Entire Agreement.** This Agreement constitutes the complete and Agreement between the Parties. It supersedes all previous understandings and agreements, written and oral with respect to this transaction. This Agreement may be amended only by written instrument executed by the Parties subsequent to the date hereof.

(b) **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable for whatever reason, that shall not affect or impair, in any manner, the validity, legality or enforceability of the remainder of this Agreement.

(c) **Status of Employees.** No party shall assume any liability for the direct payment of any salary, wages, or other compensation to any of the other party's personnel performing services hereunder or for any other liability not expressly assumed herein. No agent, employee or other representative of any party shall be deemed an employee of any other party for any reason.

(d) **No Third-Party Beneficiaries.** This Agreement shall not be interpreted or construed to confer any right or benefit on any third party.

EXECUTED, this the _____ day of _____, 2021, for **WHATCOM CONSERVATION DISTRICT** by:

Heather Christianson, Chair

EXECUTED, this the _____ day of _____, 2021, for the **CITY OF BELLINGHAM**:

Departmental Approval:

Mayor

Public Works Director

Attest:

Approved as to Form:

Finance Director

Office of the City Attorney

Appendix A
Whatcom Conservation District (DISTRICT)
Lake Whatcom Watershed Wildfire Risk Reduction Program
Scope of Work & Budget

Proposed Scope of Work: Lake Whatcom Watershed Wildfire Risk Reduction Services

The Whatcom Conservation District (District) will provide wildfire risk reduction services to residents in the Lake Whatcom Watershed directly adjacent to, or within communities near City of Bellingham acquisition lands as per the list provided by the City.

Outreach and education topics will include, but are not limited to wildfire behavior, risk and response, reducing risk to structures, fire-resistant landscaping, forest & tree health, drought impacts, smoke impacts, climate change adaptation, outdoor burning information, and balancing risk reduction with watershed friendly practices. In addition, District will work directly with City of Bellingham staff to communicate forest management decisions on City acquisition lands to nearby residents.

Task 1: Administration (March – Dec) - \$500

- Quarterly invoicing
- Yearly reporting

Task 2: Education & Outreach (March - Dec) - \$4,400

- District will partner with the city to provide wildfire risk reduction information to all residents in the Lake Whatcom Watershed through existing interfaces as well as using new outreach strategies and materials. A list of residents and neighborhoods that are adjacent to city acquisition lands will receive direct outreach that will include information on wildfire risk and promoting wildfire risk assessments.
- Two workshops will be held in partnership with local and regional wildfire partners sometime between the spring & fall. The presentations will be tailored to the demographic receiving the presentation and will take place virtually unless conditions allow in-person. These workshops will be provided at the community/neighborhood scale.

Task 3: Wildfire risk assessments (Spring - Fall) - \$3,100

- Ten on-site wildfire risk assessments will be provided at the request of property owners adjacent to, or in a neighborhood adjacent to City acquisition lands. Assessments will be followed up with an action plan that includes photos and specific recommendations for risk reduction activities.

**Appendix B
Budget**

Title	Maximum 2021 composite Rate*	Totals
Wildfire Program Coordinator	\$ 48.11	\$ 6,280
Outreach Coordinator	\$ 56.57	
Resource Tech/GIS	\$ 32.15	
Overhead (25% of salaries/benefits)		\$ 1,570
Total Personnel		\$ 7,850
Mileage	Actual costs	\$ 150
Totals		\$ 8,000



City Council Agenda Bill

22982

Bill Number

Subject: **Amendments to BMC 8.04 Parks General Provisions in Reference to Speed Limits, Motorized Bicycles, and Other Updates**

Summary Statement: Several sections of BMC 8.04 that provide general provisions and rules in parks and trails are outdated and require updating and refinement to be consistent with changing circumstances, park use, and state law. The changes include reducing speed limits, providing rules for ebikes and drones, and clarifying outdated language in the existing code. Staff will also present a signage and implementation plan to go along with the updated code provisions. Today's session is to introduce the code amendments and provide context. Following initial Council review, staff will bring forward an ordinance with the amendments.

Previous Council Action: **Adoption of existing BMC 8.04**

Fiscal Impact: **Some costs for new signage are included in approved 2021-2022 Biennial Budget, staff resources for implementation**

Funding Source: **PIF and General Fund**

- Attachments:
- 1. DRAFT AMENDMENTS TO BMC 8.04
 - 2. POWERPOINT PRESENTATION

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Direction Requested	5/10/2021	Provide Direction	Gina Austin, Project Engineer	15 minutes

Recommended Motion:

Council Committee:
Parks and Recreation Committee

Agenda Bill Contact:
Nicole Oliver, Parks & Recreation Director

Council Action:

Reviewed By	Department	Date
<i>Nicole C. Oliver</i>	Parks & Recreation	4/28/2021
<i>Alan A. Marriner</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

8.04.010 Applicability

This chapter constitutes the general regulations which will be in effect for all city parks, trails and ~~for all~~ all other property under the management of the parks and recreation department; other property includes but is not limited to, property easements, open space, buildings and athletic facilities, commonly known as the "greenways" or "open space."—These general regulations are in addition to other applicable city, state, and federal laws. [Ord. 10612 § 2, 1995].



8.04.020 Regulations issued by parks director.

The director of parks and recreation is authorized to issue regulations for the use of park property, facilities, and equipment; and, with the written agreement of the property owner, regulations which shall apply to the use by the public of private property which is open to public access pursuant to a condition of an open space agreement with the city or the city-county open space committee or other easements as applicable. To be effective, the regulations must be made part of the city's policies and procedures manual, and copies must be made available to the general public through the offices of the parks and recreation department and the finance department.

A violation of a park regulation adopted pursuant to this section shall be deemed a civil infraction punishable as provided in this chapter.

All agreements between the city and private owners of open space and public access lands for the adoption of regulations shall authorize entry upon the land by police officers and other city employees to enforce such regulations.

The city assumes no liability for the condition of the property subject to the regulations, for the adequacy of the regulations, or for the failure to enforce them. [Ord. 10612 § 2, 1995].



8.04.030 Park scheduling – Permits and fees.

This section is included in your selections.

A. Parks and recreation facilities are available for public use during posted park hours whenever possible, without conflicting with city programs. Reservations or scheduling for use of facilities is required for any community special or private event involving more than routine use of a park and is done by contacting the parks and recreation department office.

B. A written permission is required for special events or any other activities that are specifically prohibited by this chapter. –campfires, overnight camping, wood cutting,

~~removal of any natural resources on park property, or use outside of normal hours. A Permission permit may be obtained by submitting a written application to the office of the director of parks and recreation at least 30-10 days, but no more than 365 days in advance of the date of intended use. The application must specify the time, place, and nature of the intended use, and the person or organization responsible for the activity. Complete a Applications shall be approved or denied within 20five days of submission.~~

C. Reservations and User fees are required for certain major park facilities such as athletic fields, park shelters, and indoor facilities. These fees are set, from time to time, by council resolution. [Ord. 10612 § 2, 1995].



8.04.040 Park hours.

A. City parks are open to the public from 6:00 a.m. to 10:00 p.m., unless otherwise posted by the director of parks and recreation. ~~The parks are closed to public use from 10:00 p.m. to 6:00 a.m., and n~~No person shall enter a closed park without written permission from the director of parks and recreation.

B. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.050 ~~Motor v~~ehicle operation and parking.

A. The general speed limit for all vehicles ~~within city parks operating within park property on roads, trails and parking lots~~ is 2015 miles per hour, unless otherwise posted by the director of parks and recreation. The term "vehicles" shall have the meaning ascribed to it in RCW 46.04 and includes, but is not limited, to motor vehicles, bicycles, electric-assisted bicycles and motorized foot scooters, also defined therein. The Galbraith Mountain trail system is exempt from the speed limit contained herein.

B. Motor vehicles, except authorized maintenance vehicles and except as otherwise provided in this chapter, may ~~only~~ be operated only on paved roadways and may only be parked only in designated paved or graveled parking areas within park property. "Paved roadways" as used in this subsection does not include paved ways marked by the director of parks and recreation for the exclusive use of pedestrians, bicycles, or wheelchairs. The director of parks and recreation may approve vehicle access in designated areas for special events.

C. ~~All m~~Motor vehicles, except authorized maintenance vehicles, are prohibited in Sehome Hill Arboretum except on Arboretum Drive and its ~~terminal~~ parking area.

D. Parking spaces within city ~~park property parks~~ are reserved for the use of park patrons during open park hours; parking during closed park hours, overnight parking, and residential parking on park property is prohibited.

E. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.060 ~~Bicycle, foot scooter and electric personal assistive mobility device~~ operation.

A. Bicycles, including electric-assisted bicycles, may be operated within park property only on paved and graveled roads and ways and established trails, including paved and graveled trails and trails that have a natural surface tread that is made by clearing and grading the native soil with no added surfacing material, unless otherwise posted by the director of parks and recreation. ~~within city park property.~~

B. Motorized foot scooters and electric personal assistive mobility devices (EPAMDs) as defined in RCW 46.04 may be operated within park property only on roads and trails that have a paved or gravel surface and may not be operated on any trail that has a natural surface tread that is made by clearing and grading the native soil with no added surfacing materials unless otherwise posted by the director of parks and recreation. The terms "electric-assisted bicycles", "motorized foot scooters" and EPAMDs" shall have the meaning ascribed to them in RCW 46.04. Electric wheelchairs are not EPAMDs and, therefore, are not subject to the restrictions contained in this section.

~~CB.~~ Bicycle riding is not permitted on any Sehome Hill Arboretum Trail.

~~DC.~~ A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.070 ~~Restrictions on animals in parks.~~

A. Dogs and other domestic animals are not allowed within those restricted areas of city parks designated by the director of parks and recreation. Restricted areas will be posted and designated in associated policies.~~in Bellingham Policies and Procedures Manual PAR 03.01.20.~~

B. All dogs, ~~where otherwise allowed on city park property as provided in the above referenced policy,~~ must be under control by means of a leash, as required by Chapter 7.08 BMC; provided, that this requirement does not apply to ~~In~~ areas of park property designated for off-leash dog exercise and training, non-aggressive, healthy dogs may be off-leash but dogs must be within the owner's view, under voice control, and the owner must have a leash in hand at all times and all dog waste must be disposed of properly.

C. Horses with rider are only allowed on paved roads open to motor vehicles, and on bridle trails or paths designated by the director of parks and recreation and posted as such. ~~as such in the following parks:~~

1. ~~Arroyo Park.~~
2. ~~Cornwall Park.~~
3. ~~Lake Padden Park.~~
4. ~~Little Squalicum Park.~~
5. ~~Whatcom Falls Park.~~

D. ~~All~~ ~~No~~ ~~d~~ Domestic animals ~~of all sorts~~ are ~~not~~ allowed within 15' of any waterway including Lake Padden, Lake Whatcom, Whatcom Creek and Bellingham Bay, unless otherwise posted as an animal water exercise area or on an improved trail. Domestic animals are not allowed in any areas designated by the director of Parks and Recreation as reserved for public swimming, ~~on the beach areas of Lake Padden and Bloedel Donovan Parks.~~ "Beach" for purposes of this subsection means those areas designated by the director of parks and recreation as reserved for public swimming, together with all park land within 15 feet of the edge of Lake Whatcom and Lake Padden.

E. Owners or handlers are responsible for cleaning up their animals' waste deposits left on park property and disposing of properly and are required to have in their possession the equipment necessary to remove their animals' fecal matter when accompanied by said animal on public property or public easement.

F. ~~Owners and handlers are required to have in their possession the equipment necessary to remove their animals' fecal matter when accompanied by said animal on public property or public easement.~~

G. No person other than an authorized agent, shall hunt, catch, ~~or~~ injure, harass or feed any wild animal or bird on park property.

H. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.080 Overnight camping.

A. ~~Overnight c~~amping is prohibited on park property except by written permission of the director of parks and recreation.

B. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.090 Campfires.

A. ~~Camp~~Fires are prohibited on park property except by written permission of the director of parks and recreation.

B. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.100 Litter in parks.

A. No person shall throw or deposit litter on any park property, except in public receptacles and in such a manner that the litter will be prevented from being carried or deposited by the elements upon any part of the park, or upon any street or other public place. Where public receptacles are not provided, all litter shall be carried away and properly disposed of.

B. No person shall use the parks and recreation department litter receptacles in the following manner:

1. No person shall damage, deface, abuse, or misuse any litter receptacle so as to interfere with its proper function or detract from its proper appearance.

2. No person shall deposit leaves, clippings, prunings, or gardening refuse in any litter receptacle.

3. No person shall deposit household garbage in any litter receptacle; provided, that this subsection shall not be construed to mean that wastes of food consumed on park property may not be deposited in litter receptacles.

C. Whenever litter dumped in violation of this chapter contains three or more items bearing the name of one individual, there shall be a ~~rebuttable~~-presumption that the individual whose name appears on such items committed the unlawful act of littering.

D. For purposes of this section, "litter" means garbage, refuse, rubbish, or any other waste material which, if thrown or deposited as prohibited in this section tends to create a nuisance which annoys, injures, or endangers the health, safety, or comfort of the public.

E. A violation of this section is a civil infraction.

F. Any person littering in an amount less than or equal to one cubic foot the maximum penalty and the default amount shall be \$50.00, not including statutory assessments; any person littering in an amount greater than one cubic foot the maximum penalty and the default amount shall be \$250.00, not including statutory assessments. Unless suspended or modified by a court, the person shall also pay a litter cleanup fee of

\$25.00 per cubic foot of litter. The court may, in addition to or in lieu of part or all of the cleanup fee, order the person to pick up and remove litter from the property. [Ord. 10612 § 2, 1995].



8.04.110 Sales/rentals – Prohibited.

A. The sale of food, drink, other merchandise, or any services on park property is prohibited, unless the seller has either written permission from the director of parks and recreation, or a concession sales contract with the city.

B. The rental of any merchandise or materials on park property is prohibited, unless the renter has written permission from the director of parks and recreation or a concession contract with the city.

C. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.120 Signposting prohibited.

A. It is unlawful to place or erect any signboard, sign, advertising, decoration, or similar structure on any park property, without the written permission of the director of parks and recreation.

B. A violation of this section is a civil infraction. [Ord. 10612 § 2, 1995].



8.04.130 Restricted areas – Generally.

A. It is unlawful for any person except a duly authorized department of parks and recreation or other city employee in the performance of his or her duties, or other person authorized by law, to enter or go upon any area which has been designated and posted by the director of parks and recreation as a “no admittance” or “closed to use” or “no trespassing” area for the purpose of protecting park property or for protecting the public from conditions which constitute a potential hazard.

B. It is unlawful for any person to engage in any activity that has been deemed potentially hazardous to public safety or park property, or incompatible with park property usage as designated and posted by the director of parks and recreation.

C. A violation of this section is a misdemeanor. [Ord. 10612 § 2, 1995].



8.04.140 Restricted areas – Whatcom Creek – Lake Padden.

A. It is unlawful to trespass, wade, swim, or fish in the area of Whatcom Creek known as Waterfront Falls and more specifically described as follows:

All that area between the Maritime Heritage Center pedestrian bridge and the Dupont Street bridge and between the northerly edge of the southerly adjacent pedestrian walkway and the southerly edge of the northerly adjacent pedestrian walkway.

B. Except in cases of emergency maintenance or recovery operations, it is unlawful to use an internal combustion motor on any floating device or watercraft on Lake Padden.

C. A violation of this section is a misdemeanor. [Ord. 2007-07-060; Ord. 10612 § 2, 1995].



8.04.150 Alcoholic beverages.

A. The opening or consuming of any alcoholic beverage on park property is prohibited, except in those areas, or at those events that:

1. Have appropriate licensing from the state of Washington; and
2. Have explicit written permission of the director of parks and recreation.

B. A violation of this section is a civil infraction. [Ord. 1999-09-057; Ord. 10612 § 2, 1995].



8.04.160 Smoking

Smoking, including carrying or smoking of any kind of lighted pipe, cigar, cigarette, any other lighted smoking equipment or an operating electronic smoking device (vaping) is prohibited on park property except in areas that may be designated by the Mayor. (Ord. 2015-11-45)

8.04.170 Motorized aerial devices.

A. The operation of any motorized drones are prohibited on any park property except those areas that may be designated and posted by the director of parks and recreation or with written permission by the director of parks and recreation.

8.04.180 Removal or destruction of park property.

A. It is unlawful for any person to remove, injure, deface, damage, or destroy park property. This prohibition applies to all aspects of the natural or landscaped environment and to any structure, object, equipment, improvement, or other park property.

B. It is unlawful to collect, gather, or harvest natural resources or other materials on park property except by written permission of the director of parks and recreation.

C. A violation of this section is a misdemeanor. [Ord. 10612 § 2, 1995].



8.04.190 Encroachments on park property.

A. It is unlawful for any person other than a duly authorized employee or agent of the Bellingham parks and recreation department to do any of the following acts without the written permission of the director of the Bellingham parks and recreation department:

1. Place, erect, [afix](#) or maintain any structure or obstruction of any kind on park property;

2. Deposit or store any refuse, debris, vegetation, personal property [including recreational equipment](#), litter, or any other material on park property;

3. Mow, prune, cut, clear, plant on, or otherwise alter or disturb any park property.

B. A violation of this section is a misdemeanor. [Ord. 10612 § 2, 1995].



8.04.200 Infraction – Penalty.

A. Any violation of the provisions of this chapter that are designated civil infractions shall subject the violator to a maximum penalty of \$250.00.

B. The court may also order a person found to have committed a civil infraction to make restitution. [Ord. 10612 § 2, 1995].



8.04.210 Appeal procedure.

Any person aggrieved by a decision of the director of the parks and recreation department under this chapter may appeal the decision to the hearing examiner by filing a notice of appeal. The appeal notice shall be in writing and submitted to the hearing examiner. [Ord. 2002-10-069 § 15; Ord. 10612 § 2, 1995].



8.04.220 Misdemeanor – Penalty.

This section is included in your selections.

A. Any violation of the provisions of this chapter that are designated misdemeanors shall be punishable by a fine not to exceed \$1,000 and/or imprisonment for a period not to exceed 90 days.

B. The court may also order a person found to have committed a misdemeanor under this chapter to make restitution. [Ord. 10612 § 2, 1995].



Parks & Recreation Department: BMC Update & Signage Strategy

Presentation to the City Council
May 10, 2021



Outline

- BMC updates – approved by PRAB 4/14/21
- Standards & design precedent
- Strategy for implementation
- Study areas
- Recommendation
- Education & outreach
- Next steps



Sunny winter day on the South Bay Trail

BMC Updates

- 8.04.050
 - Vehicle operation & parking: 15 MPH speed limit, unless posted otherwise
- 8.04.060
 - Bicycles: Electric assist bicycle added to definition
 - Galbraith Mountain exempt
- 8.04.070
 - Restrictions on animals in parks: Horses permitted on trails in areas posted
- 8.04.170
 - Motorized aerial devices: Permitted only in areas posted



Sunny winter day on the South Bay Trail

BMC Updates



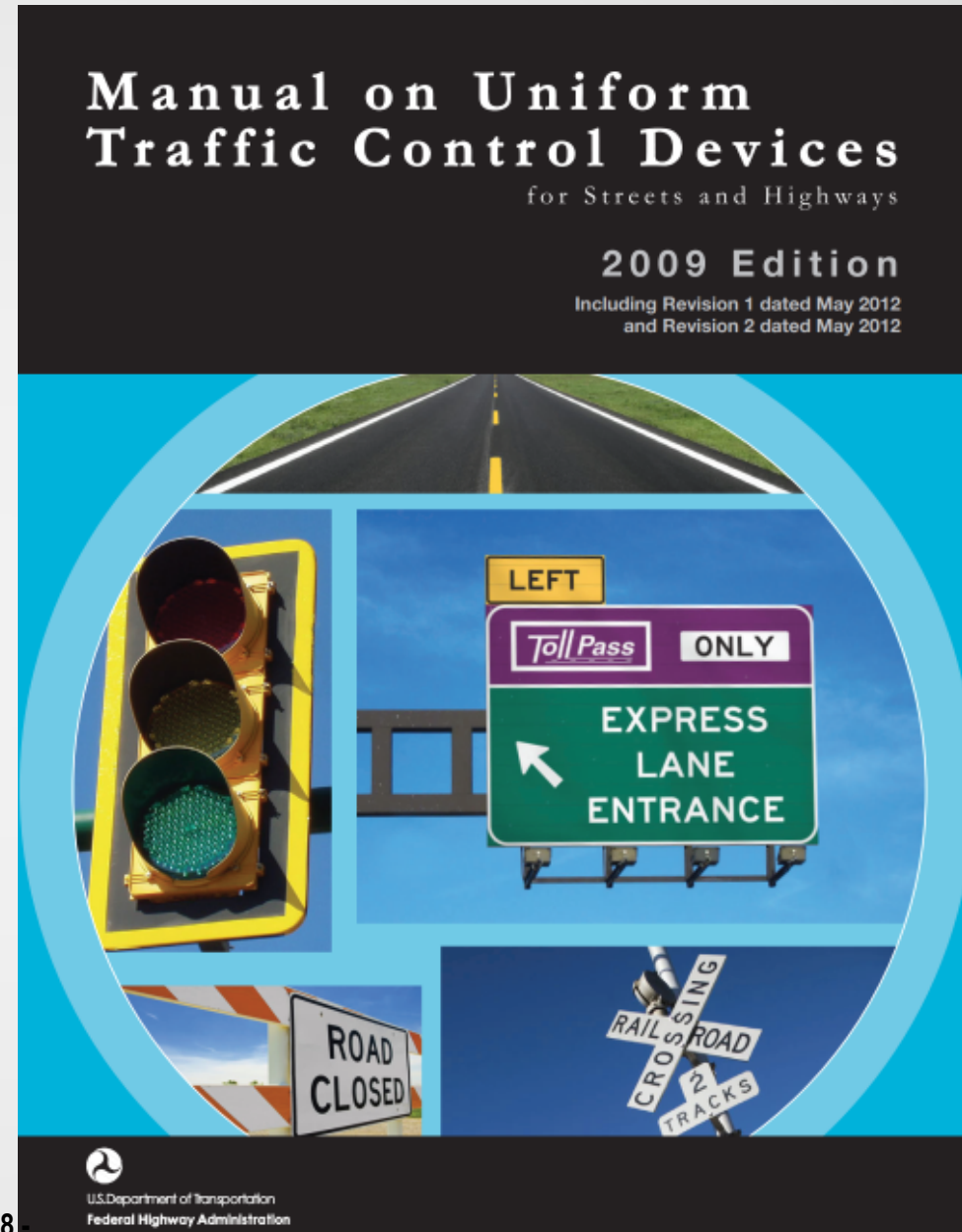
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Sunny winter day on the South Bay Trail

Standards

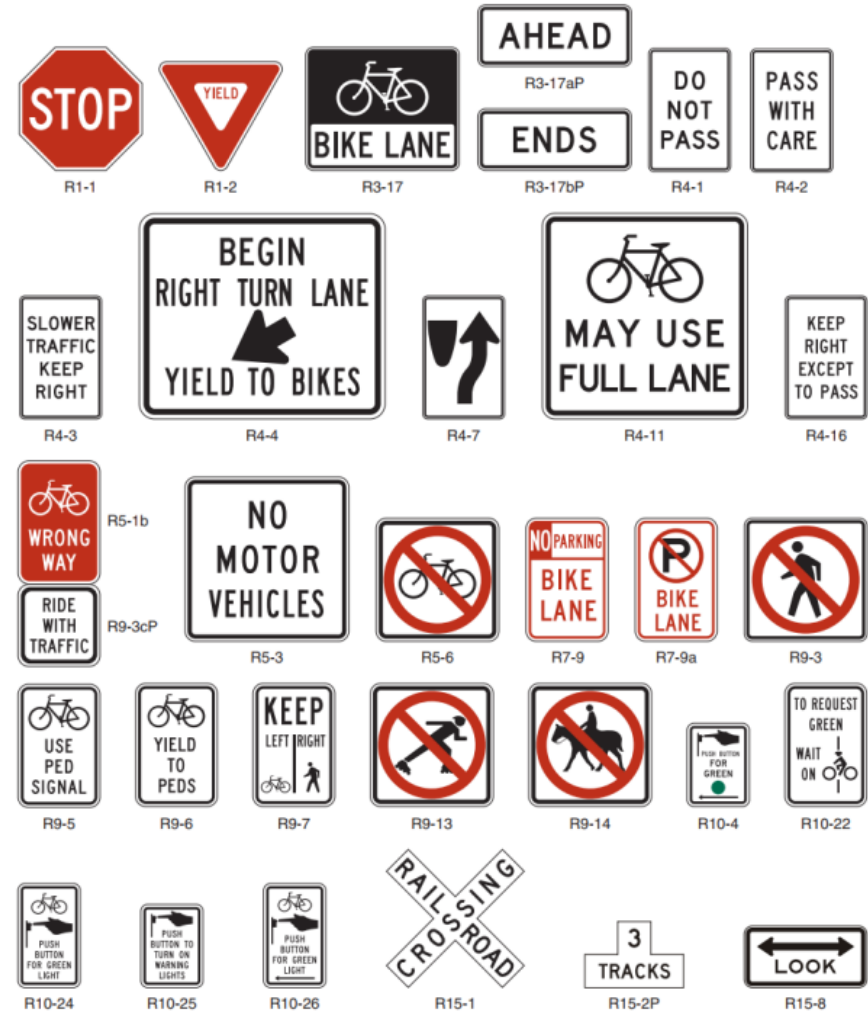
- MUTCD
- National Park Service
- Other jurisdictions
 - USFS
 - State Parks
 - Whatcom County
 - Other Cities



Standards - MUTCD

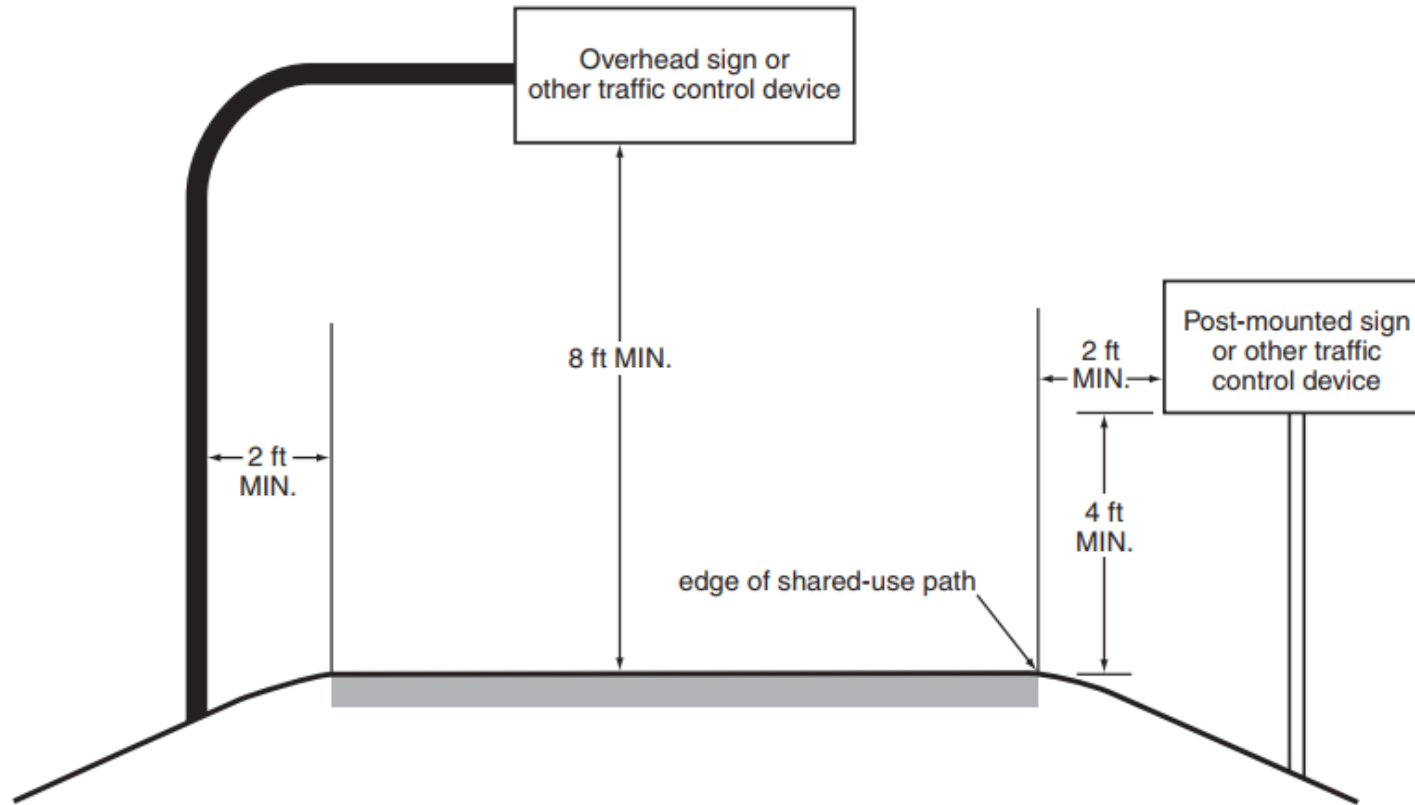


Figure 9B-2. Regulatory Signs and Plaques for Bicycle Facilities



Standards - MUTCD

Figure 9B-1. Sign Placement on Shared-Use Paths



Standards - National Park Service



Standards - USFS



Figure 10B-19—Non-motorized mixed use yield sign.



Figure 9-2—Examples of Cooperator posters.

Standards - Whatcom County



Standards - others

Centennial Trail
Snohomish/Skagit
County



Standards - others

Centennial Trail
Snohomish/Skagit
County



Standards - others

Centennial Trail
Snohomish/Skagit County



Standards - others

Burke Gillman Trail



Standards - others

Snoqualmie Valley Trail



Strategy

- Use national/state standards & other precedents
- Focus first on shared use pathways/arterial trails
 - Speed limit
 - Trail etiquette
 - Other guidance signs
- Study additional areas
- Conduct public process where appropriate



Sunny fall day on the Squaticum Creek Trail

Study areas

- Walk/hike only zones on single track trails
- Analyze possible one-way downhills for bicycles
- Review need for bicycle dismount areas
- Review property commitments

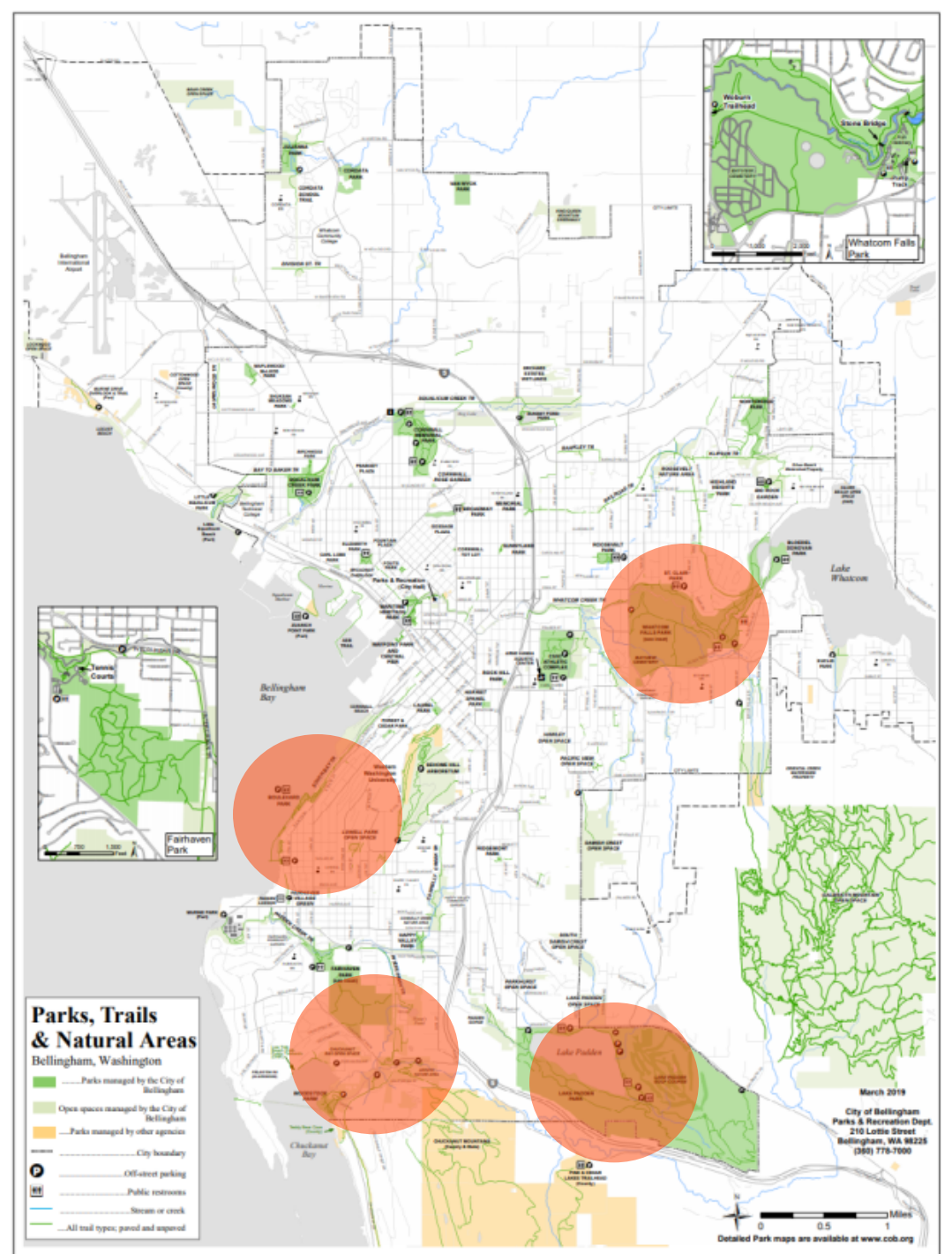


Single-track trail at Chuckanut Community Forest

Study areas



- Lake Padden
- Arroyo Park
- Chuckanut Community Forest
- Whatcom Falls Park
- Taylor Dock



Recommendation

- Start with shared use pathways/arterial trails
 - Speed limit signs
 - Trail etiquette signs
- Study additional areas for future action:
 - Bike only
 - No bikes
 - Bike dismount
 - One-ways



Sunny winter day on the South Bay Trail

Recommendation



Education & outreach

- Signage
- Social media
- Press release
- School pamphlets
- Website
- Playbook



Bridge over Whatcom Creek

Next steps

- Approve BMC
- Analyze study areas
- Install speed & etiquette signs
- Report back to Park Board and City Council





Parks & Recreation Department: BMC Update & Signage Strategy

Presented By: Gina Austin, P.E.
Project Engineer, Parks and Recreation
(360) 778 - 7000 gaustin@cob.org





City Council Agenda Bill

22983

Bill Number

Subject: **Puget Sound Energy Community Solar Installation Lease Negotiations**

Summary Statement: City staff recommends partnering with Puget Sound Energy (PSE) on the development of a community solar project. The proposal is for PSE to install solar panels on the roof of a water reservoir located at the Water Treatment Plant near Whatcom Falls Park. PSE will use the power generated at this facility to provide customers who cannot utilize solar power produced on their own property due to physical or economic constraints. The project will be in addition to the existing solar array built by the City in 2019 to partially offset power used by the DAF system. In accordance with BMC 4.88.050, Public Works is requesting Council authorization to engage in direct lease negotiations with PSE in lieu of issuing a Request for Proposals for competing proposals.

Previous Council Action: **Approved 2018 Climate Action Plan**

Fiscal Impact: **Revenue from the lease payment by PSE will be new revenue for the Water (410) Fund**

Funding Source: **Water Fund 410**

- Attachments: 1. STAFF MEMO
- 2. SITE MAP

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Direction Requested	5/10/2021	Provide Direction	Eric Johnston, Public Works Director	15 minutes

Recommended Motion:

Council Committee:
Climate Action Committee

Agenda Bill Contact:
Mike Olinger, Assistant PW Director 360-778-7725

Council Action:

Reviewed By	Department	Date
<i>Eric C. Johnston</i>	Public Works	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



STAFF REPORT

TO: CITY COUNCIL
FROM: ERIC JOHNSTON, PUBLIC WORKS DIRECTOR
CC: MAYOR SETH FLEETWOOD
SUBJECT: PSE COMMUNITY SOLAR INSTALLATION
DATE: May 10, 2021

BACKGROUND:

The City of Bellingham is proposing to partner with Puget Sound Energy (PSE) on the development of a PSE community solar program project. The plan is for PSE to install, own and operate solar panels on the city owned water reservoirs near Whatcom Falls park. PSE will use the power generated at this facility to provide their customers the opportunity to utilize solar power for their own power consumption when either economic or physical constraints prevent the customer from installing solar assets on their own property. The City's contribution to the project partnership is a fair market-based lease of land and facilities.

The project will expand the existing 80KWh solar array built by the City in 2019 with funding from the Northwest Clean Air Agency to offset power used in the dissolved air flotation (DAF) system

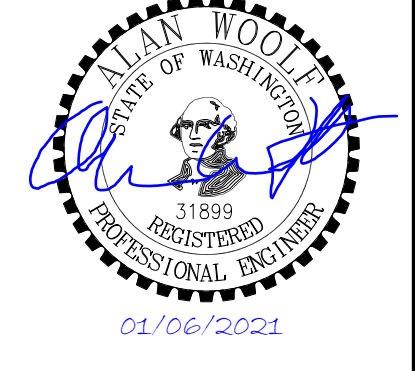
The City of Bellingham water treatment plant reservoir in Whatcom Falls Park was chosen by PSE from a list of 68 site submissions from 26 different public entity respondents. The Whatcom Falls site was chosen because of its relatively low cost, project scale, solar production and community and customer support. Participation in the PSE was submitted by staff consistent with policy direction outlined in the City of Bellingham Climate Protection Action Plan.

In accordance with BMC 4.88.050, Public Works is requesting authorization to directly negotiate with PSE for the lease terms of the installation of a solar array on the top of the water storage tank located at 3201 Arbor Street. Alternatively, the city could issue a competitive request for proposals for a similar project from other providers. However, it is unlikely that other providers would come forward at this location.

PSE will be responsible for the maintenance and operations of this facility for the full duration of the lease agreement.

RECOMMENDATION ACTION:

Move to authorize Staff to negotiate a lease agreement with PSE for solar panels located on the Whatcom Falls Water treatment Plant reservoir.



WHATCOM FALLS
 WATER TREATMENT FACILITY
 PUGET SOUND ENERGY

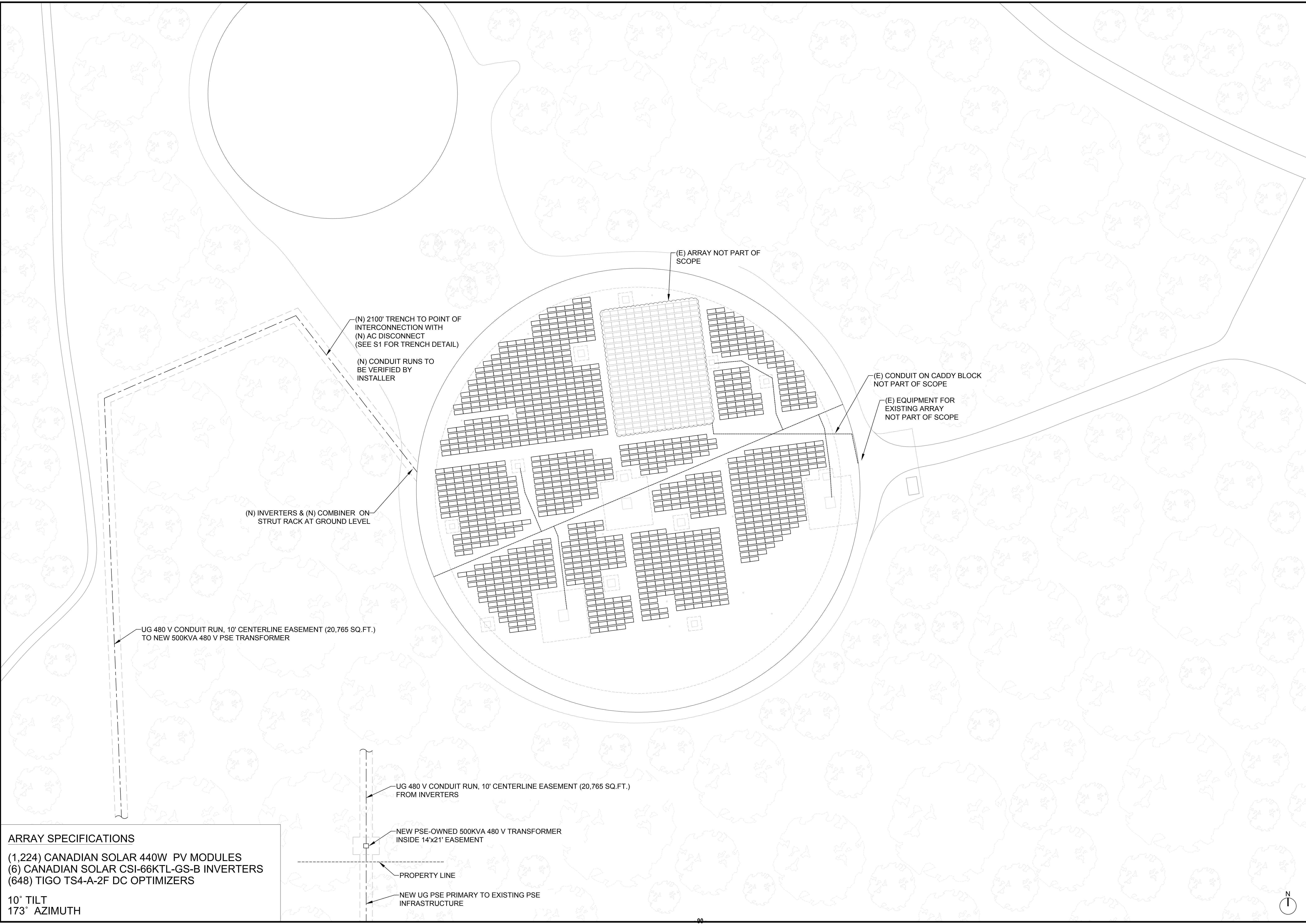
WHATCOM FALLS
 WATER TREATMENT FACILITY
 PUGET SOUND ENERGY

PROJECT DESCRIPTION
 538.5 KW SOLAR PV PROJECT
 PROJECT ADDRESS
 3201 ARBOR ST.
 BELLINGHAM, WA 98229
 CONTACT INFORMATION
 PAUL GARDNER
 425-456-2787
 Paul.Gardner@pse.com

SITE PLAN

REVISION	DATE	REASON

DESIGNED BY
 PAT SCHELLERUP
 DRAWN BY
 JUSTIN GUADAGNI
 DRAWN ON
 12/1/2020
 SCALE
 1/32" = 1'
 SHEET NUMBER
PV1.0



ARRAY SPECIFICATIONS
 (1,224) CANADIAN SOLAR 440W PV MODULES
 (6) CANADIAN SOLAR CSI-66KTL-GS-B INVERTERS
 (648) TIGO TS4-A-2F DC OPTIMIZERS
 10° TILT
 173° AZIMUTH





City Council Agenda Bill

22984

Bill Number

Subject: **Puget Sound Energy Presentation on Beyond Net Zero Commitments**

Summary Statement: In 2019, Governor Inslee signed into law the Clean Energy Transformation Act (CETA), which commits Washington to an electricity supply free of greenhouse gas pollution by 2045. CETA applies to all electric utilities, including Puget Sound Energy (PSE). Representatives from PSE have requested time with the Climate Action Committee to present an overview of their corporate efforts, commitments and aspirations related to clean energy.

Previous Council Action: **None**

Fiscal Impact: **None**

Funding Source: **N/A**

Attachments: 1. PSE_BEYONDNETZERO_PRESENTATION

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Information Only	5/10/2021	Information/Discussion	Carryn Vande Griend, PSE	15 minutes

Recommended Motion:

Council Committee:
Climate Action Committee

Agenda Bill Contact:
Carryn Vande Griend, PSE, carryn.vandegriend@pse.com

Council Action:

Reviewed By	Department	Date
<i>Eric C. Johnston</i>	Public Works	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

Beyond Net Zero Carbon

Our commitment to carbon emissions reduction

May 10, 2021





Local energy provider for nearly 150 years.

- Washington state's largest and oldest utility.
- PSE in Whatcom County
 - 107,378 electric customers
 - 140 PSE employees
- We share our customers' **concern for the environment**, balanced with their expectations for uncompromised **reliability, affordability and safety**

“Climate change is an existential threat that cannot be ignored, and we are doing our part to move further and faster to save our planet.”

— PSE President and CEO Mary Kipp

**By 2045,
we aspire to
be a Beyond
Net Zero
Carbon
energy
company.**

- We envision the energy we provide not only **slowing climate change**, but **helping reverse it**
- Target to **reduce our own carbon emissions to net zero** and go beyond by **helping other sectors** to enable carbon reduction across the state of Washington
- Encompasses our **entire energy supply**—both electric and natural gas—our operations, and the positive impact that we can have on other industries and sectors

Our three pathways to Beyond Net Zero Carbon.

PSE operations and electric supply

We will achieve the following:

- Net zero carbon emissions for all PSE operations and electric supply by 2030
- 100% carbon free electric supply by 2045

Natural gas sales customer end use

Our aspirational objectives:

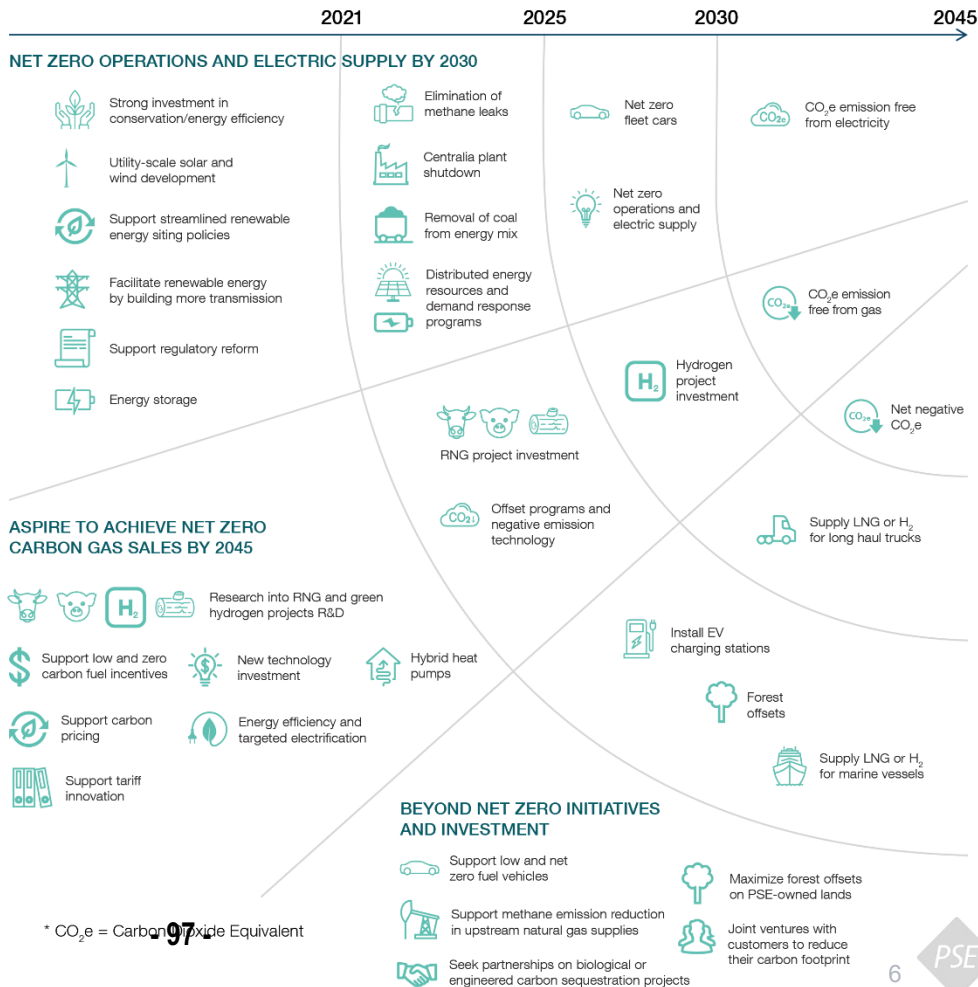
- Reduce customer end use carbon emissions 30% by 2030
- Net zero carbon emissions for customer end use by 2045

Beyond PSE reported emissions

We will help other sectors reduce carbon:

- Electric vehicles
- LNG for marine and long haul trucking
- RNG/hydrogen or other low carbon fuels for transportation
- Upstream methane emission reduction

Steps to Beyond Net Zero Carbon: Today to 2045.



Equitable, sustainable clean energy for all.

- Reversing climate change requires partnership **across all sectors**
- We must ensure that the energy solutions pursued **improve the livelihoods of all people on this planet**, in particular, those who shoulder an outsized share of the climate burden
- **Beyond Net Zero Carbon by 2045 advisory group:** External committee comprised of a diverse set of community members, partners, technical experts and elected officials to provide meaningful input, inform transparent communications and enable opportunities for collective action.

Clean Energy Implementation Plan

CEIP Community Survey out now!

CleanEnergyPlan.PSE.com

PSE will submit the Draft CEIP to the UTC on August 15, 2021, followed by a 30-day public comment period

- Milestones we'll meet over the **next four years** to reach interim targets for CETA compliance
- Specific targets for **energy efficiency, demand response, and renewable energy** in our community
- Identification of highly impacted communities and vulnerable populations
- Assessment of current benefits and burdens on customers, and description of how our specific actions will mitigate risks to highly impacted communities and vulnerable populations

Customer renewable programs

Electric Clean Energy Products



GREEN POWER

- PNW REC purchases
- 8,334 residential and commercial customers



GREEN DIRECT

- Long-term partnership for dedicated resources
- 4 large customers in Whatcom



NET METERING

- Up to 100 kW
- 2,250 MW in Whatcom
- All customer types



HOME CHARGING

- Level 2 Chargers
- 18 residential pilots in Whatcom
- Test Peak Shifting



SOLAR CHOICE

- Solar RECs WA and ID
- 1,092 customers in Whatcom
- Residential, small commercial



COMMUNITY SOLAR

- Opportunity to partner with communities to expand access to new, local solar



SMALL POWER PRODUCERS

- 100 kW – 5 MW
- Small renewable developers



MULTI-FAMILY /WORKPLACE

- Level 2 Chargers
- 3 MF/ 3 WP pilots in Whatcom

Gas Clean Energy Products



CARBON BALANCE

- PNW third-party-verified carbon offsets
- 13.5K customers across territory



VOLUNTARY RNG

- Opportunity to replace a portion of gas usage with local RNG supply



PUBLIC CHARGING

- Level 2 & DC Fast Chargers
- Bellingham location on track to open this summer

COVID-19 Response & Recovery

- \$20 million in CACAP2 bill assistance available now
 - **2020:** The first round of CACAP funding distributed \$466,756 to Whatcom County customers between April and September 2020.
- Green Power Solar grant applications reopen in June
 - **2020-21 recipients:** Lhaq'temish Foundation, Sustainable Connections, Lydia Place, Kulshan Community Land Trust, Opportunity Council, Lummi Housing Authority
- PSE Foundation COVID-19 community support grants
 - **2020 recipients:** Grants awarded to Sustainable Connections, Lydia Place, Bellingham Makerspace, Whatcom Family & Community Network, Lhaq'temish Foundation, totaling \$60,500.

Questions?

Carryn Vande Griend
Carryn.vandegriend@pse.com





City Council Agenda Bill

22985

Bill Number

Subject: **An Ordinance Authorizing the Issuance of Limited Tax General Obligation Bonds**

Summary Statement: The attached ordinance authorizes the City to issue up to \$21,000,000 of Limited Tax General Obligation Bonds to fund the construction of the new operations facility on Pacific Street. The new facility will house Public Works and Parks Operations staff and equipment. The City intends to finance \$20M for the project; the ordinance authorizes \$21M to cover issuance costs and ensure sufficient flexibility.

The debt will be repaid from the Street Fund, Water Fund, Wastewater Fund and Stormwater Fund. Parks portion of the facility is funded with a \$4.5M contribution from Real Estate Excise Tax and will not be financed.

The full cost of the project is expected to be \$24.6M, including \$20M in construction, \$1M for furnishings and equipment and \$3.6M in contingency.

Previous Council Action: **Adoption of the 2021-2022 Biennial Budget; Project Bid Award on 4/26/2021**

Fiscal Impact: **\$20,000,000**

Funding Source: **Debt will be repaid from Street, Water, Wastewater and Stormwater Funds**

Attachments: 1. BOND ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	5/10/2021	Pass Ordinance	Andrew Asbjornsen, Finance Director	5 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Forrest Longman, 778-8005

Council Action:

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

CITY OF BELLINGHAM, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS, 2021

ORDINANCE NO. [2021-__ - ____]

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLINGHAM, WASHINGTON, AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF LIMITED TAX GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,000,000 TO FINANCE COSTS RELATED TO ACQUIRING, DESIGNING, CONSTRUCTING, DEVELOPING, IMPROVING, EQUIPPING AND FURNISHING CITY FACILITIES; DELEGATING AUTHORITY TO APPROVE THE METHOD OF SALE AND FINAL TERMS OF THE BONDS; AND APPROVING OTHER MATTERS RELATED THERETO.

Passed May 24, 2021

PREPARED BY:
PACIFICA LAW GROUP LLP
Seattle, Washington

CITY OF BELLINGHAM
ORDINANCE NO. [2021-__ - __]
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* This Table of Contents is provided for convenience only and is not a part of this ordinance.

CITY OF BELLINGHAM, WASHINGTON

ORDINANCE NO. [2021-__-__]

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BELLINGHAM, WASHINGTON, AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF LIMITED TAX GENERAL OBLIGATION BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,000,000 TO FINANCE COSTS RELATED TO ACQUIRING, DESIGNING, CONSTRUCTING, DEVELOPING, IMPROVING, EQUIPPING AND FURNISHING CITY FACILITIES; DELEGATING AUTHORITY TO APPROVE THE METHOD OF SALE AND FINAL TERMS OF THE BONDS; AND APPROVING OTHER MATTERS RELATED THERETO.

WHEREAS, the City Council (the “Council”) of the City of Bellingham, Washington (the “City”) has deemed it is in the best interest of the City to acquire, design, construct, develop, improve, equip and furnish facilities for City operations, including for its Public Works and Parks and Recreation Departments (the “Project”); and

WHEREAS, the Council deems it in the best interest of the City to issue one or more series of limited tax general obligation bonds (as further described herein, the “Bonds”) for the purpose of paying and/or reimbursing the City for costs of the Project, and paying costs of issuing the Bonds; and

WHEREAS, the City Council wishes to delegate authority to the Mayor and the Finance Director (each, a “Designated Representative”), for a limited time, to approve the method of sale and to approve the interest rates, maturity dates, redemption terms and principal maturities for each series of Bonds within the parameters set by this ordinance;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BELLINGHAM, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. Definitions and Interpretation of Terms.

(a) *Definitions.* As used in this ordinance, the following words shall have the following meanings:

Beneficial Owner means any person that has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

Bond Counsel means Pacifica Law Group LLP or an attorney at law or a firm of attorneys, selected by the City, of nationally recognized standing in matters pertaining to the tax exempt nature of interest on bonds issued by states and their political subdivisions.

Bond Purchase Contract means one or more, if any, bond purchase contracts, forward delivery contracts or other agreements for the purchase of a series of Bonds sold by negotiated sale to the Underwriter, executed by a Designated Representative pursuant to this ordinance.

Bond Register means the registration books showing the name, address and tax identification number of each Registered Owner of the Bonds, maintained for the Bonds in the manner required pursuant to Section 149(a) of the Code.

Bond Registrar means, initially, the fiscal agent of the State, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying interest on and principal of the Bonds.

Bonds mean the limited tax general obligation bonds authorized to be issued in one or more series pursuant to this ordinance.

Certificate of Award means one or more, if any, certificates awarding a series of Bonds sold by competitive sale to the successful bidder, executed by a Designated Representative pursuant to this ordinance.

City means the City of Bellingham, Washington, a municipal corporation duly organized and existing under the laws of the State.

City Clerk or **Clerk** means the duly appointed and acting City Clerk or the successor to the duties of that office.

City Council or **Council** means the City Council of the City as the general legislative authority of the City, as duly and regularly constituted from time to time.

Closing means the date of delivery of the Bonds of a series to the Underwriter.

Code means the Internal Revenue Code of 1986, as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance, published, under the Code.

Commission means the United States Securities and Exchange Commission.

Continuing Disclosure Certificate means one or more written undertakings for the benefit of the owners and Beneficial Owners of the Bonds as required by Section (b)(5) of the Rule.

Debt Service Fund means one or more funds, and accounts held therein, created pursuant to this ordinance for the purpose of paying debt service on a series of Bonds.

Designated Representative means the Finance Director and the Mayor, or the designee of such officers. The signature of one Designated Representative shall be sufficient to bind the City.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York.

Fair Market Value means the price at which a willing buyer would purchase an investment from a willing seller in a bona fide, arm's-length transaction, except for specified investments as described in Treasury Regulation § 1.148-5(d)(6), including United States Treasury obligations, certificates of deposit, guaranteed investment contracts, and investments for yield restricted defeasance escrows. Fair Market Value is generally determined on the date on which a contract to purchase or sell an investment becomes binding, and, to the extent required by the applicable regulations under the Code, the term "investment" will include a hedge.

Federal Tax Certificate means one or more certificates executed by the Finance Director setting forth the requirements of the Code for maintaining the tax exemption of interest on a series of Tax-Exempt Bonds to be dated as of the date of issue for such Bonds.

Finance Director means the Finance Director of the City, or the successor to such officer.

Government Obligations mean those obligations now or hereafter defined as such in chapter 39.53 RCW constituting direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, as such chapter may be hereafter amended or restated.

Letter of Representations mean the Blanket Issuer Letter of Representations given by the City to DTC, as amended from time to time.

Mayor means the duly elected Mayor of the City or the successor to such officer.

MSRB means the Municipal Securities Rulemaking Board or any successors to its functions.

Official Statement means one or more disclosure document(s) prepared and delivered in connection with the sale of one or more series of Bonds.

Project means the acquisition, design, construction, development, improvement, equipping and furnishing of facilities for City operations, including for its Public Works and Parks and Recreation Departments.

Project Fund means the account created pursuant to Section 7 of this ordinance.

Record Date means the close of business for the Bond Registrar that is 15 days preceding any interest and/or principal payment or redemption date.

Registered Owner means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Rule means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Sale Document means the Bond Purchase Contract or Certificate of Award, if any, executed by a Designated Representative in connection with the sale of a series of Bonds pursuant to Section 10 of this ordinance, which shall provide for the name, principal and interest payment dates and amounts, redemption/prepayment rights, and other terms to describe such Bonds as determined by a Designated Representative.

State means the State of Washington.

Taxable Bonds mean any Bonds of a series determined to be issued on a taxable basis pursuant to this ordinance.

Tax-Exempt Bonds mean any Bonds of a series determined to be issued on a tax-exempt basis under the Code pursuant to this ordinance.

Underwriter means any underwriter for each series of Bonds, in the case of a negotiated sale, or initial purchaser or purchasers for each series of Bonds, in the case of a competitive sale, as selected by a Designated Representative pursuant to this ordinance.

(b) **Interpretation.** In this ordinance, unless the context otherwise requires:

(1) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this ordinance, refer to this ordinance as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this ordinance;

(2) Words of a gender shall mean and include correlative words of any genders and words importing the singular number shall mean and include the plural number and vice versa;

(3) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(4) Any headings preceding the text of the several articles and sections of this ordinance, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this ordinance, nor shall they affect its meaning, construction or effect; and

(5) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization and Description of Bonds. For the purpose of paying and/or reimbursing the City for costs of the Project and paying costs of issuance, the City hereby authorizes the issuance and sale of its limited tax general obligation bonds pursuant to the terms of this ordinance (the “Bonds”). The Bonds shall be issued from time to time in one or more series, and shall be designated as the “City of Bellingham, Washington, Limited Tax General Obligation Bonds, 2021” with additional year and series designation or other such designation as determined to be necessary by a Designated Representative.

The aggregate principal amount of all Bonds authorized to be issued under the terms of this ordinance shall not exceed \$21,000,000. The terms of each series of Bonds shall be subject to the terms of this ordinance, including the parameters set forth in Section 10 hereof.

The Bonds of each series shall be general obligations of the City, shall be dated as of the date of Closing for such series of Bonds; shall be fully registered as to both principal and interest; shall be in the denomination of \$5,000 each, or any integral multiple thereof, within a series and maturity; shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification; shall bear interest from their date payable on the dates and at the rates and commencing as provided in the applicable Sale Document; and shall mature on the dates and in the principal amounts set forth in the applicable Sale Document, as approved and executed by a Designated Representative pursuant to Section 10 of this ordinance.

Section 3. Registration, Exchange and Payments.

(a) *Bond Registrar/Bond Register.* The City hereby specifies and adopts the system of registration approved by the Washington State Finance Committee from time to time through the appointment of a State fiscal agent. The City shall cause a Bond Register to be maintained by the Bond Registrar. So long as any Bonds of each series remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration or transfer of Bonds at its designated office. The Bond Registrar may be removed at any time at the option of the Finance Director upon prior notice to the Bond Registrar and a successor Bond Registrar appointed by the Finance Director. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the City, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this ordinance and to carry out all of the Bond Registrar’s powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication of the Bonds.

(b) *Registered Ownership.* The City and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond as the absolute owner thereof for all purposes (except as provided in the Continuing Disclosure Certificate), and neither the City nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in Section 3(g), but such Bond may be transferred as herein provided. All such payments made as described in Section 3(g) shall be valid and shall satisfy and discharge the liability of the City upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letters of Representations.* The Bonds initially shall be held by DTC acting as depository. The City has executed and delivered to DTC a Blanket Issuer Letter of Representations. Neither the City nor the Bond Registrar shall have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on the Bonds, any notice which is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City to the Bond Registrar or to DTC (or any successor depository)), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds are held by a depository, DTC or its successor depository or its nominee shall be deemed to be the Registered Owner for all purposes hereunder, and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

(d) *Use of Depository.*

(1) The Bonds shall be registered initially in the name of "Cede & Co.", as nominee of DTC, with one Bond of a series maturing on each of the maturity dates for such Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Finance Director pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Finance Director to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), the Finance Director may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds together with a written request on behalf of the Finance Director, issue a single new Bond for such series for each maturity then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the Finance Director.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Finance Director determines that it is in the best interest of the Beneficial Owners of the Bonds of a series that such owners be able to obtain physical Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no

longer be held by a depository. The Finance Director shall deliver a written request to the Bond Registrar, together with a supply of physical Bonds, to issue Bonds as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds of such series together with a written request on behalf of the Finance Director to the Bond Registrar, new Bonds of such series shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations.* The transfer of any Bond may be registered and Bonds may be exchanged, but no transfer of any such Bond shall be valid unless it is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same series, date, maturity, and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same series, date, maturity, and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer of or to exchange any Bond during the period from the Record Date to the redemption or payment date.

(f) *Bond Registrar's Ownership of Bonds.* The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners or Beneficial Owners of Bonds.

(g) *Place and Medium of Payment.* Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Interest on the Bonds shall be calculated on the basis of a year of 360 days and twelve 30-day months. For so long as all Bonds of a series are held by DTC, payments of principal thereof and interest thereon shall be made to Registered Owners as of the Record Date as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds of a series are no longer held by DTC or other depository, interest on such Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the Record Date, or upon the written request of a Registered Owner of more than \$1,000,000 of Bonds of a series (received by the Bond Registrar at least by the Record Date), such payment shall be made by the Bond Registrar by wire transfer to the account within the United States designated by the Registered Owner. Principal of such Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the designated office of the Bond Registrar.

If any Bond is duly presented for payment and funds have not been provided by the City on the applicable payment date, then interest will continue to accrue thereafter on the unpaid principal thereof at the rate stated on the Bond until the Bond is paid.

Section 4. Redemption Prior to Maturity and Purchase of Bonds.

(a) *Redemption of Bonds.* The Bonds of each series shall be subject to mandatory redemption to the extent, if any, as set forth in the applicable Sale Document and as approved by a Designated Representative pursuant to Section 10. The Bonds of each series shall be subject to optional redemption and/or prepayment on the dates, at the prices and under the terms set forth in the applicable Sale Document approved by a Designated Representative pursuant to Section 10.

(b) *Purchase of Bonds.* The City reserves the right to purchase any of the Bonds offered to it at any time at a price deemed reasonable by a Designated Representative.

(c) *Selection of Bonds for Redemption.* If the Bonds are held in book-entry only form, the selection of particular Bonds within a series and maturity to be redeemed shall be made in accordance with the operational arrangements then in effect at DTC. If the Bonds are no longer held by a depository, the selection of such Bonds to be redeemed and the surrender and reissuance thereof, as applicable, shall be made as provided in the following provisions of this subsection (c) or as otherwise provided in the applicable Sale Document. If the City redeems at any one time fewer than all of the Taxable Bonds of a series having the same maturity date, the particular Taxable Bonds or portions of Taxable Bonds of such series and maturity to be redeemed shall be selected on a pro rata pass-through distribution of principal basis. In the event that only a portion of the principal sum of a Taxable Bond is redeemed, upon surrender of such Taxable Bond at the designated office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Taxable Bond or Bonds of like series, maturity and interest rate in any of the denominations herein authorized. If the City redeems at any one time fewer than all of the Tax-Exempt Bonds having the same maturity date within a series, the particular Tax-Exempt Bonds or portions of Tax-Exempt Bonds of such series and maturity to be redeemed shall be selected by lot (or in such manner determined by the Bond Registrar) in increments of \$5,000. In the case of a Tax-Exempt Bond of a denomination greater than \$5,000, the City and the Bond Registrar shall treat each Tax-Exempt Bond of such series as representing such number of separate Tax-Exempt Bonds each of the denomination of \$5,000 as is obtained by dividing the actual principal amount of such Tax-Exempt Bonds of such series by \$5,000. In the event that only a portion of the principal sum of a Tax-Exempt Bond is redeemed, upon surrender of such Tax-Exempt Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Tax-Exempt Bond or Bonds of like maturity, series, and interest rate in any of the denominations herein authorized. To the extent the City optionally redeems or purchases for retirement any Term Bond, any remaining mandatory sinking fund payment or mandatory prior redemption requirements for such Term Bond shall be reduced on a pro rata basis.

(d) *Notice of Redemption.*

(1) Official Notice. For so long as the Bonds are held in book-entry form, notice of redemption (which notice may be conditional) shall be given in accordance with the operational arrangements of DTC as then in effect, and neither the City nor the Bond Registrar will provide any notice of redemption to any Beneficial Owners. Thereafter (if the Bonds are no

longer held in book-entry form), notice of redemption shall be given in the manner hereinafter provided. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption (which redemption may be conditioned by the Bond Registrar on the receipt of sufficient funds for redemption or otherwise) shall be given by the Bond Registrar on behalf of the City by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state: (A) the redemption date, (B) the redemption price, (C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (D) any conditions to redemption, (E) that (unless such notice is conditional) on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and (F) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated office of the Bond Registrar.

On or prior to any redemption date, unless any condition to such redemption has not been satisfied or waived or notice of such redemption has been rescinded, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

The City retains the right to rescind any redemption notice and the related optional redemption of Bonds by giving notice of rescission to the affected Registered Owners at any time on or prior to the scheduled redemption date. Any notice of optional redemption that is so rescinded shall be of no effect, and the Bonds for which the notice of optional redemption has been rescinded shall remain outstanding.

(2) Effect of Notice; Bonds Due. If an unconditional notice of redemption has been given and not rescinded, or if the conditions set forth in a conditional notice of redemption have been satisfied or waived, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and, if the Bond Registrar then holds sufficient funds to pay such Bonds at the redemption price, then from and after such date such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Bonds which have been redeemed shall be canceled by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice shall be given by the City as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of such Bonds as

originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the series and maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 20 days before the redemption date to each party entitled to receive notice pursuant to the Continuing Disclosure Certificate and with such additional information as the City shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Form of Bonds. The Bonds of each series shall be in substantially the form set forth in Exhibit A, which is incorporated herein by this reference, with such changes thereto as may be approved by a Designated Representative.

Section 6. Execution of Bonds. The Bonds of each series shall be executed on behalf of the City with the manual or facsimile signatures of the Mayor and the City Clerk and the seal of the City shall be impressed, imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form set forth in Exhibit A, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the City before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City, such Bond may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City as though those who signed the same had continued to be such officers of the City. Any Bond may be signed and attested on behalf of the City by such persons who at the date of the actual execution of such Bond, are the proper officers of the City, although at the original date of such Bond any such person shall not have been such officer of the City.

Section 7. Application of Bond Proceeds; Project Fund. The Finance Director is hereby authorized to create a fund or account (the "Project Fund"), and subaccounts therein as necessary, for the purposes set forth in this section. Proceeds of the Bonds, net of any Underwriter's discount and fees, shall be deposited in the Project Fund in the amounts specified in the closing memorandum prepared in connection with the issuance of the Bonds. Such proceeds shall be used to pay and/or reimburse the City for the costs of the Project and, unless otherwise provided by the City, to pay costs of issuance of the Bonds.

The Finance Director shall invest money in the Project Fund and the subaccounts contained therein in such obligations as may now or hereafter be permitted by law to cities of the

State and which will mature prior to the date on which such money shall be needed, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value. Any remaining Bond proceeds (including interest earnings thereon) may be used for other capital projects of the City or shall be transferred to the Debt Service Fund for the applicable series of Bonds.

Section 8. Tax Covenants. The City will take all actions necessary to assure the exclusion of interest on any Tax-Exempt Bonds from the gross income of the owners of such Tax-Exempt Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of such Tax-Exempt Bonds, including but not limited to the following:

(a) *Private Activity Bond Limitation.* The City will assure that the proceeds of the Tax-Exempt Bonds are not so used as to cause the Tax-Exempt Bonds to satisfy the private business tests of Section 141(b) of the Code or the private loan financing test of Section 141(c) of the Code.

(b) *Limitations on Disposition of Improvements.* The City will not sell or otherwise transfer or dispose of (i) any personal property components of the projects financed with proceeds of Tax-Exempt Bonds other than in the ordinary course of an established government program under Treasury Regulation § 1.141-2(d)(4) or (ii) any real property components of the projects financed with proceeds of Tax-Exempt Bonds, unless it has received an opinion of Bond Counsel to the effect that such disposition will not adversely affect the treatment of interest on the Tax-Exempt Bonds as excludable from gross income for federal income tax purposes.

(c) *Federal Guarantee Prohibition.* The City will not take any action or permit or suffer any action to be taken if the result of such action would be to cause any of the Tax-Exempt Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(d) *Rebate Requirement.* The City will take any and all actions necessary to assure compliance with Section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Tax-Exempt Bonds.

(e) *No Arbitrage.* The City will not take, or permit or suffer to be taken, any action with respect to the proceeds of the Tax-Exempt Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Tax-Exempt Bonds would have caused the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(f) *Registration Covenant.* The City will maintain a system for recording the ownership of each Tax-Exempt Bond that complies with the provisions of Section 149 of the Code until all Tax-Exempt Bonds have been surrendered and canceled.

(g) *Record Retention.* The City will retain its records of all accounting and monitoring it carries out with respect to the Tax-Exempt Bonds for at least three years after the Tax-Exempt Bonds mature or are redeemed (whichever is earlier); however, if the Tax-Exempt Bonds are redeemed and refunded, the City will retain its records of accounting and monitoring

at least three years after the earlier of the maturity or redemption of the obligations that refunded the Tax-Exempt Bonds.

(h) *Compliance with Federal Tax Certificate.* The City will comply with the provisions of the Federal Tax Certificate with respect to a series of Tax-Exempt Bonds, which are incorporated herein as if fully set forth herein. In the event of any conflict between this Section and the Federal Tax Certificate, the provisions of the Federal Tax Certificate will prevail.

The covenants of this Section will survive payment in full or defeasance of the Tax-Exempt Bonds.

Section 9. Debt Service Fund; Pledge of Funds; General Obligation. The City hereby authorizes the creation of one or more funds, and accounts held therein, to be used for the payment of debt service on each series of Bonds, designated as the “Limited Tax General Obligation Bond Debt Service Fund” or other such designation selected by the City (the “Debt Service Fund”). No later than the date each payment of principal of or interest on the Bonds becomes due, the City shall transmit sufficient funds, from the Debt Service Fund or from other legally available sources, to the Bond Registrar for the payment of such principal or interest. Money in the Debt Service Fund may be invested in legal investments for City funds, but only to the extent that the same are acquired, valued and disposed of at Fair Market Value. Any interest or profit from the investment of such money shall be deposited in the Debt Service Fund.

The City hereby irrevocably covenants and agrees for as long as the Bonds are outstanding and unpaid that each year it will include in its budget and levy an *ad valorem* tax upon all the property within the City subject to taxation in an amount that will be sufficient, together with real estate excise tax revenue and other revenues and money of the City legally available for such purposes, to pay the principal of and interest on the Bonds when due.

The City hereby irrevocably pledges that the annual tax provided for herein to be levied for the payment of such principal and interest shall be within and as a part of the tax levy permitted to cities without a vote of the people, and that a sufficient portion of each annual levy to be levied and collected by the City prior to the full payment of the principal of and interest on the Bonds will be and is hereby irrevocably set aside, pledged and appropriated for the payment of the principal of and interest on the Bonds. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of said taxes and for the prompt payment of the principal of and interest on the Bonds when due.

Section 10. Sale of Bonds.

(a) *Bond Sale.* The Council has determined that it would be in the best interest of the City to delegate to the Designated Representatives for a limited time the authority to authorize the Bonds to be issued in one or more series, to designate each series of Bonds as Tax-Exempt or Taxable Bonds, and to approve the method of sale, the interest rates, maturity dates, redemption terms and principal maturities for each series of Bonds. The Designated Representatives are each hereby authorized to approve the issuance, from time to time, on a single date or on multiple dates to be determined to be in the best interest of the City, of one or more series of

Bonds and to approve a competitive bond sale or a negotiated bond sale for each series of Bonds, as set forth below.

(b) *Negotiated Bond Sale.* If a Designated Representative determines that one or more series of Bonds are to be sold by negotiated public sale, a Designated Representative shall select one or more Underwriters that a Designated Representative determines to be in the best interest of the City. Such Bonds shall be sold to the Underwriter(s) pursuant to the terms of a Bond Purchase Contract.

(c) *Competitive Sale.* If a Designated Representative determines that one or more series of Bonds are to be sold at a competitive public sale, a Designated Representative shall: (1) establish the date of the public sale; (2) establish the criteria by which the successful bidder will be determined; (3) request that a good faith deposit in an amount not less than one percent of the principal amount of the offering accompany each bid; (4) cause notice of the public sale to be given; and (5) provide for such other matters pertaining to the public sale as a Designated Representative deems necessary or desirable. Such Bonds shall be sold to the Underwriter pursuant to the terms of a Certificate of Award.

(d) *Sale Parameters.* Subject to the terms and conditions set forth in this Section 10, each Designated Representative is hereby authorized to approve the method of sale and the final interest rates, aggregate principal amount, principal maturities, and redemption rights for any series of the Bonds in the manner provided hereafter so long as:

(1) the aggregate principal (face) amount of all Bonds issued pursuant to this ordinance does not exceed \$21,000,000,

(2) the final maturity date for the Bonds issued under this ordinance is no later than December 1, 2041,

(3) the true interest cost for the Bonds of a series (in the aggregate) does not exceed 3.00%, and

(4) the aggregate purchase price for the Bonds of a series shall not be less than 98% or more than 135%.

Subject to the terms and conditions set forth in this section, each Designated Representative is hereby authorized to execute one or more Sale Documents on behalf of the City.

Following the execution of a Sale Document, a Designated Representative shall provide a report to the Council describing the final terms of the Bonds approved pursuant to the authority delegated in this section. The authority granted to the Designated Representatives by this Section 10 to execute any Sale Document shall expire one year (365 days) after the effective date of this ordinance. If a Sale Document for the Bonds has not been executed by such date, the authorization for the issuance of such Bonds shall be rescinded, and such Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by ordinance of the Council. The ordinance re-authorizing the issuance and sale of such Bonds may be in the

form of a new ordinance repealing this ordinance in whole or in part or may be in the form of an amendatory ordinance approving a Sale Document or establishing terms and conditions for the authority delegated under this Section 10.

(e) *Delivery of Bonds; Documentation.* The proper officials of the City, including the Finance Director, the Mayor and the City Clerk, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the applicable Underwriter and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the applicable Sale Document. Such documents may include, but are not limited to, documents related to a municipal bond insurance policy delivered by an insurer to insure the payment when due of the principal of and interest on all or a portion of the Bonds as provided therein, if such insurance is determined by a Designated Representative to be in the best interest of the City.

(f) *Preliminary and Final Official Statements.* Each Designated Representative is hereby authorized to deem final the preliminary Official Statement(s) relating to a series of Bonds for the purposes of the Rule. Each Designated Representative is further authorized to approve for purposes of the Rule, on behalf of the City, the final Official Statement(s) relating to the issuance and sale of a series of Bonds and the distribution of the final Official Statement pursuant thereto with such changes, if any, as may be deemed to be appropriate.

Section 11. Undertaking to Provide Ongoing Disclosure. The City covenants to execute and deliver at the time of Closing of a series of Bonds a Continuing Disclosure Certificate consistent with the Rule. Each Designated Representative is hereby authorized to execute and deliver a Continuing Disclosure Certificate upon the issuance, delivery and sale of each series of the Bonds with such terms and provisions as such officer shall deem appropriate and in the best interest of the City.

Section 12. Defeasance. In the event that money and/or noncallable Government Obligations, maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the City to effect such redemption and retirement, and such money and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Debt Service Fund for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this ordinance except the right to receive the money so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder. The City shall give or cause to be given written notice of defeasance in accordance with the Continuing Disclosure Certificate.

Section 13. Lost, Stolen or Destroyed Bonds. In case any Bond or Bonds are lost, stolen or destroyed, the Bond Registrar may execute and deliver a new Bond or Bonds of like series, date, number and tenor to the Registered Owner thereof upon the Registered Owner's paying the expenses and charges of the City and the Bond Registrar in connection therewith and upon such Registered Owner's filing with the City (a) evidence satisfactory to the City that such Bond was actually lost, stolen or destroyed, (b) evidence of such Registered Owner's ownership

of such Bond or Bonds, and (c) upon furnishing the City and/or the Bond Registrar with indemnity satisfactory to the City and/or the Bond Registrar.

Section 14. Severability; Ratification. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 15. Corrections by Clerk. Upon approval of the City Attorney and Bond Counsel, the City Clerk is hereby authorized to make necessary corrections to this ordinance, including but not limited to the correction of clerical errors; references to other local, state or federal laws, codes, rules or regulations; ordinance numbering and section/subsection numbering; and other similar necessary corrections.

Section 16. Effective Date of Ordinance. This ordinance shall be effective 15 days after its final passage.

PASSED by the City Council of the City of Bellingham, Washington, at a regular meeting of the City Council held on May 24, 2021.

By _____
Council President

APPROVED by me this 24th day of May, 2021.

By _____
Mayor

ATTEST

Finance Director

APPROVED AS TO FORM

Office of City Attorney

EXHIBIT A

FORM OF BOND

[DTC LANGUAGE]

UNITED STATES OF AMERICA

NO. _____ \$ _____

STATE OF WASHINGTON
CITY OF BELLINGHAM

LIMITED TAX GENERAL OBLIGATION BOND, 2021[___] [(TAX-EXEMPT/TAXABLE)]

INTEREST RATE: % MATURITY DATE: CUSIP NO.:
REGISTERED OWNER: CEDE & Co.
PRINCIPAL AMOUNT: _____ NO/100 DOLLARS

The City of Bellingham, Washington (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from _____, 20__, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on _____ 1, 20__, and semiannually thereafter on the first days of each succeeding _____ and _____. Both principal of and interest on this bond are payable in lawful money of the United States of America. The fiscal agent of the State of Washington has been appointed by the City as the authenticating agent, paying agent and registrar for the bonds of this issue (the “Bond Registrar”). For so long as the bonds of this issue are held in fully immobilized form, payments of principal thereof and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company (“DTC”) referred to in the Blanket Issuer Letter of Representations (the “Letter of Representations”) from the City to DTC.

The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and Ordinance No. _____ duly passed by the City Council on May 24, 2021 (the “Bond Ordinance”). Capitalized terms used in this bond have the meanings given such terms in the Bond Ordinance.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Ordinance until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar or its duly designated agent.

This bond is one of an authorized issue of bonds of like series, date, tenor, rate of interest and date of maturity, except as to number and amount in the aggregate principal amount of \$ _____ and is issued pursuant to the Bond Ordinance to provide a portion of the funds necessary (a) to acquire, design, construct, develop, improve, equip and furnish City facilities, and (b) to pay costs of issuance of the Bonds.

The City hereby irrevocably covenants and agrees with the owner of this bond that it will include in its annual budget and levy taxes annually, within and as a part of the tax levy permitted to the City without a vote of the electorate, upon all the property subject to taxation in amounts sufficient, together with real estate excise tax revenue and other revenues and money legally available therefor, to pay the principal of and interest on this bond as the same shall become due on and after such date. The full faith, credit and resources of the City are hereby irrevocably pledged for the annual levy and collection of such taxes and the prompt payment of such principal and interest.

The pledge of tax levies for payment of principal of and interest on the bonds may be discharged prior to maturity of the bonds by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist and to have happened, been done and performed precedent to and in the issuance of this bond exist and have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City may incur.

IN WITNESS WHEREOF, the City of Bellingham, Washington, has caused this bond to be executed by the manual or facsimile signatures of the Mayor and the City Clerk and the seal of the City imprinted, impressed or otherwise reproduced hereon as of this ____ day of _____, 2021.

[SEAL]

CITY OF BELLINGHAM, WASHINGTON

By _____ /s/ _____
Mayor

ATTEST:

/s/
City Clerk

The Bond Registrar's Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Bond Ordinance and is of the Limited Tax General Obligation Bonds, 2021[___][(Taxable/Tax-Exempt)], of the City of Bellingham, Washington, dated _____, 2021.

WASHINGTON STATE FISCAL AGENT, as
Bond Registrar

By _____

CERTIFICATE

I, the undersigned, City Clerk of the City of Bellingham, Washington, DO HEREBY CERTIFY:

1. That the attached is a true and correct copy of Ordinance No. [2021-__-___] (the “Ordinance”) of the City, duly passed at a regular meeting of the City Council (the “Council”) of the City held on May 24, 2021.

2. That said meeting was duly convened and held in all respects in accordance with law, including but not limited to Washington State Governor Inslee’s emergency proclamation No. 20-28 issued on March 24, 2020, as amended and supplemented, temporarily suspending portions of the Open Public Meetings Act (chapter 42.30 RCW), and due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Council voted in the proper manner for the passage of said Ordinance; that all other requirements and proceedings incident to the proper passage of said Ordinance have been fully fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of May, 2021.

City Clerk



City Council Agenda Bill

22986

Bill Number

Subject: **Legislative Session Update**

Summary Statement: Representatives Alex Ramel and Sharon Shewmake will provide a 2021 Legislative Session update. Rep. Ramel represents the 40th District and Rep. Shewmake represents the 42nd District and each will discuss legislative bills and their work on behalf of the residents of their respective districts.

Previous Council Action: **Approval of Legislative Objectives, 11/23/2020**

Fiscal Impact: **N/A**

Funding Source: **N/A**

Attachments: 1. 2021 LEGISLATIVE OBJECTIVES

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Information Only	5/10/2021	Information/Discussion	Rep. Alex Ramel and Rep. Sharon Shewmake	15 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Brian Heinrich, Exec, x8117

Council Action:

Reviewed By	Department	Date
<i>Brian M. Heinrich</i>	Executive	5/04/2021
<i>Alan A. Marriner</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

2021 LEGISLATIVE OBJECTIVES

City of Bellingham - Port of Bellingham - Whatcom County

The joint legislative agenda outlines and defines the shared objectives of the three entities and the commitment to work cooperatively with the Legislature, to strengthen the partnership between state and local governments, and to ensure that we have the full resources to implement the policies and goals as adopted by the State of Washington.

- **COVID-19 Relief**
 - Provide funding to adequately respond to ongoing Covid-19 pandemic emergency response
 - Support local government flexibility in utilizing emergency funds to assist those adversely impacted
- **Capital Budget Priorities**
 - Preserve MTCA funding for environmental cleanup projects and brownfield redevelopment efforts
 - Increase funding for countywide broadband infrastructure
 - Support funding of the Whatcom County Integrated Public Safety Radio System for law enforcement and Fire/EMS agencies in the City of Bellingham and Whatcom County while providing interoperable communication to Skagit County
- **Transportation Budget Priorities**
 - Advocate for new transportation funding
 - Support the 2015 Connecting Washington transportation projects slated to receive future state funds
 - Increase state funding to remove fish passage barriers
- **Clean Energy**
 - Continued fiscal and policy support for energy efficiency and clean energy transition and development
- **Housing Affordability**
 - Advocate for policies and funding that increase housing affordability measures
- **Fiscal Sustainability**
 - Protect and enhance local revenue sharing options
 - Preserve shared tax revenue for local governments
- **Criminal Justice and Social Services Funding**
 - Support funding for criminal and civil justice assistance and alternatives
 - Increase funding for behavioral health services
- **Water Resources**
 - Support a WRIA 1 water settlement process which meets the needs of current and future human generations and supports healthy and harvestable fish populations





City Council Agenda Bill

22987

Bill Number

Subject: **Mental Health Court Presentation**

Summary Statement: Commissioner Pete Smiley will give a presentation on the City's Mental Health Court, a diversionary therapeutic court that began in 2015.

Previous Council Action: **Adoption of the 2021-2022 Biennial Budget**

Fiscal Impact: **\$31,696.00 Annually**

Funding Source: **General Fund**

- Attachments:
- 1. MEMORANDUM
 - 2. POWERPOINT PRESENTATION

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Information Only	5/10/2021	Information/Discussion	Commissioner Pete Smiley/Darlene L. Peterson	50 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Darlene L. Peterson

Council Action:

Reviewed By	Department	Date
<i>Darlene L. Peterson</i>	Municipal Court	4/01/2021
<i>Darlene L. Peterson</i>	Municipal Court	4/01/2021
<i>James E. Erb</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



City of Bellingham
210 Lottie Street
Bellingham, WA 98225

MEMORANDUM

TO: CITY COUNCIL
FROM: DARLENE L. PETERSON
CC: BRIAN HEINRICH
SUBJECT: MENTAL HEALTH COURT PRESENTATION
DATE: APRIL 26, 2021

Commissioner Pete Smiley will give a presentation on the City's Mental Health Court, a diversionary therapeutic court that began in 2015.



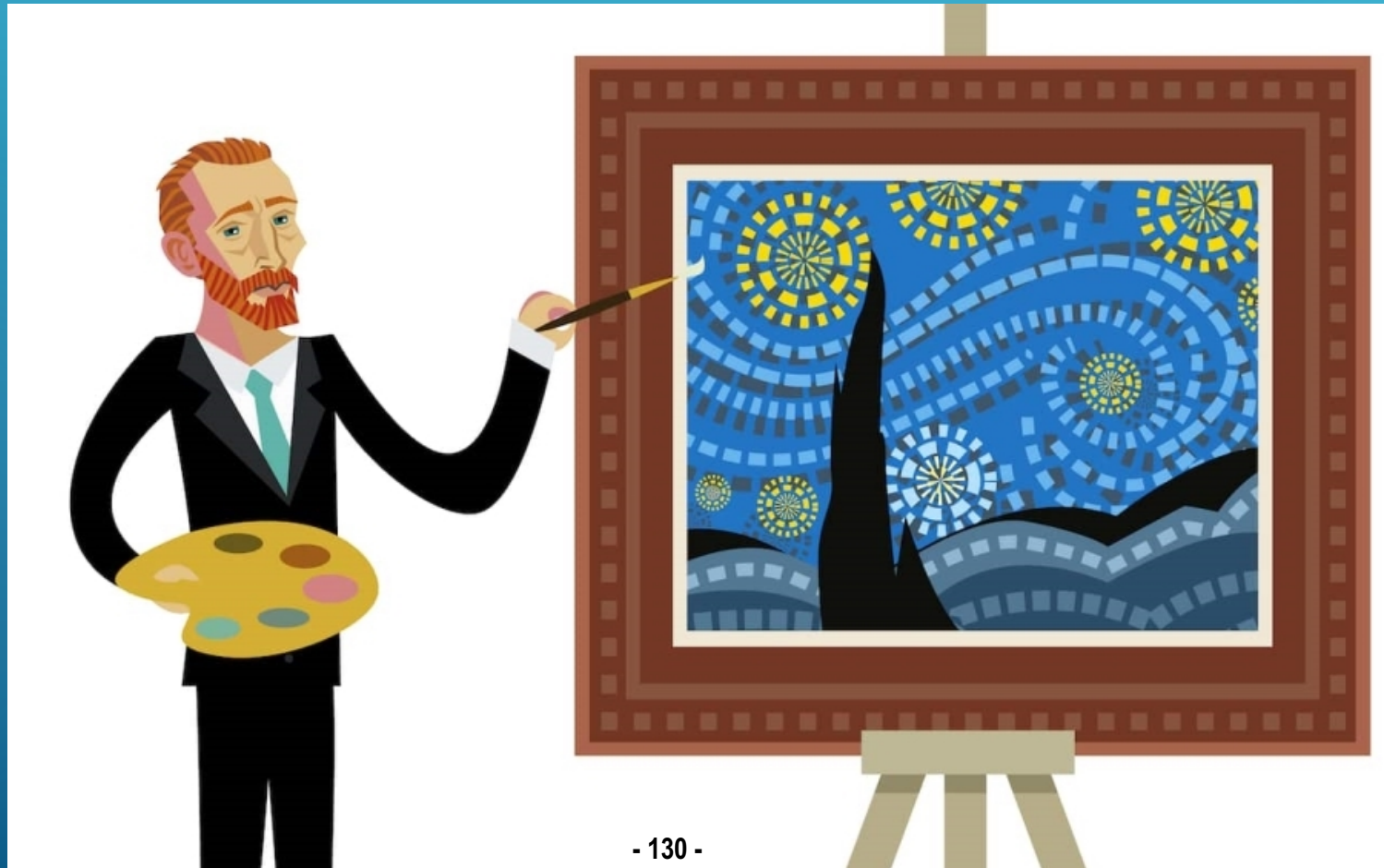
MENTAL HEALTH COURT UPDATE 2021

By Commissioner Pete Smiley



Bellingham Municipal Court
Judge Debra Lev, Presiding

THE BIG PICTURE



THE BIG PICTURE: BACKGROUND

- Mental Health Court (MHC) was jointly developed by COB and Whatcom County 2010-2015.
- Supported and endorsed by all 3 branches of COB and Whatcom County government.
- Funded by County mental health sales tax and COB.
- BMC and Whatcom County District Court both operate separate MHCs with shared resources.
- MHC is a “therapeutic court,” like drug court or veterans court, started in 2015.

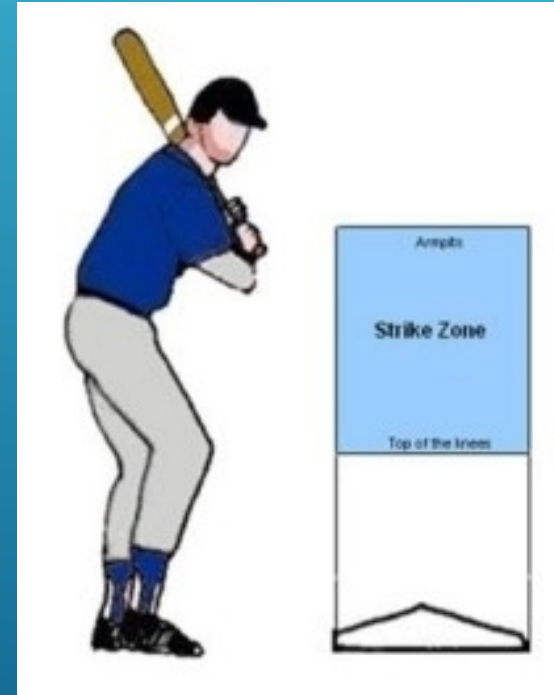
THE BIG PICTURE: PRE-CONVICTION

- Pre-trial Release with/without Supervision
- SCRAM Alcohol Monitoring
- GPS Home Detention
- Active GPS Monitoring
- Diversions
- Deferred Prosecution
- Plea Agreements Conditioned on Treatment/Services
- MENTAL HEALTH COURT

THE BIG PICTURE: POST-CONVICTION

- Probation: Domestic Violence, Alcohol/Drug, Anger Management, and Mental Health Treatment
- Community Service in Lieu of Jail
- In-patient Treatment in Lieu of Jail
- Home Detention
- SCRAM
- Active GPS Monitoring
- Deferred Sentences
- Compliance Reviews
- Whatcom County Jail Alternatives: Work Crew/Release

ELIGIBILITY & SCREENING



ELIGIBILITY

- Criminal charges in Bellingham Municipal Court
- Legally “competent”
- “Serious and persistent mental illness”
- Criminogenic factors (focus on difficult cases)
- Agreed by defendant, defense counsel, prosecutor, program manager and judicial officer

SCREENING & ADMISSION

- Agreed “Order for Screening...”
- Program Manager interviews applicant
- Program Manager reviews records
- Program Manager makes recommendation
- Attorneys prepare “Stipulated Order of Continuance”
- Judicial officer reviews SOC with Defendant

If approved, Defendant becomes “member” of MHC

THE “WELLNESS CALENDAR”



WELLNESS CALENDAR COMPONENTS

- Bi-weekly court calendar
- Multi-disciplinary treatment team meets first
- Reports from treatment providers, probation, others
- “Wraparound care” – Treat the whole person
- Rewards and sanctions (mostly rewards)
- Progress through 5 phases of treatment
- Outcomes: Graduate, complete or revoke

MEMBERSHIP & SERVICES

- 36 Admitted: 13 graduates, 9 revoked, 7 active, 6 completed, 1 deceased; includes 1 re-admission.
- Very Diverse: Different ages, races, employment, wealth, housing, health, gender/sexual orientation
- Treating the “whole person” includes: Mental health, substance abuse, housing, relationships, employment, education, disabilities, family issues, death of parents, personality disorders, children, social security, physical illness, pregnancy, driver’s licenses, smoking, etc.

TREATMENT TEAM

Program Manager

Judicial Officer

Specialized Probation Officer

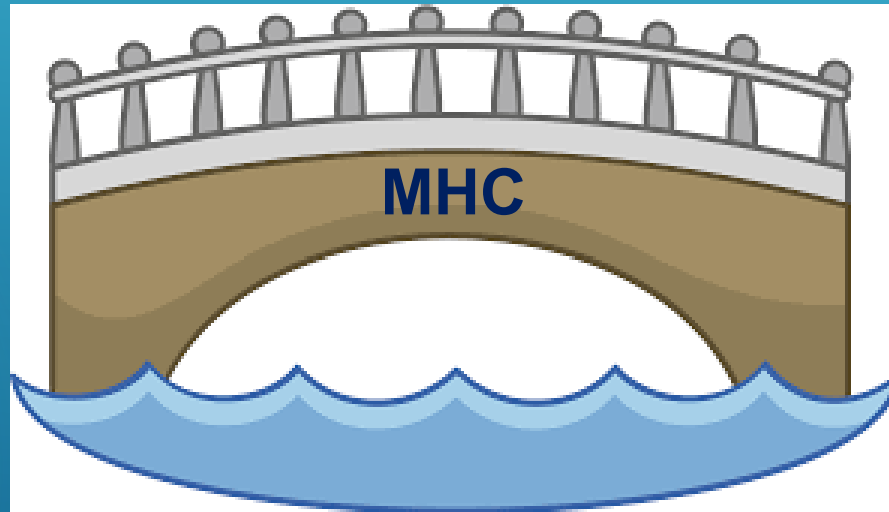
Prosecutor

Defense Counsel

Case Manager



MHC: THE BRIDGE



ACCOUNTABILITY: REWARDS/SANCTIONS

- Decided by consensus at treatment team meeting
- Applause and privileges
- “All-star” status
- “Punches” and reward cards
- Promotions after phase completion
- Graduation after 5 phases completed, dismiss case
- Sanctions: Community service, adjust treatment or monitoring, delay promotions, SCRAM, home detention, jail alternatives or jail (last resort).



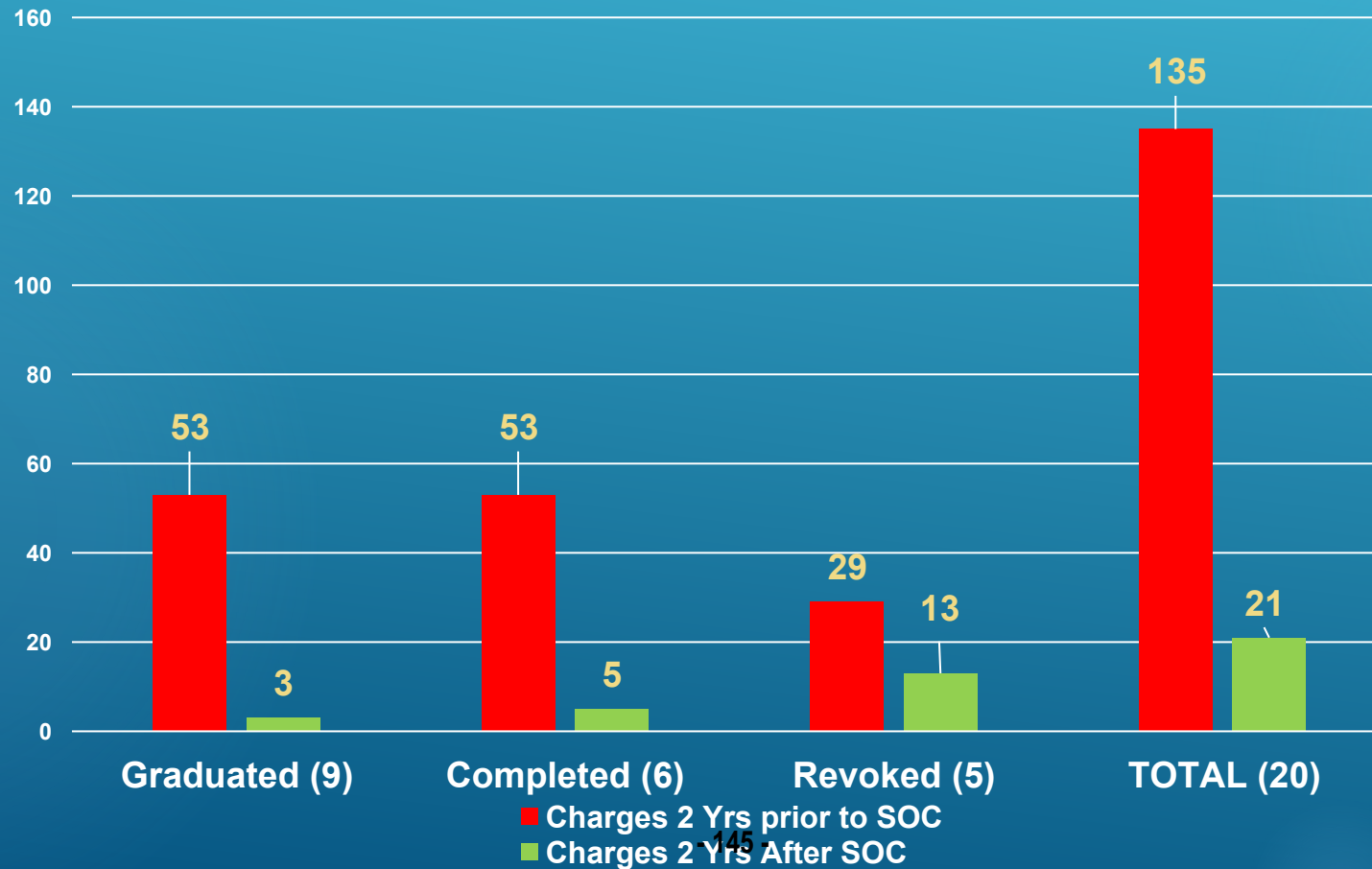
THE RESULTS



DATA LIMITATIONS

- Of 36 admissions to MHC, only 20 could be studied for long-term(2 year) recidivism results
- Not included: Current members, members admitted to MHC less than 2 years ago, members who never showed up, and deceased
- Data set complete as of December 31, 2020
- Small but growing sample size
- Longer-term results (5 years) and larger sample size will be possible in several years

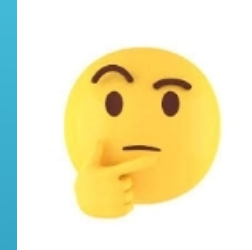
CRIME REDUCTION



RESULTS: BY THE NUMBERS

- Goal:
 - King County MHC: 77% Crime Reduction
(graduates only, 5 yr.)
- Results for Bellingham MHC (2 yr.):
 - Graduates: 94.3% Crime Reduction
 - Completed: 91.6% Crime Reduction
 - Revoked: 55.2% Crime Reduction
 - Overall: 84.4% Crime Reduction

LESSONS LEARNED



- MHC benefits members and public safety
- Therapeutic courts work for tough cases
- Services + Accountability = Success
- Treat the “whole person”
- Courts can solve problems without sacrificing fairness or public safety, with the right tools.

QUESTIONS???

Commissioner Pete Smiley

Thanks to:

Debra Lev, Presiding Judge

Darlene Peterson, Court Administrator

Katherine Smith, Jail Alternatives & and Diversion Mgr.

Nicole Wyman, Court Process Specialist

Perry Mowrey, Interim Program Manager, MHC



City Council Agenda Bill

22596

Bill Number

Subject: **An Ordinance to Reduce Single-Use Plastic Waste in Bellingham and to Encourage Compostable or Reusable Alternatives**

Summary Statement: There is a growing awareness of problems caused by large quantities of non-reusable and non-recyclable plastic in municipal waste streams and in terrestrial and marine environments. While plastic has many legitimate uses, particularly for durable products, its durability and longevity causes problems when it is used only once or a few times and then discarded. Issues include litter, environmental pollution, and threats to the health of birds and aquatic mammals. Single use plastic products also make up a large proportion of the municipal solid waste stream and many single use products are not effectively recycled. Council will consider passing an ordinance to reduce single use plastic waste in Bellingham.

Previous Council Action: **Ordinance introduced March 9, 2020**

Fiscal Impact: **Undetermined. Will require additional staff resources for education and enforcement.**

Funding Source: **Environmental Remedial Fund**

- Attachments:
- 1. STAFF MEMO - SINGLE USE PLASTICS
 - 2. ORDINANCE - SINGLE USE PLASTICS

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	5/10/2021	Vote to Approve	Mark Gardner, Legislative Analyst	10 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Mark Gardner, 778-8204

Council Action:

Reviewed By	Department	Date
<i>Mark J. Gardner</i>	Council Administration	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/05/2021
<i>Seth M. Fleetwood</i>	Executive	5/05/2021



Bellingham City Council

MEMORANDUM

To: Bellingham City Council
CC: Mayor Seth Fleetwood; Alan Mariner; Matt Stamps; Eric Johnston
From: Mark Gardner, Council Legislative Analyst
Re.: Draft ordinance to reduce single use plastic
Date: May 5, 2021

Single Use Plastics Ordinance Background. On March 9, 2020, the Bellingham City Council discussed an ordinance to reduce single use plastic products in food service and lodging establishments. Subsequent to that introduction, further consideration of the ordinance was put on hold as a result of the Coronavirus emergency and the many challenges it posed to businesses. In 2021, the City of Bellingham Public Works department made a series of presentations before Council documenting increasing challenges to the City's solid waste management system, including the collapse of many recycling markets. Managing waste requires a vigorous and sustained shift to emphasizing reuse, and where reuse is not possible, the substitution of compostables for plastic products whenever feasible.

Also in 2021, the state legislature passed SSB 5022, mandating increased recycled content, and prohibiting the sale and distribution of certain expanded polystyrene products (commonly known as Styrofoam) such as clam shell "to-go" containers and beverage cups, starting on June 1, 2024. The bill would also restrict the provision of single use food service products to only those customers who request them, starting January 1, 2022. While generally beneficial, this bill, if signed into law, would preempt cities from regulating expanded polystyrene. However, local ordinances introduced by April 1, 2021 and enacted by June 1, 2021 are exempt from this preemption. By passing the proposed ordinance now, the City's ban on single-use plastic food service items, which would take effect July 31, 2022, can include expanded polystyrene products, which otherwise won't be prohibited at the state level until mid-2024.

Content of the attached ordinance. The attached ordinance contains the following set of provisions.

- **Restrictions on single use plastic.** Starting July 31, 2022, most types of single use plastic food service products (plates, utensils, bowls, etc.) are no longer allowed.
- **Durable products for dine-in eating.** Effective July 31, 2022, dine-in establishments are required to provide durable dishes and utensils if food is to be eaten on the premises.

- **Single use hotel products.** Effective July 31, 2022, the ordinance prohibits the distribution of certain single use personal care products such as shampoo and soap.
- **Exemptions:**
 - **Prepackaged food service items.** Products packaged elsewhere that are sold or distributed at food service establishments are generally exempt from regulations, with the exception of specified items (e.g. packaged condiments).
 - **Exemptions from the required use of durable dishes for on-site dining.** An exemption may be allowed if a hardship can be demonstrated.
 - **Exemptions for items needed for disability accommodation.** Because some plastic items are currently required to meet the needs of persons with a disability, plastic straws at restaurants, and some single use personal care items at lodging establishments, are to be made available upon request.
 - **Temporary exemptions for certain repackaging materials.** Certain plastic items used to repackage food items for retail sale are exempt until January 1, 2023. This exemption can be extended if suitable substitute items are not available.
- **Education and enforcement.** The City is required to provide, in cooperation with community groups, education and assistance to businesses to help them comply with the ordinance. Education is to be prioritized over enforcement. Businesses out of compliance may receive a letter noting that they are in violation. Repeat violators may be subject to fines. Staffing and resources for education and enforcement have not yet been identified or funded.

Major Changes from the 2020 ordinance. The current ordinance eliminates provisions in the 2020 draft that food service establishments provide single-use items (including compostables) only upon customer request, since the recently passed state bill, SSB 5022, has similar provisions. Effective dates are also generally extended, taking effect either in 2022 or 2023.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON TO REDUCE SINGLE-USE PLASTIC WASTE IN BELLINGHAM AND TO ENCOURAGE COMPOSTABLE OR REUSEABLE ALTERNATIVES

WHEREAS, the worldwide production of plastics (both resins and fibers) increased from 2 million metric tons in 1950 to 380 million metric tons in 2015, an annual growth rate of 8.4%, and the use of plastic has increased about two and a half times faster than global gross domestic product annually; and

WHEREAS, researchers have found that most plastic breaks down into very small fragments in the environment, called microplastics, which contaminate soil and water, and may even become airborne; and

WHEREAS, annual plastics pollution reaching the ocean has been estimated to range from 5 to 13 million tons annually; and

WHEREAS, microplastics that enter the marine environment are consumed by fish, marine mammals, birds, and other organisms, where they may pose a particular burden for endangered species such as salmon and southern resident orcas; and

WHEREAS, microplastics may also have human health implications as they have been detected in beverages and food products; and

WHEREAS, many types of single use plastic are in limited demand in the recycling market, and restaurant and food service plastic is a particular problem because plastic used for food consumption is often contaminated, making it not recyclable; and

WHEREAS, even where a market for recycling exists, plastic is often shipped to countries with few environmental rules, and much of the plastic turns out to not actually be recycled and often ends up in bodies of water or burned in unregulated incinerators that pollute the air and soil and represent an extreme hazard to human and wildlife health; and

WHEREAS, only 9% of the plastic produced to date in the U.S. has been recycled and annual recycling rates in the U.S. have stagnated at around 9% since 2012; and

WHEREAS, single use plastic, including food service items such as utensils, straws, cups, plates, food containers, and wrappers all frequently end up as litter and often end up polluting our marine environment; and

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

WHEREAS, hotels and other lodging establishments also contribute substantially to the single use plastic waste stream with small plastic products that are used once or a few times and then discarded; and

WHEREAS, single-use plastic food service products also contaminate our recycling and compost systems, which reduces the cost-effectiveness of recyclable commodities and jeopardizes the quality of our compost; and

WHEREAS, there are many alternatives to single use plastic service products available, many of which are equivalent or even superior substitutes for single use items; and

WHEREAS, some single-use plastic products, including plastic straws and small bottles for personal care products, need to be available upon request as a reasonable accommodation to ensure equity, inclusivity, and sustainability for those who need them; and

WHEREAS, some alternatives to single-use plastics are not adequate for some people's access needs, and access needs should be accommodated in a manner that is not stigmatizing; and

WHEREAS, each county in the state is required by RCW 70.95.080 to prepare a Comprehensive Solid and Hazardous Waste Management Plan, and

WHEREAS, incorporated cities in the county, including Bellingham, Blaine, Everson, Ferndale, Lynden, Nooksack, and Sumas are participants in the County's solid waste management planning, and these jurisdictions have worked with the County to manage solid waste-related needs since the 1970s and entered into formal inter-local agreements regarding solid waste management in 1989; and

WHEREAS, Whatcom County's Solid Waste Management Plan states that "The first step in the waste management hierarchy is reducing waste generated", and a priority for waste reduction is also established in state law under RCW 70.95.010(8)(a); and

WHEREAS, costs associated with the use and disposal of single use plastic food service products create a burden on the City's solid waste disposal system and clog stormwater drains; and

WHEREAS, reduction in demand and price for recyclable products raises the cost of solid waste management in Bellingham and places an increasing financial burden on the City's residents; and

WHEREAS, reuse, and the substitution of compostables where this is not possible, is a key and essential element in Bellingham's solid waste management strategy going forward; and

WHEREAS, in light of the need to protect our sensitive marine environments, and with a desire to lead a transition to more environmentally sustainable alternatives, it is the intent of

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

the Bellingham City Council to reduce the use of single-use plastic products, and to take other steps to reduce waste from single-use products; and

WHEREAS, it is the City's intent to provide education to consumers and businesses around the requirements of this ordinance, and on the need for and utility of single use plastic reduction, and to encourage the use of alternatives, such as compostable and reusable food service products or refillable containers for personal care products; and

WHEREAS, it is the City's intent to implement, with community partners, a significant education and outreach effort that is suitable for small business owners and diverse ethnic populations, including language-appropriate materials, targeted outreach, and distribution of culturally appropriate materials; and

WHEREAS, the Bellingham City Council finds that a reduction in single-use plastic products is in the best interest of public health, safety, and welfare for the citizens of Bellingham and the environment.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

Section 1. Definitions

"Compostable" means a product that meets the requirements of RCW 70.360.040, as amended.

"City" means the City of Bellingham, Washington.

"Director" means the City's public works director.

"Food service businesses" means a business selling or providing food for consumption on or off the premises, and includes full-service restaurants, fast food restaurants, cafes, delicatessens, coffee shops, grocery stores, vending trucks or carts, home delivery services, delivery services provided through an online application, and business or institutional cafeterias.

"Food service product" means a product intended for one-time use and used for food or drink offered for sale or use. Food service products include, but are not limited to, containers, plates, bowls, cups, lids, beverage containers, meat trays, deli rounds, utensils, sachets, straws, condiment packaging, clamshells and other hinged or lidded containers, wrap, and portion cups.

"Plastic" means any of numerous organic synthetic or processed materials derived from petroleum that are mostly thermoplastic or thermosetting polymers of high molecular weight and that can be made into objects, films, or filaments, including, but not limited to, extruded polystyrene and expanded polystyrene.

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"Plastic food service product" means a food service product that is composed of plastic; or foil, fiber or paper with a plastic coating, window, component, or additive.

"Personal care product" means a product intended to be applied to or used on the human body in the shower, bath, or for personal cleanliness or grooming and shall include only shampoo, lotion, hair conditioner, and soap.

"Prepackaged food" means food service products that have been filled with food and sealed by a separate food service business or food manufacturer prior to receipt by the point of sale retail establishment. "Prepackaged food" includes a utensil, straw, or other item physically attached for purposes of retail sale to a food service product prior to receipt by the point of sale retail establishment.

"Retail establishment" means any person, corporation, partnership, business, facility, vendor, organization, or individual that sells or provides merchandise, goods, or materials directly to a customer, including to a food service business. "Retail establishment" includes, but is not limited to, food service businesses, grocery stores, department stores, hardware stores, home or business delivery services, pharmacies, liquor stores, restaurants, catering trucks, convenience stores, or other retail stores or vendors, including temporary stores or vendors at farmers markets, street fairs, and festivals.

"Reusable" means designed and manufactured to maintain its shape and structure, and to be materially durable for repeated (at least 1,000 times each) sanitizing in water at 171 degrees Fahrenheit for at least 30 continuous seconds, washing via commercial dishwashing machine, and reuse.

"Reusable package system" is a set of containers and/or utensils provided to a retail customer that is intended to be returned to a restaurant or other collection location for cleaning and reuse. All materials used in such a system must meet the definition of reusable, above.

"Single use" means a product that is designed to be used once and discarded, and/or is not reusable as defined herein.

"Small bottle" means a bottle or container with less than or equal to a 6-ounce capacity that is intended to be nonreusable by the end user.

"Utensil" means a product designed to be used by a consumer to facilitate the consumption of food or beverages, including knives, forks, spoons, cocktail picks, chopsticks, splash sticks, and stirrers. "Utensil" does not include plates, bowls, cups, bottles, and other products used to contain food or beverages.

Section 2. Single use plastic food service products – Prohibited

The provisions in this section take effect July 31, 2022.

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

A. Retail establishments may not sell or provide food and beverage for consumption on or off the premises in or with single-use plastic food service products, except as provided in this chapter.

B. Given that a straw is an adaptive utensil that may provide accommodation for an individual with a disability to eat and drink, a retail establishment where liquid foods are dispensed shall provide a flexible single-use plastic straw upon request by an individual for a plastic straw.

C. Prepackaged foods in plastic packaging may be continued to be sold by food service establishments. Establishments are encouraged to use bulk dispensers for condiments and sauces.

D. Reusable package systems that employ products made of durable plastic and/or other materials that are intended for and capable of being reused are not prohibited by this section.

Section 3. Single use plastic food service products – Limited time exemption for certain products

A. The following single use plastic food service products are exempt from the prohibition contained in section 2 of this chapter until January 1, 2023:

1. Produce bags;
2. Catering trays;
3. Clear food wrap and shrink wrap;
4. Containers for uniquely shaped foods, e.g., deviled eggs and cupcakes;
5. Flexible plastic packaging used to preserve moisture and freshness such as for cookies;
6. Containers or trays for hot meat items such as for ribs or rotisserie chicken;
7. Small absorbent pads put under meat or seafood to absorb liquids in the package.

B. The director may extend the foregoing exemption for one or more of the listed products for additional periods of time not to exceed one year in duration (per authorization) when the director determines as follows:

1. There are not at least two suitable and readily commercially available compostable alternatives to the single use plastic food service product for which the exemption is being extended; or
2. There are not at least two vendors that make commercially available a suitable compostable alternative to the single use plastic food service product for which the exemption is being extended.

C. Notwithstanding the foregoing, the director shall extend the exemption for containers or trays for hot meat items until the director determines that a commercially viable and equally safe alternative form of packaging is readily commercially available.

City of Bellingham
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D. If the director extends any exemption granted herein, public notice of such extension shall be posted on the City's official website.

Section 4. Requiring reusable food service products for on-premises dining

The provisions in this section take effect July 31, 2022.

A. Reusable food service products including utensils are required at all on-premises dining establishments for any meal to be eaten on the premises. Plastic straws shall be allowed upon request for dining on the premises. Condiments, such as sauces, ketchup, or mustard, provided for on-site consumption, shall not be served in disposable, individual-serving packaging.

B. Consumption is considered on-premises if it takes place at tables and/or seating provided by the food service business, either on its own or in conjunction with another food service business. This requirement does not prohibit a food service business from providing, upon a customer's request, food service products compliant with Sections 2 through 3 above for the customer to take away leftover prepared food after dining on the premises.

C. Waivers. On-premises dining establishments that do not have onsite or off-site dishwashing capacity may petition the Department of Public Works for a full or partial one-year waiver. Waivers may be renewed. To obtain a waiver, the food service business shall demonstrate inability to comply due to insurmountable space constraints, undue financial hardship, and/or other extraordinary circumstances. Food service products used for on-premises dining pursuant to a waiver obtained under this section shall comply with all requirements set forth elsewhere in this Chapter.

Section 5. Restricting certain types of single use personal products in lodging establishments

Beginning July 31, 2022, no single use personal care products in small bottles are allowed to be distributed in lodging rooms. As some single use personal care bottles may serve as an adaptive product to provide accommodation for an individual with a disability to access personal care products, lodging establishments shall provide personal care products in small bottles to a person at no cost, upon request only. Lodging establishments are encouraged to use refillable personal care product dispensers.

Section 6. Education

City staff designated by the Mayor shall provide, or contract for the provision of, education and outreach activities to inform retail establishments, consumers, and other interested individuals about the requirements of this chapter. Education and outreach will be designed to effectively convey the policies underlying this chapter, describe the actions necessary to gain compliance with its provisions, and minimize the need for formal enforcement action.

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

The City will emphasize education and outreach rather than enforcement to achieve compliance with the requirements of this chapter.

Section 7. Enforcement

A. Prior to imposing penalties or taking other enforcement action set forth below in subsection B, the City shall attempt to provide written notice to any retail establishment in violation of this chapter. The notice shall include a description of the item sold or provided by the retail establishment in violation of the requirements of this chapter, the text of the specific code provision(s) that apply and information on how to comply with the provision(s). The notice shall be provided to the retail establishment by personal service or certified mail, return receipt requested. Such notice is not a formal enforcement action, is not subject to appeal, and is a public record.

B. An owner or operator of a retail establishment that violates any provision of this chapter shall be guilty of a civil infraction, which shall be punishable by a fine not to exceed \$250.00 per day for the first 20 days that the violation exists and \$500.00 per day for each day thereafter. Each day that an establishment violates any of the provisions of this chapter shall constitute a single, separate violation.

PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this _____ day of _____, 2021.

Mayor

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

Published:

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270



City Council Agenda Bill

22988

Bill Number

Subject: **Authorization of Payroll Labor Cost Payments Dated April 01, 2021 to April 15, 2021**

Summary Statement: For payroll payments related to the period of April 01, 2021 to April 15, 2021

Totals: \$3,863,568.40

Previous Council Action: **2021-2022 Adopted Budget**

Fiscal Impact: **Payroll labor costs payments issued for amounts shown above are within legally appropriated budget**

Funding Source: **Citywide Funds**

Attachments:

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Authorize Payroll	N/A	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:
Sharon Martin, HR Payroll

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	5/04/2021

Council Action:

<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



City Council Agenda Bill

22989

Bill Number

Subject: **Authorization of A/P Transactions Issued April 16, 2021 through April 22, 2021**

Summary Statement: In accordance with state law, approval is requested for the payments issued for City goods and services received.

A/P EFT and EDI transactions, and check(s) #553935 through #554025, were issued during the pay period of April 16, 2021 through April 22, 2021, in the amount of \$1,725,533.28.

Previous Council Action: **2021-2022 Adopted Budget**

Fiscal Impact: **Payments issued for amounts shown above are within legally appropriated budget.**

Funding Source: **Citywide Funds**

Attachments:

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Authorize Accounts Payable	N/A	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Roxanne Swan, Finance Department

Reviewed By

Andrew D. Asbjornsen

Department

Finance Department

Date

5/04/2021

Council Action:

Matthew T. Stamps

Legal

5/04/2021

Seth M. Fleetwood

Executive

5/04/2021



City Council Agenda Bill

22990

Bill Number

Subject: **Authorization of A/P Transactions Issued April 23, 2021 through April 29, 2021**

Summary Statement: In accordance with state law, approval is requested for the payments issued for City goods and services received.

A/P EFT and EDI transactions, and check(s) #554026 through #554147, were issued during the pay period of April 23, 2021 through April 29, 2021, in the amount of \$3,678,538.76.

Previous Council Action: **2021-2022 Adopted Budget**

Fiscal Impact: **Payments issued for amounts shown above are within legally appropriated budget.**

Funding Source: **Citywide Funds**

Attachments:

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Authorize Accounts Payable	N/A	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:
Karla Stave

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	5/04/2021

Council Action:

<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



City Council Agenda Bill

22991

Bill Number

Subject: A Resolution Setting the Date and Time for a Public Hearing Before the Hearing Examiner for Consideration of a Street Vacation Petition for a Portion of Stuart Road Between Northwest Drive and Interstate-5

Summary Statement: The petitioner has submitted the vacation petition in order to facilitate future use of undeveloped right-of-way between two city owned parcels for the City's wetland mitigation habitat bank.

The City Council is required to pass a Resolution that sets a Public Hearing date before the Hearing Examiner. The date for this virtual Public Hearing before the Hearing Examiner is June 9, 2021. (This is necessary and routine for establishing said Public Hearing date.)

Previous Council Action: **None**

Fiscal Impact: **None**

Funding Source: **N/A**

Attachments: 1. RESOLUTION
2. SITE MAP

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Pass Resolution	Alan Marriner, Legal	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Steve Sundin, Planning and Community Development, 360-778-8300

Reviewed By	Department	Date
<i>Rick M. Sepler</i>	Planning & Community Development	5/03/2021

Council Action:

<i>James E. Erb</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021

RESOLUTION NO. _____

A RESOLUTION FIXING THE TIME FOR A VIRTUAL PUBLIC HEARING TO CONSIDER A STREET VACATION PETITION FOR THE FULL WIDTH OF STUART ROAD BETWEEN NORTHWEST DRIVE AND INTERSTATE-5 IN BELLINGHAM.

WHEREAS, on February 11, 2021 the agent for the petitioner submitted a completed street vacation petition in order to be considered by the City’s Technical Review Committee; and

WHEREAS, on February 24, 2021 the Technical Review Committee reviewed the subject petition and recommended approval of the vacation petition for the purposes of protecting the right-of-way for the City’s wetland mitigation habitat bank; and

WHEREAS, the City of Bellingham provided notice to private utility companies on April 30, 2021. At the time of this Resolution utility providers have not responded.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BELLINGHAM:

That a virtual public hearing be held before the Hearing Examiner on June 9, 2021 at the hour of 6:00 P.M., or there soon after, and that any protests in writing or oral to the vacation be considered at said time and place.

BE IT FURTHER RESOLVED that the City Council delegates the duty of conducting the public hearing on the street vacation petition to the Hearing Examiner, who shall forward findings of fact, conclusions of law and a recommendation to the City Council for final action. The Hearing Examiner shall also make available to the Council a transcript of the hearing together with exhibits.

BE IT FURTHER RESOLVED that the Finance Director shall post notices of said hearing as required by law.

PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this _____ day of _____, 2021.

Mayor

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-676-6903

(1)

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-676-6903

(2)

Proposed Stuart Rd ROW Vacation



**STUART
RD ROW**

CITY OF
BELLINGHAM

CITY OF
BELLINGHAM

PACIFIC HWY

NORTHWEST DR



-  STUART RD 60' Width
-  Co-Petitioner



City Council Agenda Bill

22992

Bill Number

Subject: **Bid Award for the Annual Pavement Markings BID #15B-2021**

Summary Statement: This bid award is for the annual re-stripping, painting and placement of reflective materials that Public Works Operations Traffic Division sources through a vendor for the maintenance and repair of pavement markings throughout the City. The City received three bids which were publicly opened on April 20, 2021. Apply-A-Line Inc. of Pacific, WA, was the responsible bidder that submitted the lowest responsive bid of \$142,070.00, including any applicable Washington State Sales or Use Tax. The engineer's estimate was a range of \$100,000 - \$140,000.

Previous Council Action: **Approval of the 2021- 2022 Budget**

Fiscal Impact: **Project is in the 2021-2022 Budget for \$140,000**

Funding Source: **Street (111)**

- Attachments:
1. 15B-2021 BID AWARD STAFF MEMO
 2. #15B-2021 BID SUMMARY
 3. 15B-2021 MANDATORY BIDDER'S RESPONSIBILITY CHECKLIST

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Award Bid	Eric Johnston, PW Director	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:
Mike Olinger, PW Asst Director 360-778-7725

Council Action:

Reviewed By	Department	Date
<i>Eric C. Johnston</i>	Public Works	4/30/2021
<i>Connie C. Allen</i>	Purchasing	4/30/2021
<i>Andrew D. Asbjornsen</i>	Finance	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



City of Bellingham
210 Lottie Street
Bellingham, WA 98225

STAFF REPORT

TO: CITY COUNCIL
FROM: ERIC JOHNSTON, PUBLIC WORKS DIRECTOR
CC: MAYOR SETH FLEETWOOD
SUBJECT: BID#15B-2021 FOR ANNUAL PAVEMENT MARKINGS
DATE: MAY 10, 2021

SUMMARY:

This bid award is for the annual re-striping, painting, and placement of reflective materials that Public Works Operations Traffic Division sources for maintenance and repair throughout the city streets. This project is listed as a capital project in the 2021-2022 budget.

EVALUATION:

The City received three (3) bids which were publicly opened on April 20, 2021. Apply-A Line, Inc of Pacific WA, submitted the lowest responsive bid at \$142,070.00 including any applicable Washington state Sales or Use Tax. The engineer's estimate was between \$100,000.00 and \$140,000.00.

RECOMMENDED ACTION:

Move to award the bid to Apply-A-Line, Inc.



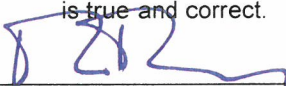
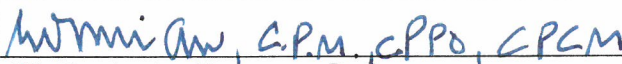
**CITY OF BELLINGHAM
PRELIMINARY BID OPENING REPORT**

Carol Rofkar-PROJECT MANAGER

Matt Serier/Nate Kincaid- Purchasing

BID NAME	BID NUMBER	DATE OPENED		
Pavement Markings	15B-2021	4/20/2021	<p>The following are the results from the public bid opening. The results have not been verified for mathematical accuracy, responsiveness or responsibility of the bidder. They are only the results as announced at the bid opening.</p>	
Company Name	CITY/STATE		TOTAL BID AMOUNT INCLUDING TAX	
Apply-A-Line Inc.	Pacific, WA	Total W/Tax=	\$142,070.00	
Kamps Painting Co	Lynden, WA	Total W/Tax=	\$164,050.00	
Specialized Pavement Marking	Tualatin, OR	Total W/Tax=	\$261,500.00	

MANDATORY BIDDER RESPONSIBILITY CHECKLIST

Bid Number: 15B-2021	Bid Submittal Deadline: 04/20/2021
Project Name: Pavement Markings	Project Number: Bid No. 15B-2021
Bidder's Business Name: Apply-A-Line, LLC	City Business Registration Number: 022861 Active? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
CONTRACTOR REGISTRATION https://secure.lni.wa.gov/verify/	
License Number: APPLYLL834OJ	License Active? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Effective Date: 09/11/2017	Expiration Date: 09/11/2021
UBI/TAX REGISTRATION NUMBER https://secure.dor.wa.gov/gteunauth/ (go to Business Lookup)	
UBI/TAX Registration Number: 600-553-941	Account: Open <input checked="" type="checkbox"/> Closed <input type="checkbox"/>
INDUSTRIAL INSURANCE COVERAGE https://fortress.wa.gov/lni/crpsi/MainMenu.aspx	
Account Number: 879-987-00	Account Current? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
EMPLOYMENT SECURITY DEPARTMENT	
Employment Security Department Number: 568-972-01-6	
Has Bidder provided account number on the Bid Form?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
NOT DISQUALIFIED FROM BIDDING https://secure.lni.wa.gov/debarandstrike/ContractorDebarList.aspx	
Is the Bidder listed on the "Debarred Contractors List" list of the Washington State Department of Labor and Industries Website?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <i>Attach printout from website</i>
https://www.SAM.gov/ (go to Search Records)	
Is the bidder listed on the current debarred or suspended bidder list available on the U.S. General Services Administration's System for Award Management ("SAM") website?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <i>Attach printout from website</i>
BIDDER CERTIFICATIONS	
<p>1. The bidder hereby certifies under penalty of perjury under the laws of the State of Washington that, within the 3-year period immediately preceding the bid solicitation date, the bidder is not a "willful" violator, as defined in RCW 49.48.082, of any provision of RCW 49.46, 49.48, or 49.52, as determined by a final and binding citation and notice of assessment issued by the Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction.</p> <p>2. The undersigned further certifies that bidder (check one):</p> <p><input type="checkbox"/> Has received training on the requirements related to public works and prevailing wage as mandated in RCW 39.04.350(1)(f) or</p> <p><input checked="" type="checkbox"/> Is exempt from such training because it has completed three or more public works projects and has had a valid business license in Washington for three or more years.</p> <p>3. The undersigned further certifies that all other information provided by or on behalf of bidder on this form is true and correct.</p>	
	04/20/2021
Signature of Authorized Official	Date
Ron Reilly, Assistant Vice President	Pacific, Washington
Print Name & Title	Place of Execution (City & State)
CITY VERIFICATION	
	4/20/21
City Purchasing Manager or Designee	Date
Has bidder satisfied applicable supplemental responsibility criteria?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <i>Documentation on file</i>



City Council Agenda Bill

22993

Bill Number

Subject: Authorize the Mayor to Enter Into an Interlocal Cooperative Purchasing Agreement Between the City of Bellingham and the 1 Government Procurement Alliance.

Summary Statement: An Interlocal Cooperative Purchasing Agreement between the City of Bellingham and the 1 Government Procurement Alliance (1GPA), allows the City to piggyback onto the competitive bidding process conducted by other governmental agencies in lieu of self performing its own bidding process. This ability is made possible through the Interlocal Cooperation Act granting two or more public agencies the ability to exercise powers cooperatively, including purchasing (RCW 39.34.030). In addition to establishing an interlocal agreement, Bellingham must also exercise its due diligence in evaluating the other agencies bidding process to ensure it meets the City of Bellingham's minimum bidding requirements for the intended acquisition. If approved, City intends to use this Interlocal agreement to piggyback on the cooperative's cybersecurity contract and other professional services as needed.

Previous Council Action: **N/A**

Fiscal Impact: **No budget impact. Purchases made using this interlocal agreement will be approved during the normal budget process.**

Funding Source: **N/A**

Attachments: 1. COOPERATIVE PROCUREMENT MEMBERSHIP AGREEMENT

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Consent Agenda	5/10/2021	Vote to Approve	Marty Mulholland, Director of I.T. Services	0 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Marty Mulholland, Director of I.T. Services

Reviewed By	Department	Date
<i>Marty G. Mulholland</i>	Information Technology	5/04/2021

Council Action:

<i>Matt L. Serier</i>	Purchasing	5/04/2021
<i>Andrew D. Asbjornsen</i>	Finance	5/04/2021
<i>Matthew T. Stamps</i>	Legal	5/04/2021
<i>Seth M. Fleetwood</i>	Executive	5/04/2021



COOPERATIVE PROCUREMENT MEMBERSHIP AGREEMENT

This Agreement is entered into this ____ day of _____, 20____, between the 1 Governmental Procurement Alliance (1GPA), on behalf of its lead government agencies, as identified in **Exhibit A** (“Lead Agencies” and individually a “Lead Agency”) and _____ (“Participating Entity”), a _____ located in the State of _____. By executing this Agreement, governmental entities and agencies, eligible school districts, charter schools, colleges, universities, tribes, cities, counties, all other public entities, and nonprofit organizations may participate in any bid or proposal issued by 1GPA on behalf of one or more of the Lead Agencies identified in **Exhibit A**. If Participating Entity is a governmental entity, this Agreement shall constitute an interlocal or intergovernmental agreement between Participating Entity and the Lead Agencies identified in **Exhibit A**. As permitted by law, 1GPA has designated by said Lead Agencies as the administrator of the purchasing cooperative sponsored by the Lead Agencies, and has been delegated authority by the Lead Agencies to execute interlocal or intergovernmental agreements on behalf of the governing bodies of the Lead Agencies.

In consideration of the mutual promises contained in this Agreement and the mutual benefits to result therefrom, the parties agree as follows:

1. The specifications, terms, and conditions for products, materials and services to be purchased under this cooperative shall be determined by 1GPA, or as requested by a Lead Agency.
2. 1GPA shall conduct all procurement in strict accordance with the procurement laws applicable to the Lead Agency sponsoring the particular procurement.
3. The Participating Entity shall:
 - a. Insure that purchase orders issued against 1GPA contracts are in accordance with terms and prices established in the 1GPA contract.
 - b. The Participating Entity shall provide 1GPA with a copy of any purchase order based on a 1GPA contract, at the time the purchase order is issued. Purchase orders may be faxed or emailed (see contact information below).
 - c. Make timely payment to the contractor for all products, materials, and services in accordance with the terms and conditions of the 1GPA contract, or other payment arrangements negotiated between the Participating Entity and the 1GPA vendor. Payment, inspection and acceptance of products, materials and services ordered by the eligible school district or public entity shall be the exclusive obligation of the Participating Entity.
 - d. Be responsible for the ordering of materials or services under this Agreement. 1GPA shall not be liable in any fashion for any violation by Participating Entity of the terms of this Agreement, and the Participating Entity shall hold 1GPA harmless, to the extent permitted by law, from any liability which may arise from the acts or omissions of the Participating Entity relating to this Agreement or its subject matter.
 - e. Be responsible for compliance with applicable state or federal laws in determining which goods and services Participating Entity may lawfully procure through a government purchasing cooperative, and shall further be responsible for taking all actions required under applicable state or federal law in connection with the use of interlocal cooperation agreements and purchasing cooperatives.
4. The exercise of any rights or remedies by the Participating Entity shall be the exclusive obligation of Participating Entity; however, 1GPA, as the contract administrator, may, but shall not be obligated to unless required by applicable law, join in the resolution of any dispute between Participating Entity and a 1GPA vendor. Failure of the Participating Entity to secure performance from the 1GPA vendor in accordance with the terms and conditions of any issued purchase order does not necessarily require 1GPA to exercise its own rights and remedies.

5. IGPA may terminate this Agreement immediately, upon written notice, if the Participating Entity fails to comply with the terms of this Agreement, applicable state or federal law, or any provision of a IGPA contract that is binding on Participating Entity.
6. The Participating Entity may terminate this Agreement immediately, upon written notice, if IGPA fails to comply with the terms of this Agreement.
7. This Agreement shall take effect upon execution by the parties and shall continue until it is terminated in accordance with its terms. This Agreement supersedes any and all previous purchase agreements.
8. Except as provided in paragraphs 5 and 6, either party may terminate this Agreement with at least thirty (30) days written notice to the other party.
9. There shall be no charge to the Participating Entity for membership in IGPA.

IN WITNESS WHEREOF, the parties of this Agreement have caused their names to be affixed hereto.

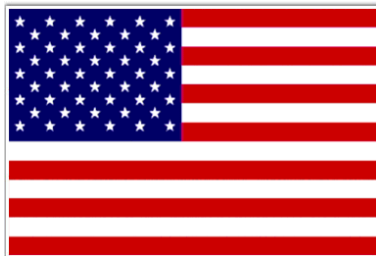
Name of Entity:	Signature:
Select Type of Entity: <input type="checkbox"/> K12 <input type="checkbox"/> Higher Education <input type="checkbox"/> City <input type="checkbox"/> County <input type="checkbox"/> Municipality <input type="checkbox"/> Other	
Address:	Printed Name:
City/State/Zip Code:	Title:
Email:	
Date:	Phone Number:

IGPA Approvals

IGPA Signature:
Printed Name:
Title:
Date:

**IGPA –
 1910 W. Washington St.
 Phoenix, AZ 85009**

**P: 866/306-3893
 F: 602/663-9515
 E: admin@1GPA.org**





1Government Procurement Alliance

Exhibit A

Lead Agencies

Arizona

Paradise Valley Unified School District

15002 N. 32nd Street
Phoenix, AZ 85032
602.449.2071

Pinal County ESA

75 N. Bailey
Florence, AZ 85132
520.450.4477

Yavapai County Accommodation School District

6325 Baja Circle
Prescott Valley, AZ 86314
928.759.8126

Oregon

Portland Public Schools

501 N. Dixon Street
Portland, OR 97227
503.916.3315

Texas

Deer Park ISD

2800 Texas Ave.
Deer Park, TX 77536
832.668.7061

***** THE PARTIES AGREE AND ACKNOWLEDGE THAT THIS EXHIBIT A MAY BE SUPPLEMENTED OR AMENDED, FROM TIME TO TIME, AND WITHOUT NEED FOR WRITTEN CONTRACT AMENDMENT, AS NECESSARY TO ADD OR REMOVE THE NAMES OF ELIGIBLE LEAD AGENCIES**



1Government Procurement Alliance

Member Contact Information

Dear 1GPA Member,

We want to take this opportunity to thank you for being a Member of the 1GPA Family! In order to serve you better, we want to be sure that we have the correct points of contacts on file. This will ensure that you are keeping your business and purchasing offices updated on all things 1GPA! We will send out notifications of potential/upcoming contracts, new contracts, cancelled contracts and contracts that have been rebid.

We look forward to serving you!

Business Office Point of Contact for 1GPA:

Name: _____
Title: _____
Entity: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Email: _____

Purchasing/Procurement Office Point of Contact (if different from above):

Name: _____
Title: _____
Entity: _____
Address: _____
City: _____ State: _____ Zip: _____
Phone: _____ Email: _____



City Council Agenda Bill

22025

Bill Number

Subject: An Ordinance Of The City Of Bellingham, Washington, Relating To Land Use And Zoning, Extending A Moratorium On Development Applications And Permits Relating To The Redevelopment Of Existing Mobile Home Or Manufactured Home Parks, And Setting Six Months As The Effective Period Of The Moratorium To Allow The City To Review Options And Draft Regulations For The Preservation Of Existing Mobile Home And Manufactured Home Parks

Summary Statement: On June 3, 2019, the City Council approved an emergency ordinance establishing a moratorium on the acceptance or processing of development applications or permits relating to the redevelopment of any of the ten mobile home parks in Bellingham. The moratorium was extended for six-months in December 2020 and is set to expire in June. A new six-month renewal of the moratorium is needed to allow staff to complete review of potential preservation options with the Planning Commission and City Council.

Previous Council Action: June 2019 adoption of emergency ordinance No. 2019-06-021. December 2020 approval of six-month extension of moratorium ordinance.

Fiscal Impact: Existing staff resources will be used.

Funding Source: General Fund

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	4/26/2021	Pass Ordinance	Greg Aucutt, PCDD	5 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Greg Aucutt, Planning and Community Development, 2360-778-8300

Reviewed By	Department	Date
<i>Rick M. Sepler</i>	Planning & Community Development	4/16/2021
<i>Alan A. Marriner</i>	Legal	4/20/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

Council Action: Stone/Knutson Moved for 1st & 2nd. MOTION CARRIED 7-0. 4/26/2021

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON, RELATING TO LAND USE AND ZONING, EXTENDING A MORATORIUM ON DEVELOPMENT APPLICATIONS AND PERMITS RELATING TO THE REDEVELOPMENT OF EXISTING MOBILE HOME OR MANUFACTURED HOME PARKS, AND SETTING SIX MONTHS AS THE EFFECTIVE PERIOD OF THE MORATORIUM TO ALLOW THE CITY TO REVIEW OPTIONS AND DRAFT REGULATIONS FOR THE PRESERVATION OF EXISTING MOBILE HOME AND MANUFACTURED HOME PARKS.

WHEREAS, as land values, home prices and interest rates continue to rise, housing becomes less and less affordable in Bellingham, the state and the nation; and

WHEREAS, severe housing cost burdens disproportionately impact low-income and fixed income households; and

WHEREAS, mobile home and manufactured home parks provide some of the most affordable ownership and housing opportunities for elderly and low-income residents available today; and

WHEREAS, there are ten (10) existing mobile home and manufactured home parks, with approximately 900 dwelling units, within the city of Bellingham; and

WHEREAS, the City Council has expressed the need to evaluate methods to preserve existing mobile home and manufactured home parks to ensure their continued provision of affordable housing; and

WHEREAS, all lands within the city of Bellingham are under pressure to develop or redevelop for many reasons including extremely low vacancy rates and available housing stock; and

WHEREAS, the remaining mobile home and manufactured home parks are also subject to redevelopment pressure and the residents of those parks are at risk of being displaced and many of the units in those parks may not be suitable or able to relocate within the city of Bellingham; and

WHEREAS, the City believes a moratorium on applications to redevelop or convert existing manufactured home parks is in the City's best interest; and

WHEREAS, the moratorium will prevent the vesting of new development rights leading to development or redevelopment that would displace existing manufactured home park tenants; and

WHEREAS, the moratorium will preserve the status quo and ensure the availability of housing in the City's existing mobile home and manufactured parks while new regulations are

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drafted and reviewed through the legislative process; and

WHEREAS, RCW 36.70A.390 authorizes the City Council to adopt an immediate moratorium for a period of up to twelve months without holding a public hearing on the proposal provided that a public hearing is held within at least 60 days of its adoption and a work plan is developed for related studies providing for the twelve-month period; and

WHEREAS, RCW 36.70A.390 provides that, “A county or city governing body that adopts a moratorium, interim zoning map, interim zoning ordinance, or interim official control without holding a public hearing on the proposed moratorium, interim zoning map, interim zoning ordinance, or interim official control, shall hold a public hearing on the adopted moratorium, interim zoning map, interim zoning ordinance, or interim official control within at least sixty days of its adoption, whether or not the governing body received a recommendation on the matter from the planning commission or department. If the governing body does not adopt findings of fact justifying its action before this hearing, then the governing body shall do so immediately after this public hearing. A moratorium, interim zoning map, interim zoning ordinance, or interim official control adopted under this section may be effective for not longer than six months, but may be effective for up to one year if a work plan is developed for related studies providing for such a longer period. A moratorium, interim zoning map, interim zoning ordinance, or interim official control may be renewed for one or more six-month periods if a subsequent public hearing is held and findings of fact are made prior to each renewal”; and

WHEREAS, RCW 35.63.200 provides a similar process for adopting and extending land use moratoriums; and

WHEREAS, moratoriums enacted under RCW 36.70A.390 and/or RCW 35.63.200 are methods by which local governments may preserve the status quo so that new regulations will not be rendered moot by intervening projects; and

WHEREAS, RCW 36.70A.390 and RCW 35.63.200 both authorize the enactment of a moratorium without holding a public hearing if a public hearing is held within at least sixty days of its enactment; and

WHEREAS, pursuant to WAC 197-11-880, the adoption of this emergency moratorium is exempt from the requirements of a threshold determination under the State Environmental Policy Act (SEPA); and

WHEREAS, a moratorium will provide the City with additional time to explore options and to draft new land use regulations regarding the preservation of mobile home and manufactured home parks; and

WHEREAS, the City Council concludes that the City has the authority to establish a moratorium and that the City must adopt a moratorium concerning the filing, acceptance, and processing of new applications for redevelopment of the City’s existing mobile home and manufactured home parks; and

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WHEREAS, on June 3, 2019 the Bellingham City Council adopted an emergency ordinance (Ordinance No. 2019-06-021) establishing a moratorium on development applications and permits relating to the redevelopment of existing mobile home or manufactured home parks; and

WHEREAS, the City Council approved a six-month extension of this ordinance on December 2, 2020; and

WHEREAS, this ordinance expires on June 2, 2021; and

WHEREAS, the City Council has determined it needs additional time to explore the City's options for preserving mobile home and manufactured home parks and draft new land use regulations to preserve mobile home and manufactured home parks if necessary; and

WHEREAS, the City Council has determined that the existing moratorium should be extended an additional six months; and

WHEREAS, the City Council adopts the foregoing as its findings of facts justifying the adoption of this ordinance.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

Section 1. Findings of Fact. The City Council adopts the above "WHEREAS" recitals as findings of fact in support of its action as required by RCW 36.70A.390 and RCW 35.63.200.

Section 2: Definitions.

- A. "Mobile home or manufactured home park" shall include all lands currently developed with mobile or manufactured homes as identified on EXHIBIT A, including all abutting lands and property held under common ownership of the existing parks. This definition does not include individual designated manufactured homes on individual lots or parcels not located in the parks identified on EXHIBIT A.

- B. "Application" means any application or permit for demolition, construction, land use or alteration of land including, but not limited to, variances, conditional use permits, planned development permits, rezones, use permits or any other applications or permits associated with mobile home and manufactured home parks as determined by the Planning and Community Development Director. This term does not include any land use or development permit or application that is subject to the vested rights doctrine, and that was submitted to the City and determined by the City staff to be complete on or before the effective date of this ordinance.

Section 3. Purpose. The purpose of this moratorium is to allow the City adequate time to explore options that seek to preserve existing mobile home and manufactured home parks.

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Section 4. Moratorium Extended. The City Council extends the existing moratorium on the filing, acceptance, processing and/or review of any application to develop, redevelop or to establish a new use or accessory use, or change a use or accessory use for any site currently used as a mobile home or manufactured home park as identified on EXHIBIT A. Any such application submitted shall be rejected and returned to the applicant.

Applications to replace in-kind, repair, maintain, or otherwise improve an existing mobile home or manufactured home within the parks identified on EXHIBIT A, or any other applications necessary for public health and safety as determined by the Planning and Community Development Director shall not be impacted by this moratorium and shall be allowed to proceed through the standard application and review process.

Applications to locate individual new designated manufactured homes as provided in Bellingham Municipal Code 20.10.030 on lands not designated as mobile home or manufactured home parks as identified on EXHIBIT A shall not be subject to this moratorium.

Section 5. Duration of Moratorium. This moratorium shall be extended and in effect for an additional six (6) months, beginning on June 2, 2021 and ending on December 2, 2021, unless final regulations and codes governing the preservation of existing mobile home or manufactured home parks have been adopted by the City Council before December 2, 2021. This moratorium may be extended as provided by state statute.

Section 6. Public Hearing Required. As required by RCW 36.70A.390, within sixty (60) days of passage of this ordinance, the City Council will hold a public hearing on this moratorium.

Section 7. Work Plan. During the moratorium period, City staff will study the issues concerning the loss of affordable housing options through redevelopment of existing mobile home and manufactured home parks. Staff will, if necessary, prepare appropriate revisions to the City's codes and regulations and conduct the public review process as required for amendments to the Bellingham Municipal Code as shown in the Proposed Work and Public Participation Plan attached as EXHIBIT B.

Section 8. Effective Date. This ordinance shall take effect and be in full force and effect beginning on June 2, 2021 as set forth herein.

Section 9. Conflict with other BMC Provisions. If the provisions of this ordinance are found to be inconsistent with other provisions of the Bellingham Municipal Code, this ordinance shall control.

Section 10. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be unconstitutional or unlawful by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

City of Bellingham
City Attorney
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PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this _____ day of _____, 2021.

Mayor

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:



City Council Agenda Bill

22929

Bill Number

Subject: An Ordinance Of The City Of Bellingham, Washington, Providing For Establishment Of The Bellingham Whatcom County Tourism Promotion Area And Approving Other Matters Related Thereto

Summary Statement: Lodging Businesses have submitted an initiation petition to the City Council and County Council to form a tourism promotion area (TPA), as authorized by RCW 35.101.020. Having received the Initiation Petition, on April 12th, the City Council adopted a resolution providing notice of the intention to establish the Bellingham Whatcom County Tourism Promotion Area and sent the required notice regarding the Public Hearing time and date of April 26, 2021. The total estimated annual revenue is between \$1M and \$1.5M. If the City Council adopts the ordinance and the TPA is formed, receipts would be deposited with the City of Bellingham. The City will contract with Bellingham Whatcom County Tourism to conduct the activities consistent with state law.

Previous Council Action: **3/08/21 Passage of Resolution and associated Interlocal Agreement with Whatcom County. Passage of Revised Resolution on 4/12/21.**

Fiscal Impact: **Net neutral - this assessment would bring in ~ \$1M - \$1.5M per year (post pandemic) and would be allocated to a Tourism Administrator. The City would retain a portion of the cost to administer the fund.**

Funding Source: **New Funding Source**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Public Hearing - Direction Requested	4/26/2021	Provide Direction	Tara Sundin, PCDD	5 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:

Tara Sundin, Planning and Community Development, 360-778-8300

Council Action: Vargas/Knutson Moved for 1st & 2nd. MOTION CARRIED 7-0. 4/26/2021

Reviewed By	Department	Date
<i>Rick M. Sepler</i>	Planning & Community Development	4/16/2021
<i>Amy B. Kraham</i>	Legal	4/16/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON, PROVIDING FOR ESTABLISHMENT OF THE BELLINGHAM WHATCOM COUNTY TOURISM PROMOTION AREA AND APPROVING OTHER MATTERS RELATED THERETO.

WHEREAS, the tourism industry is a vital and substantial component of the region's economy and tourism promotion increases the number of visitors to the region which in turn increases regional sales supporting the local economy; and

WHEREAS, the Legislature of the State of Washington has recognized the importance of tourism promotion in the State of Washington and in 2003 passed Engrossed Substitute Senate Bill No. 6026, codified as chapter 35.101 RCW, as amended (the "TPA Act"), authorizing counties, cities, and towns to establish tourism promotion areas and to levy a tourism promotion charge on the furnishing of lodging on certain lodging businesses (as defined in the TPA Act, "Lodging Businesses") to fund tourism promotion (as defined in the TPA Act); and

WHEREAS, pursuant to RCW 35.101.040, a county, city or town may establish a tourism promotion area that includes within the boundaries of the area portions of its own jurisdiction and another jurisdiction, if the other jurisdiction is a party to an interlocal agreement formed pursuant to chapter 39.34 RCW (the "Interlocal Cooperation Act"); and

WHEREAS, operators of Lodging Businesses located in the proposed Bellingham Whatcom County Tourism Promotion Area presented a petition pursuant to the terms of the TPA Act to the City Council and the Whatcom County Council (the "Initiation Petition") to initiate the establishment of the Bellingham Whatcom County Tourism Promotion Area; and

WHEREAS, the Initiation Petition contained all of the required elements pursuant to RCW 25.101.030; and

WHEREAS after receipt of the Initiation Petition, the City Council passed Resolution No. _____ on April 12, 2021 (the "Resolution of Intent") and the Whatcom County Council adopted Resolution No. _____ on March 9, 2021 providing notice of the intention to establish the Bellingham Whatcom County Tourism Promotion Area, authorizing the execution and delivery of an interlocal agreement for purposes of the TPA Act, and setting the time and place of a public

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hearing to be held to hear protests and receive evidence for or against the proposed formation of the Bellingham Whatcom County Tourism Promotion Area; and

WHEREAS, pursuant to the TPA Act and the Interlocal Cooperation Act, the City and Whatcom County entered into an Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area dated _____, 2021, as it may be amended from time to time (the “Interlocal Agreement”), for the purpose of, among other things, designating the Bellingham City Council as the “legislative authority” for purposes of the TPA Act; and

WHEREAS, following proper notice as required by the TPA Act and authorization contained in the Interlocal Agreement, the City Council held a public hearing on April 26, 2021; and

WHEREAS, following such public hearing the City Council, as the “legislative authority” under the Interlocal Agreement, the Interlocal Cooperation Act, and the TPA Act, now desires to establish the Bellingham Whatcom County Tourism Promotion Area as provided herein;

NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

Section 1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings set forth below or in the TPA Act, as the context may require.

“Bellingham Whatcom County Tourism Promotion Area” means the proposed tourism promotion area described in the Initiation Petition.

“City” or “City of Bellingham” means the City of Bellingham, a municipal corporation organized under the laws and statutes of the State.

“City Council” means the City Council of the City of Bellingham, as the same shall be duly and regularly constituted from time to time.

“Initiation Petition” means the initiation petition delivered to the City Council and the Whatcom County Council pursuant to the TPA Act.

“Interlocal Agreement” means the Interlocal Agreement for the Joint Establishment of a Tourism Promotion Area by and between the City and Whatcom County, as it may be amended from time to time.

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“Interlocal Cooperation Act” means chapter 39.34 RCW, as the same may be amended from time to time.

“Legislative Authority” means the legislative authority of the Bellingham Whatcom County Tourism Promotion Area appointed pursuant to the Interlocal Agreement, currently the City Council, as the same shall be duly and regularly constituted from time to time.

“Lodging Business” means a business located within the Bellingham Whatcom County Tourism Promotion Area that furnishes lodging taxable by the State under chapter 82.08 RCW that has 40 or more lodging units.

“Operator” or “Operator of a Lodging Business” means an operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sublessee, mortgagee in possession, license or any other similar capacity.

“Resolution of Intent” means Resolution No. _____ of the City Council passed on April 12, 2021.

“State” means the State of Washington.

“TPA Act” means chapter 35.101 RCW, as it now exists and may be amended in the future.

“TPA Charge” means the levy (charge) imposed on the Operators of Lodging Businesses within the Bellingham Whatcom County Tourism Promotion Area and subsequently passed on to the guests of the Lodging Business, under the authority of the TPA Act, for the purpose of providing funding of Tourism Promotion.

“Tourism Promotion” has the meaning set forth in RCW 35.101.010, including but not limited to, actions and expenditures designed to increase domestic and international tourism, such as promotion, branding, advertising, publicizing, marketing, and the preparation and distribution of information for the purpose of encouraging and welcoming travelers, visitors, and tourists to the Bellingham Whatcom County Tourism Promotion Area. Such activities include, but are not limited to: strategic planning, market research, creative development, media placement, metrics, sales activities, and designing, hosting and communicating about events relating to promotion and marketing of the Bellingham Whatcom County Tourism Promotion Area, operating tourism destination marketing organizations, or contracting with such organizations or other similar organizations, to administer the operation of the Bellingham Whatcom County Tourism Promotion Area, and

ORDINANCE FORMING TPA

administration, operation, and management support for such services, including but not limited to, overhead costs, staff costs, professional costs, and auditing costs, and funding reserve funds to fund any such activities.

Section 3. Resolution of Intent and Public Hearing. Pursuant to RCW 35.101.080 and the Interlocal Agreement, the City hereby provides the following information:

(a) *Resolution of Intent.* The City Council adopted the Resolution of Intent on April 12, 2021. The title of the Resolution of Intent is as follows:

A RESOLUTION OF THE CITY OF BELLINGHAM, WASHINGTON, PROVIDING FOR CERTAIN MATTERS RELATING TO THE FORMATION OF A TOURISM PROMOTION AREA; PROVIDING NOTICE OF INTENT TO ESTABLISH A TOURISM PROMOTION AREA; CALLING FOR A PUBLIC HEARING ON THE CREATION OF A TOURISM PROMOTION AREA IN ACCORDANCE WITH CHAPTER 35.101 RCW; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF BELLINGHAM AND WHATCOM COUNTY RELATING TO THE PROPOSED TOURISM PROMOTION AREA; AND AUTHORIZING OTHER MATTERS RELATED THERETO.

(b) *Public Hearing.* Notice of the public hearing was provided as required in RCW 35.101.060, which included publishing the Resolution of Intent in the *Bellingham Herald*, a newspaper of general circulation in the jurisdiction in which the proposed Bellingham Whatcom County Tourism Promotion Area is to be established, and mailing a complete copy of the Resolution of Intent to each Lodging Business in the proposed area. Publication and mailing was completed at least 10 days prior to the public hearing.

A public hearing was held at 7:00 [p.m.] on April 26, 2021, at the [City Hall Council Chambers], located at Bellingham City Hall, 210 Lottie Street, Bellingham, Washington 98225, Bellingham, Washington 98225. In accordance with Washington State Governor Inslee's emergency proclamation No. 20-28 issued on March 24, 2020, as amended and supplemented, temporarily suspending portions of the Open Public Meetings Act (chapter 42.30 RCW), the public was invited to remotely participate in the public hearing through the following means: online (<https://cob.org/cczoom>.) or listen on the phone at (253) 215-8782.

ORDINANCE FORMING TPA

At the public hearing, the City Council received comments and testimony concerning formation of the proposed Bellingham Whatcom County Tourism Promotion Area. Protests on the proposed Bellingham Whatcom County Tourism Promotion Area were not received by Lodging Businesses which would pay a majority of the proposed charges.

Section 4. Establishment of the Tourism Promotion Area; Boundaries. The City Council has received the Initiation Petition, adopted the Resolution of Intent, and held a public hearing as required by the TPA Act and the Interlocal Agreement. As Legislative Authority of the proposed tourism promotion area, the City Council hereby establishes a tourism promotion area to be called the “Bellingham Whatcom County Tourism Promotion Area.” The boundaries of the Bellingham Whatcom County Tourism Promotion Area shall include the incorporated areas of the City and the unincorporated area of Whatcom County.

Section 5. Assessment Rate. The TPA Charges to be levied and imposed on those Lodging Businesses located in the Bellingham Whatcom County Tourism Promotion Area are as follows:

Zone	TPA Charge (RCW 35.101.050)	Additional TPA Charge (RCW 35.101.057)	Total TPA Charge
Zone A:	\$2.00 per room/day	\$1.00 per room/day	\$3.00 per room/day
Zone B:	\$2.00 per room/day	\$1.00 per room/day	\$3.00 per room/day

Zone A. Lodging Businesses that are classified as hotels or motels with 40 or more lodging units that are located within the incorporated area of the City of Bellingham.

Zone B. Lodging Businesses that are classified as hotels or motels with 40 or more lodging units that are located in unincorporated Whatcom County.

The TPA Charges will not be imposed upon rooms: (a) in which the occupant has stayed 30 or more continuous days as provided for in WAC 458-20-166, as may be amended; (b) in which the United States government is paying for
Ordinance TPA 5.12.21 - 5

ORDINANCE FORMING TPA

the room as provided for in WAC 459-20-166, as may be amended; and (c) as provided for in RCW 35.101.055, consisting of temporary medical housing exempt under RCW 82.09.997, as may be amended. The TPA Charges are not a tax on the “sale of lodging” for the purposes of chapter 82.14 RCW.

Section 6. Use of TPA Charge Revenue

(a) All of the revenue from the TPA Charge collected within the Bellingham Whatcom County Tourism Promotion Area shall be used exclusively for Tourism Promotion as provided in the Interlocal Agreement, including for the following purposes:

(i) Tourism Promotion within the Bellingham Whatcom County Tourism Promotion Area and as specified in the Bellingham Whatcom County Tourism Promotion Area business plan to be adopted annually;

(ii) Preparing and implementing a comprehensive plan for tourism recovery from the economic impact of the 2019 novel coronavirus pandemic and subsequent recession, rebuilding the greater Bellingham-Whatcom County area as a tourist destination, encouraging tourism innovation and investment in the area, and working with local business, local governments and Lodging Businesses to build a stronger tourist economy;

(iii) Marketing convention, conferences and trade shows that benefit local tourism and Lodging Business in the Bellingham Whatcom County Tourism Promotion Area;

(iv) Marketing of the greater Bellingham-Whatcom County area to the travel industry in order to benefit local tourism and Lodging Businesses in the Bellingham Whatcom County Tourism Promotion Area;

(v) Marketing of the greater Bellingham-Whatcom County area to recruit sporting, athletic, recreational, entertainment, performing arts and cultural events in order to benefit tourism and Lodging Businesses in the Bellingham Whatcom County Tourism Promotion Area, and for the purpose of increasing overnight visitor stays within the greater Bellingham-Whatcom County region;

(vi) Providing marketing and event assistance for qualifying events that represent a substantial likelihood of benefiting tourism and Lodging Businesses in the Bellingham Whatcom County Tourism Promotion Area, and for the purpose of

ORDINANCE FORMING TPA

increasing overnight visitor stays within the greater Bellingham-Whatcom County area; and

(vii) For any other purpose consistent the TPA Act and approved as provided in the Interlocal Agreement.

Included within the scope of Tourism Promotion is the administration, operation, formation, and start-up costs associated with the Bellingham Whatcom County Tourism Promotion Area and the ongoing management and maintenance of the Bellingham Whatcom County Tourism Promotion Area.

(b) The City Council shall adopt a budget for the use of the TPA Charges as required by the Interlocal Agreement. The City shall also contract with Bellingham Whatcom County Tourism for the administration, management and operation of the Bellingham Whatcom County Tourism Promotion Area pursuant to the Interlocal Agreement and RCW 35.101.130.

Section 7. Modification or Disestablishment of the Tourism Promotion Area. The Bellingham Whatcom County Tourism Promotion Area may be modified and/or disestablished as provided in the TPA Act and in the Interlocal Agreement.

Section 8. General Authorization; Ratification. The City Mayor, the City Finance Director, and other proper officials of the City are authorized and directed to undertake all action necessary and to execute all documents required to carry out the purposes of this ordinance. All acts taken pursuant to the authority granted in this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 9. Severability. If any provision of this ordinance, or its application to any person or circumstance is held invalid the remainder of this ordinance or its application of the provisions to other persons or circumstances is not affected.

Section 10. Effective Date. This ordinance shall be effective 15 days after its final passage; provided, however, the TPA Charges authorized herein shall become effective no earlier than 75 days after the City shall have entered into a contract for the administration and collection of such charges with the State Department of Revenue pursuant to the TPA Act.

PASSED by the Council this . day of _____, 2020.

ORDINANCE FORMING TPA

Council President

APPROVED by me this ____ day of _____, 2021.

Mayor

ATTEST: _____

Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:



City Council Agenda Bill

22953

Bill Number

Subject: An Ordinance Of The City Of Bellingham, Washington, Relating To Employment In Bellingham; Establishing Labor Standards Requirements For Additional Compensation For Certain Grocery Employees Working In Bellingham

Summary Statement: City Council scheduled a Public Hearing to consider an ordinance requiring grocery businesses over a certain size to provide \$4 per hour hazard pay to their employees who risk exposure to COVID-19 through their interaction with the public.

Previous Council Action: **Work Session on April 12, 2021 to review the draft hazard pay ordinance**

Fiscal Impact: **N/A**

Funding Source: **N/A**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Public Hearing - Direction Requested	4/26/2021	Provide Direction	Alan Marriner, City Attorney	5 minutes

Recommended Motion:

Council Committee:

Agenda Bill Contact:
Alan Marriner, City Attorney

Council Action: Anderson/Lilliquist Moved for 1st & 2nd as amended. MOTION CARRIED 5-2, Gene Knutson, Pinky Vargas opposed. 4/26/2021

Reviewed By	Department	Date
<i>Alan A. Marriner</i>	Legal	4/20/2021
<i>Alan A. Marriner</i>	Legal	4/20/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

ORDINANCE _____

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON, RELATING TO EMPLOYMENT IN BELLINGHAM; ESTABLISHING LABOR STANDARDS REQUIREMENTS FOR ADDITIONAL COMPENSATION FOR CERTAIN GROCERY EMPLOYEES WORKING IN BELLINGHAM.

WHEREAS, the new coronavirus 19 (COVID-19) disease is caused by a virus that spreads easily from person to person and may result in serious illness or death, and is classified by the World Health Organization as a worldwide pandemic; and

WHEREAS, in response to COVID-19, on February 29, 2020, Governor Inslee declared a state of emergency; and

WHEREAS, in response to COVID-19, on March 12, 2020, Mayor Fleetwood declared a local emergency; and

WHEREAS, in response to COVID-19, the federal and state governments have imposed eviction moratoria, provided financial support, and imposed public health orders to protect people and businesses; and

WHEREAS, COVID-19 has broadly spread throughout Washington State and remains a significant health risk to the community, especially members of our most vulnerable populations; and

WHEREAS, the dangers of working during the pandemic are especially significant for Black, Indigenous, and People of Color (“BIPOC”) employees who are overrepresented among the retail frontline workforce and who are disproportionately impacted by COVID-19; and

WHEREAS, during this pandemic, in addition to governmental workers (including public transit workers, postal workers, corrections officers, firefighters/EMTs, and police officers), and healthcare workers, other workers have provided “essential” services, including grocery and general merchandise store workers (especially cashiers), janitors, maintenance workers, agricultural workers, truck drivers, gasoline attendants, food processing workers, and manufacturing workers; and

WHEREAS, recognizing the ongoing threat to frontline grocery employees, several California and Washington cities, including Berkeley, Long Beach, Los Angeles, San Francisco, Seattle, and Burien as well as Los Angeles and King County, have announced legislative efforts to require hazard pay of \$4 to \$5 per hour for grocery employees during the COVID-19 emergency, and more cities are expected to announce similar legislation in 2021; and

WHEREAS, the City seeks to be a leader on wage, labor, and workforce practices that improve workers' lives, support economic security, and contribute to a fair, healthy, and vibrant economy; and

WHEREAS, establishing a labor standard that requires hazard pay for grocery employees is a subject of vital and imminent concern to the community and requires appropriate action by the City Council; and

WHEREAS, establishing a requirement for grocery employees to receive hazard pay for work performed in Bellingham during the COVID-19 emergency will promote job retention, compensate applicable employees for the risks of working on the frontlines of a global pandemic, improve their financial ability to access resources for protecting themselves and their families from catching or spreading the virus or coping with illness caused by the virus, and support the welfare of the greater community that depends on grocery employees for safe and reliable access to food; and

WHEREAS, grocery employees have been supporting grocery businesses' operations and facilitating community access to food during the pandemic, despite facing a clear and present danger of workplace exposure to COVID-19 and receiving limited or inconsistent additional pay in recognition of this hazard; and

WHEREAS, based on the Brookings Metropolitan Policy Program study that revealed that top retail companies, including grocery businesses, are making record profits during the global pandemic, Bellingham seeks to improve grocery worker safety, compensation for risk by requiring compliance with the federal, state, and county health standards, and to pay employees a wage that reflects the risk to the employees, the employees' families, acquaintances, and the increased costs to be safe, to obtain and manage personal protective equipment and other expenses; and

WHEREAS, these profits are at least in part due to the efforts of grocery employees and other essential workers working despite a lethal pandemic and an above-average susceptibility and risk of exposure to COVID-19 in their workplace; and

WHEREAS, to protect the general public by allowing frontline or essential workers to earn enough to be able to afford to take sick leave, to ensure that grocery workers continue to work and provide the public with food, that grocery workers have the incentive and means to protect their health and the public's health, and to protect the public and other workers from ill frontline or essential workers; and

WHEREAS, the City of Bellingham recognizes that it will not be able to please everyone or to treat each grocer the same way, but since Bellingham does not have the resources to manage a waiver process for stores to opt-out of a hazard pay ordinance, Bellingham is considering the impact on smaller and/or independent grocers in Bellingham since these grocers may not have the financial reserves, purchasing or borrowing power, or access to compete during the pandemic while paying hazard pay since some of them are already working at a loss; and

WHEREAS, the City encourages employers of essential frontline workers to help facilitate the distribution of COVID-19 vaccines to their employees as vaccines become available; and

WHEREAS, the Bellingham City Council intends to consider modifying or eliminating hazard pay requirements after four months of implementation and review of the current health, safety, and economic risks of frontline work during the COVID-19 emergency; Bellingham considers the following ordinance for the benefit of the frontline or essential workers and the community.

NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

SECTION 1. Findings of Fact

The City Council (Council) adopts the above “WHEREAS” recitals as finding of fact and conclusions of law in support of this Ordinance.

SECTION 2. Regulations Imposed

In the exercise of the City of Bellingham’s police powers, the City is granted authority to pass regulations designed to protect and promote public health, safety, and welfare; the City hereby imposes this regulation; as described in this ordinance, as described below.

SECTION 3. Scope

As the substantive effects of this ordinance are not permanent, this ordinance is not intended to be codified. Section numbers are for ease of reference within this ordinance, and section and subsection references refer to numbers in this ordinance unless stated otherwise.

SECTION 4. Short title: This ordinance shall constitute the “Hazard Pay for Grocery Employees Ordinance” and may be cited as such.

SECTION 5. Definitions:

For purposes of this ordinance:

“Adverse action” means reducing compensation, garnishing gratuities, denying a job or promotion, demoting, terminating, failing to rehire after a seasonal interruption of work, threatening, penalizing, retaliating, engaging in unfair immigration-related practices, filing a false report with a government agency, or otherwise discriminating against any person for any reason prohibited by Section 11. “Adverse action” for an employee may involve any aspect of employment, including compensation, work hours, responsibilities, or other material change in the terms and conditions of employment. “Adverse action” also encompasses any action by the employer or a person acting on the employer’s behalf that would dissuade a reasonable person from exercising any right afforded by this ordinance.

“Aggrieved party” means an employee or other person who suffers tangible or intangible harm due to an employer or other person's violation of this ordinance.

“City” means the City of Bellingham.

“Compensation” means the payment owed to an employee by reason of employment, including but not limited to, salaries, wages, tips, service charge distributions, overtime, commissions, piece rate, bonuses, rest breaks, promised or legislatively required pay or paid leave, and reimbursement for employer expenses.

“Employ” means to suffer or permit to work.

“Employee” means any individual employed by an employer, including but not limited to full- time employees, part-time employees, and temporary workers. An alleged employer who disputes that an individual is an employee bears the burden of proving that the individual is not, as a matter of economic reality, economically dependent upon the employer, but instead is in business for him, her, or their self (i.e., an independent contractor).

“Employer” includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee. More than one entity may be the “employer” if employment by one employer is not completely separate from employment by any other employer.

“Franchise” means an agreement by which:

1. A person is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by the grantor or its affiliate;

2. The operation of the business is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol; designated, owned by, or licensed by the grantor or its affiliate; and

3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise fee.

“Franchisor” means a person who grants a franchise to another person.

“Grocery business” means a retail store operating in Bellingham that is either:

1. Over 10,000 square feet in size and that is primarily engaged in retailing groceries for offsite consumption, including but not limited to the sale of fresh produce, meats, poultry, fish, deli products, dairy products, canned and frozen foods, dry foods, beverages, baked foods, and/or prepared foods. Other household supplies or other products shall be secondary to the primary purpose of groceries sales; or

2. Over 85,000 square feet and with 30 percent or more of its sales floor area dedicated to sale of groceries, including but not limited to the sale of fresh produce, meats, poultry, fish, deli products, dairy products, canned and frozen foods, dry foods, beverages, baked foods, and/or prepared foods.

“Grocery business” does not include convenience stores or food marts primarily engaged in retailing a limited line of goods that generally includes milk, bread, soda, and snacks. “Grocery business” also does not include farmers’ markets.

“Grocery employee” means an employee employed by a grocery business.

“Hazard pay” means additional compensation owed to an employee on top of the employee’s other compensation, including but not limited to salaries, wages, tips, service

charge distributions, overtime, commissions, piece rate, bonuses, rest breaks, promised or legislatively required pay or paid leave, and reimbursement for employer expenses, that has been specifically designated as additional compensation being paid due to the increased risk of contracting COVID-19 that is inherent in being a grocery employee.

“Primary language” means the language in which the employee feels most comfortable communicating.

“Written” or “writing” means a printed or printable communication in physical or electronic format, including but not limited to a communication that is transmitted through email, text message, or a computer or mobile system, or that is otherwise sent and maintained electronically.

SECTION 6. Employee coverage

For the purposes of this ordinance:

A. Covered employees are limited to those who perform work for a covered employer at a retail location in the City.

B. Time spent by an employee in the City solely for the purpose of travelling through the City from a point of origin outside the City to a destination outside the City, with no employment-related or commercial stops within the City except for refueling or the employee's personal meals or errands, is not covered by this ordinance.

SECTION 7. Employer coverage

A. For the purposes of this ordinance, covered employers are limited to grocery businesses that:

1. employ 40 or more employees in the City of Bellingham; and
2. employ 500 or more employees worldwide regardless of where those employees are employed, including but not limited to chains, integrated enterprises, or franchises associated with a franchisor or network of franchises that employ 500 or more employees in aggregate.

B. To determine the number of employees for the current calendar year:

1. The calculation is based upon the average number per calendar week of employees who worked for compensation during the preceding calendar year for any and all weeks during which at least one employee worked for compensation. For employers that did not have any employees during the preceding calendar year, the number of employees(s) for the current calendar year is calculated based upon the average number per calendar week of employees who worked for compensation during the first 90 calendar days of the current year in which the employer engaged in business.

2. All employees who worked for compensation shall be counted, including but not limited to:

- a. Employees who are not covered by this ordinance;
- b. Employees who worked in the City;
- c. Employees who worked outside the City; and
- d. Employees who worked in full-time employment, part-time

employment, joint employment, temporary employment, or through the services of a temporary services or staffing agency or similar entity.

C. Separate entities that form an integrated enterprise shall be considered a single employer under this ordinance. Separate entities will be considered an integrated enterprise and a single employer under this ordinance where a separate entity controls the operation of another entity. The factors to consider in making this assessment may include, but are not limited to:

1. Degree of interrelation between the operations of multiple entities;
2. Degree to which the entities share common management;
3. Centralized control of labor relations;
4. Degree of common ownership or financial control over the entities; and
5. Use of a common brand, trade, business, or operating name.

D. An alleged employer bears the burden of proof to show that the employer is not a “grocery business” as defined in Section 5.

E. When determining whether an employer is “primarily engaged in retailing groceries” according to the definition of “grocery business” under Section 5, all relevant factors may be taken into account, including but not limited to the following: grocery sales as a percentage of the retail store’s overall sales; sales floor area dedicated to grocery sales; marketing or promotional materials from the employer; or other public statements from representatives of the employer.

SECTION 8. Hazard pay requirements

A. Except for those employees described in subsection D below, employers shall provide each employee with hazard pay at a rate of four dollars per hour for each hour worked in the City.

1. No employer shall, as a result of this ordinance going into effect, take steps to reduce employee compensation so as to prevent, in whole or in part, employees from receiving hazard pay at a rate of four dollars per hour for each hour worked in the City in addition to those employees’ other compensation. Employers shall maintain records to establish the reason(s) for any reduction in employee compensation, pursuant to Section 10.

2. Employers providing hazard pay, as defined under Section 5, on the effective date of this ordinance may use the hourly rate of that hazard pay to offset the amount due under Section 8 A.

a. Employers shall comply with requirements for providing compensation in Section 8(B) for the entire amount due under Section 8(A).

b. Employers bear the burden of proof to show that the additional compensation is hazard pay as defined in this ordinance.

B. With respect to payment of hazard pay as set forth in this ordinance, employers shall comply with all requirements related to the payment of wages otherwise set forth by law.

C. Employers shall comply with the hazard pay requirements in this Section 8 until:

1. the City of Bellingham’s mayoral COVID emergency proclamation is ended or revoked or

2. this ordinance is terminated or repealed by Bellingham City Council.

D. The following employees are excluded from receiving the hazard pay specified in subsection A above:

1. Employees of a grocery employer, who perform administrative functions that entail regular visits to grocery businesses located in the City of Bellingham, but those employees are not based or do not primarily work at any of those locations; and

2. Delivery-truck-driver employees of a grocery employer, whose duties primarily involve driving from one grocery business location to another, who are not based at any particular grocery business location, who spend little time in proximity to grocery employees and whose work does not require them to interact with members of the public; and

3. Home delivery truck driver employees of a grocery employer, whose duties primarily involve driving from grocery business locations to fill customers' orders, who are not based at any particular grocery business location, who spend little time in proximity to grocery employees and whose work does not require them to interact with members of the public.

SECTION 9. Notice and posting

A. Within 30 days of the effective date of this ordinance, employers shall display a written notice of rights established by this ordinance in a conspicuous and accessible place at any workplace or job site where any of their employees work. Employers shall display the notice of rights in English and in the primary language(s) of the employee(s) at the workplace or job site. Employers shall make a good faith effort to determine the primary languages of the employees at the workplace or job site. If display of the notice of rights is not feasible, including situations when the employee does not have a regular workplace or job site, employers may solely provide the notice of rights on an individual basis in the employee’s primary language in a physical or electronic format that is reasonably conspicuous and accessible.

B. The notice of rights shall provide information on:

1. The right to hazard pay guaranteed by this ordinance;

2. The right to be protected from retaliation for exercising in good faith the rights protected by this ordinance; and

3. The right to bring a civil action for a violation of the requirements of this ordinance, including an employer’s denial of hazard pay as required by this ordinance and an employer or other person's retaliation against an employee or other person for asserting the right to hazard pay or otherwise engaging in an activity protected by this ordinance.

C. Employers are responsible for providing employees with the notice of rights required by Section 9(A) and (B) in a form and manner sufficient to inform employees of their rights under this ordinance.

SECTION 10. Employer records

A. Employers shall retain records that document compliance with this ordinance for each employee.

B. Employers shall retain the records required by Section 10(A) for a period of three years.

C. If an employer fails to retain adequate records required under Section 10(A), there shall be a presumption, rebuttable by clear and convincing evidence, that the employer violated this ordinance for the periods and for each employee for whom records were not retained.

SECTION 11. Retaliation prohibited

A. No employer or any other person shall interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right protected under this ordinance.

B. No employer or any other person shall take any adverse action against any person because the person has exercised in good faith the rights protected under this ordinance. Such rights include, but are not limited to, the right to make inquiries about the rights protected under this ordinance; the right to inform others about their rights under this ordinance; the right to inform the person's employer, the person's legal counsel, a union or similar organization, or any other person about an alleged violation of this ordinance; the right to bring a civil action for an alleged violation of this ordinance; the right to testify in a proceeding related to this ordinance; the right to refuse to participate in an activity that would result in a violation of city, state or federal law; and the right to oppose any policy, practice, or act that is unlawful under this ordinance.

C. No employer or any other person shall communicate to a person exercising rights protected in this Section 11, directly or indirectly, the willingness to inform a government worker that the person is not lawfully present or employed in the United States, or to report, or to make, an implied or express assertion of a willingness to report, suspected citizenship or immigration status of an employee or family member of an employee to a federal, state, or local agency because the employee has exercised a right under this ordinance.

D. It shall be a rebuttable presumption of retaliation if an employer or any other person takes an adverse action against a person within 90 days of the person's exercise of rights protected in this Section 11. However, in the case of seasonal work that ended before the close of the 90-day period, the presumption also applies if the employer fails to rehire a former employee at the next opportunity for work in the same position. The employer may rebut the presumption with clear and convincing evidence that the adverse action was taken for a permissible purpose.

E. Proof of retaliation under this Section 11 shall be sufficient upon a showing that

an employer or any other person has taken an adverse action against a person and the person's exercise of rights protected in this Section 11 was a motivating factor in the adverse action, unless the employer can prove that the action would have been taken in the absence of such protected activity.

F. The protections afforded under this Section 11 shall apply to any person who mistakenly but in good faith alleges violations of this ordinance.

G. A complaint or other communication by any person triggers the protections of this Section 11 regardless of whether the complaint or communication is in writing or makes explicit reference to this ordinance.

SECTION 12. Private right of action

A. Any person or class of persons that suffers financial injury as a result of a violation of this ordinance, or is the subject of prohibited retaliation under Section 11, may bring a civil suit in any court of competent jurisdiction against the employer or other person violating this ordinance and, upon prevailing, may be awarded reasonable attorney fees and costs and shall be awarded such legal or equitable relief as may be appropriate to remedy the violation including, without limitation: the payment of any unpaid compensation plus interest due to the person and liquidated damages in an additional amount of up to twice the unpaid compensation; and a penalty payable to any aggrieved party if the aggrieved party was subject to prohibited retaliation. Interest shall accrue from the date the unpaid compensation was first due at 12 percent per annum, or the maximum amount permitted under RCW 19.52.020.

B. For purposes of this Section 12, a "person that suffers financial injury as a result of a violation of the ordinance" includes any entity a member of which has suffered financial injury or retaliation, or any other individual or entity acting on behalf of an aggrieved party that has suffered financial injury or retaliation.

C. For purposes of determining membership within a class of persons entitled to bring an action under this Section 12, two or more employees are similarly situated if they:

1. Are or were hired for the same employer or employers, whether concurrently or otherwise, at some point during the applicable statute of limitations period,
2. Allege one or more violations that raise similar questions as to liability, and
3. Seek similar forms of relief.

D. For purposes of Section 12(C), employees shall not be considered dissimilar solely because the employees':

1. Claims seek damages that differ in amount, or
2. Job titles or other means of classifying employees differ in ways that are unrelated to their claims.

SECTION 13. Waiver

Any waiver by an individual of any provisions of this ordinance shall be deemed contrary to public policy and shall be void and unenforceable.

SECTION 14. Encouragement of more generous policies

A. Nothing in this ordinance shall be construed to discourage or prohibit an employer from the adoption or retention of hazard pay policies more generous than the one required herein.

B. Nothing in this ordinance shall be construed as diminishing the obligation of the employer to comply with any contract, collective bargaining agreement, employment benefit plan, or other agreement providing more generous hazard pay policies to an employee than required herein.

SECTION 15. Other legal requirements

This ordinance provides minimum requirements for hazard pay for covered employees during the COVID-19 emergency and shall not be construed to preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement, policy, or standard that provides for hazard pay, or that extends other protections to employees; and nothing in this ordinance shall be interpreted or applied so as to create any power or duty in conflict with federal or state law. Nothing in this ordinance shall be construed as restricting an employee's right to pursue any other remedies at law or equity for violation of their rights.

SECTION 16. Severability

The provisions of this ordinance are declared to be separate and severable. If any clause, sentence, paragraph, subdivision, section, subsection, or portion of this ordinance, or the application thereof to any employer, employee, person, or circumstance, is held to be invalid, it shall not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

PASSED by City Council this ____ day of _____, 2021.

Council President

APPROVED by me this ____ day of _____, 2021.

Mayor

ATTEST:

Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:



City Council Agenda Bill

22970

Bill Number

Subject: An Ordinance Amending The 2021-2022 Biennial Budget Increasing Revenues And Expenditures For Paramedic Training Classes

Summary Statement: The attached ordinance adds revenue and expenditure authority to fund the City's Paramedic Training Program as described in the interlocal agreement with Whatcom County also before Council today.

The 2021-2022 Biennial Budget included the lead instructor for the program, but did not identify the revenue nor other expenses associated with the program since program funding was still under negotiation. Because the budget already includes the staff member for both years and because the Fire Department expects the program to continue into 2022, the attached ordinance adds revenue and expenditures for both 2021 and 2022. Revenues exceeding expenditures will reimburse the City for the previously budgeted staff member.

Previous Council Action: **Adoption of the 2021-2022 Biennial Budget**

Fiscal Impact: **Revenues of \$1,158,306 and expenditures of \$789,400**

Funding Source: **General Fund and Medic One Fund**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	4/26/2021	Pass Ordinance	Forrest Longman, Deputy Finance Director	5 minutes

Recommended Motion:

Council Committee:
Public Health, Safety, and Justice
Committee

Agenda Bill Contact:
Forrest Longman, 778-8005

Council Action: Hammill/Huthman Moved
for 1st & 2nd. MOTION CARRIED 7-0.
4/26/2021

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	4/20/2021
<i>Matthew T. Stamps</i>	Legal	4/20/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2021-2022 BIENNIAL BUDGET INCREASING REVENUES AND EXPENDITURES FOR PARAMEDIC TRAINING CLASSES

WHEREAS, the Council is considering an interlocal agreement with Whatcom County to fund a paramedic training class in 2021 from the Whatcom County Emergency Medical Services Levy; and

WHEREAS, the City anticipates this funding will continue in 2022; and

WHEREAS, staffing for this program was added in 2019 for the 2019-2020 biennium; and

WHEREAS, revenues and non-staff expenses were not included in the 2021-2022 budget because they were still under negotiation; and

WHEREAS, the program provides funding in the General Fund for backfilling staff while they are being trained as well as program operations costs in the Medic One Fund.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

The 2021-2022 Biennial Budget is hereby amended to:

- In the General Fund – Fire Department, increase revenues and expenditures by \$428,000; and
- In the Medic One Fund, increase revenues by \$730,306 and expenditures by \$361,400.

PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this _____ day of _____, 2021.

Mayor

ATTEST: _____
Finance Director

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

APPROVED AS TO FORM:

Office of the City Attorney

Published:



City Council Agenda Bill

22973

Bill Number

Subject: An Ordinance Amending The 2021-2022 Adopted Biennial Budget Reconciling The Differences Between Estimated 2021 Beginning Reserve Balances And Actual 2021 Beginning Reserve Balances And Applying The Differences To The Ending Reserve Balances

Summary Statement: During the budget process, the Finance Department estimates reserves based on anticipated expenditures and revenues for the year in which the budget is developed. Pursuant to City Financial Policy, at the beginning of each biennium the City must update the Biennial Budget with actual beginning reserves and estimate new ending reserves for the biennium.

The Finance Department undertakes this process in tandem with the reappropriations process to ensure the various funds' reserves are expected to remain in balance at the end of the biennium. The reappropriations process brings budget forward from the previous biennium for programs and projects authorized, but not completed in the previous biennium.

The attached ordinance updates the beginning reserve figures. Other ordinances before Council today will seek to reappropriate remaining budget and ensure that all fund budgets are balanced.

Previous Council Action: **Adoption of the 2021-2022 Biennial Budget**

Fiscal Impact: **\$37,022,093 increase to reserve balances**

Funding Source: **All City Funds**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	4/26/2021	Pass Ordinance	Forrest Longman, Deputy Finance Director	10 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Forrest Longman, 778-8005

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	4/20/2021
<i>Matthew T. Stamps</i>	Legal	4/20/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

Council Action: Stone/Huthman Moved for
1st & 2nd. MOTION CARRIED 7-0.
4/26/2021

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2021-2022 ADOPTED BIENNIAL BUDGET RECONCILING THE DIFFERENCES BETWEEN ESTIMATED 2021 BEGINNING RESERVE BALANCES AND ACTUAL 2021 BEGINNING RESERVE BALANCES AND APPLYING THE DIFFERENCES TO THE ENDING RESERVE BALANCES

WHEREAS, when preparing the biennial budget, beginning reserve balances must be estimated because the total current year revenues and expenditures are not yet known; and

WHEREAS, pursuant to the City Financial Policy, the differences between estimate and actual beginning reserve balances are to be recognized by ordinance and new estimated ending reserves established;

WHEREAS, actual beginning reserve balances for 2021 are now available.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

The 2021-2022 Biennial Budget beginning reserve balances and estimated ending reserve balances are hereby amended as follows:

Fund	Change to Beginning Reserve	Revised Beginning Reserve	Revised Estimated Ending Reserve
001 General Fund	8,537,750	32,233,376	22,322,581
111 Street Funds	6,050,372	12,050,372	8,218,649
126 Library Gift	130,797	217,692	217,640
136 Remediation Fund	(340,508)	6,945,492	5,786,427
141 1st 1/4% REET	1,755,229	8,084,229	2,641,424
142 2nd 1/4% REET	432,451	9,279,451	8,580,045
151 Police Fed Eq Share	(261)	111,739	117,815
152 Asset Forfeiture	27,509	105,116	92,785
153 Criminal Justice	(42,606)	121,394	160,541
160 Public Safety Dispatch	268,387	1,464,497	1,334,176
161 Transportation Fund	1,967,967	7,926,806	4,485,825
162 BTV	59,268	290,258	78,777
163 Restricted Equipment - PEG	20,552	692,552	735,802
173 Greenways	3,069,429	9,166,994	9,018,616
177 Parks Impact	(805,111)	9,273,889	7,195,223
180 Tourism	490,587	676,007	1,384,724

City of Bellingham
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181	Low Income Housing	182,887	8,479,887	1,051,001
226	QECB Sinking Fund	75,552	4,113,552	4,968,165
245	LID Guaranty Fund	2,442	78,145	80,172
371	Waterfront Construction	225,591	8,526,591	10,820,073
410	Water Fund	(2,108,150)	12,714,850	4,453,587
411	Watershed	146,653	11,881,653	12,612,326
420	Wastewater	5,168,297	50,836,297	15,992,332
430	Storm Water Utility	(865,918)	7,018,962	2,833,564
456	Cemetery	17,788	314,788	134,903
460	Golf Course	17,803	47,803	29,675
465	Parking Services	1,609,527	2,344,527	1,649,654
470	Medic One	(215,488)	140,570	(274,745)
475	Development Services	(81,030)	7,350,970	5,779,623
510	Fleet Administration	4,704,661	8,704,661	6,484,713
511	Radio Communication	(205,045)	1,205,955	1,762,123
520	Purchasing	(305,302)	502,877	783,955
530	Facilities Administration	526,347	1,531,347	1,481,561
540	Telecommunications	(31,139)	439,861	780,866
541	Tech Replacement	(648,659)	2,168,341	(561,473)
542	PW Computer Replacement	348,265	816,647	455,528
543	GIS	38,258	43,358	52,210
550	Claims Litigation	(48,408)	3,797,592	3,991,228
561	Unemployment Comp	(45,923)	586,077	533,848
562	Workers Comp	44,770	1,177,770	624,953
565	Health Benefits	8,964	4,008,964	104,581
570	PW Administration	1,828,603	2,403,603	1,552,748
612	Fire Pension	3,080,858	17,265,866	18,181,002
613	Police Pension	1,361,592	10,373,314	8,514,857
701	Greenways Maint. Endow.	617,371	5,274,666	5,738,135
702	Nat Res Protect & Restore	(117,599)	3,943,732	4,100,821
965	Public Facilities District	66,714	1,912,714	1,008,913
	TOTAL	37,022,093	278,645,806	188,091,951

PASSED by the Council this _____ day of _____, 2021.

Council President

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

Reserves Reconciliation Ordinance

APPROVED by me this _____ day of _____, 2021.

Mayor

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:



City Council Agenda Bill

22974

Bill Number

Subject: An Ordinance Amending The 2021-2022 Biennial Budget, Increasing Appropriation Authority In Various Funds To Pay For Goods And Services Authorized In The Previous Biennium

Summary Statement: The attached ordinance increases appropriations in the 2021-2022 Biennium by reappropriating unused budget authority totaling \$31,938,305 from the 2019-2020 Biennium.

At the end of each biennium, all remaining budget authority lapses, even if it is under contract for a project, program or product. To pay those contracts and continue projects authorized in the previous biennium, the City Council must reappropriate the funds.

Previous Council Action: **Adoption of the 2019-2020 Biennial Budget and Adoption of the 2021-2022 Biennial Budget**

Fiscal Impact: **\$31,938,305**

Funding Source: **Citywide Funds**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	4/26/2021	Pass Ordinance	Forrest Longman, Deputy Finance Director	10 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Forrest Longman, 778-8005

Reviewed By	Department	Date
<i>Andrew D. Asbjornsen</i>	Finance Department	4/20/2021
<i>Matthew T. Stamps</i>	Legal	4/20/2021
<i>Seth M. Fleetwood</i>	Executive	4/20/2021

Council Action: Stone/Anderson Moved for 1st & 2nd. MOTION CARRIED 7-0. 4/26/2021

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2021-2022 BIENNIAL BUDGET, INCREASING APPROPRIATION AUTHORITY IN VARIOUS FUNDS TO PAY FOR GOODS AND SERVICES AUTHORIZED IN THE PREVIOUS BIENNIUM

WHEREAS, appropriation authority totaling \$31,938,305 has been identified in the 2019-2020 Biennial Budget for projects and programs continuing into the 2021-2022 Biennial Budget and not expended prior to the end of 2020; and

WHEREAS, of this amount, \$28,684,369 is to pay for goods and services ordered and under contract, but not delivered prior to the end of 2020; and

WHEREAS, the remaining \$3,253,935 was not encumbered by a purchase order at the end of 2020, but will be needed for programs and projects established prior to the end of 2020 and will be expended in the 2021-2022 biennium; and

WHEREAS, taken together with updated reserves and revenue and appropriation adjustments brought forward in separate ordinances, sufficient reserves exist for the aforementioned expenditures.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

The 2021-2022 Biennial Budget is hereby increased as follows to bring forward funding for projects and programs not completed in the 2019-2020 biennium.

Fund	Encumbered Funds	Unencumbered Funds	Total
001 General Fund			
<i>Finance Department</i>	-	200,000	200,000
<i>Fire Department</i>	46,551		46,551
<i>Human Resources</i>	7,256	77,000	154,256
<i>ITSD</i>	85,873		85,873
<i>Municipal Court</i>	26,150		26,150
<i>Library</i>	70,814		70,814
<i>Mayor's Office</i>	10,000	45,442	55,442
<i>Parks Department</i>	23,345		23,345
<i>Planning Department</i>	521,020		521,020
<i>Police Department</i>	142,517	325,000	467,517
001 General Fund Subtotal	1,003,526	647,442	1,650,968
111 Street Fund	2,005,634		2,005,634

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Carryforward/Reappropriation

126	Library Gift Fund	173,276		173,276
136	Environmental Remediation	312,894		312,894
141	REET 1	93,967	132,165	226,132
142	REET 2	50,969	102,000	152,969
160	Public Safety Dispatch	279,315		279,315
161	Transportation Fund	782,549		782,549
173	Greenways Fund	521,509	709,701	1,231,210
177	Park Impact Fees	1,684,915	1,215,000	2,899,915
180	Tourism Fund	106,225	300,000	406,225
181	Low Income Housing Fund	1,679,570	147,628	1,827,198
410	Water Fund	6,441,013		6,441,013
411	Watershed Fund	23,623		23,623
420	Wastewater Fund	8,980,861		8,980,861
430	Storm Water Fund	635,266		635,266
460	Golf Course Fund	9,142		9,142
465	Parking Services	259,476		259,476
475	Development Services	5,901		5,901
510	Fleet Administration	1,877,998		1,877,998
511	Radio Communications	161,148		161,148
530	Facilities Administration	1,371,653		1,371,653
541	Technology Replacement	68,772		68,772
542	Computer Infrastructure Repl.	43,619		43,619
570	PW Admin & Engineering	111,550		111,550
	Grand Total	28,684,369	3,253,935	31,938,305

PASSED by the Council this _____ day of _____, 2021.

Council President

APPROVED by me this _____ day of _____, 2021.

Mayor

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270

Carryforward/Reappropriation

ATTEST: _____
Finance Director

APPROVED AS TO FORM:

Office of the City Attorney

Published:

Carryforward/Reappropriation

City of Bellingham
City Attorney
210 Lottie Street
Bellingham, Washington 98225
360-778-8270



City Council Agenda Bill

22975

Bill Number

Subject: An Ordinance Amending The 2021-2022 Biennial Budget Increasing Revenues And Expenditures Consistent With Updated Revenue Forecasts And To Ensure Balanced Fund Budgets

Summary Statement: The attached ordinance amends the Biennial Budget, increasing revenues by \$20,575,817 across several funds and reducing appropriations in the Technology Replacement Fund by \$796,534, including shifting funding for two employees from that fund to the General Fund for \$416,264.

This ordinance is part of a series of ordinances to reconcile fund reserve balances and reappropriate budget from the previous biennium. It recognizes revenues consistent with the March 8th updated revenue forecast and makes adjustments needed to ensure that fund budgets remain balanced after adoption of the reserve reconciliation and reappropriations ordinances.

Previous Council Action: **Adoption of the 2021-2022 Biennial Budget**

Fiscal Impact: **\$20,575,817 revenue increase and \$380,270 expense decrease**

Funding Source: **General Fund and Others**

Attachments: 1. ORDINANCE

Meeting Activity	Meeting Date	Recommendation	Presented By	Time
Committee Briefing - Vote Requested	4/26/2021	Pass Ordinance	Forrest Longman, Deputy Finance Director	5 minutes

Recommended Motion:

Council Committee:
Committee Of The Whole

Agenda Bill Contact:
Forrest Longman, 778-8005

	Reviewed By	Department	Date
Council Action: Stone/Anderson Moved for 1st & 2nd as amended. MOTION CARRIED 7-0. 4/26/2021	<i>Andrew D. Asbjornsen</i>	Finance Department	4/20/2021
	<i>Matthew T. Stamps</i>	Legal	4/20/2021
	<i>Seth M. Fleetwood</i>	Executive	4/20/2021

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2021-2022 BIENNIAL BUDGET INCREASING REVENUES AND EXPENDITURES CONSISTENT WITH UPDATED REVENUE FORECASTS AND TO ENSURE BALANCED FUND BUDGETS

WHEREAS, on March 8, 2021 the Finance Department presented a revised revenue forecast for 2021 and 2022; and

WHEREAS, to ensure transparency in budgets, it is prudent to adopt revised revenue figures into the Biennial Budget; and

WHEREAS, certain funds had actual beginning reserves lower than initially adopted in the Biennial Budget; and

WHEREAS, in those funds, budget appropriations must be reduced or revenues increased to ensure the budget is balanced at the fund level.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

The 2021-2022 Biennial Budget is hereby amended as follows:

Fund	2021-2022 Revenue Change	2021-2022 Expenditure Change	Contribution To/(Use of) Reserve
001 General Fund			
<i>Non-departmental</i>	<u>7,832,457</u>		
<i>Finance Department</i>		<u>176,473</u>	
<i>ITSD</i>		<u>239,791</u>	
001 General Fund Subtotal	7,832,457	416,264	7,416,193
111 Street Fund	2,295,431		2,295,431
161 Transportation Fund	1,462,535		1,462,535
181 Low Income Housing Fund	4,497,710		4,497,710
410 Water Fund	4,300,000		4,300,000
511 Radio Communications	187,684		187,684
541 Technology Replacement	-	(796,534)	796,534
TOTAL	20,575,817	(380,270)	20,956,087

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