# Whatcom County Business and Commerce Committee
# Meeting Notes
# August 14, 2023

**Voting Members Present:** Ryan Allsop, Pam Brady, Paul Burrill, Clark Campbell, Pete Dawson, Dan Dunne, Troy Muljat, RB Tewksbury, Chris Trout

**Voting Members Not Present:** Debbie Ahl, Casey Diggs, Brad Rader, Sarah Rothenbuhler, Dana Wilson

**Nonvoting Members Present:** Rob Fix, Mayor Seth Fleetwood, Dr Barry Robinson, County Council Member Kathy Kershner

**Nonvoting Members Not Present:** CJ Seitz, Satpal Sidhu, Jori Burnett

**Public Present:** Austin Anderson, Ken Bell, Doug Chadwick, Barbara Chase, Lance Calloway, Bill Elfo, Jessie Everson, Jasmine Fast, Dean Fearing, Darby Galligan, Braden Gustafson, Hollie Huthman, City Councilmember Michael Lilliquist, Derek Long, Kim Lund, Blake Lyon, Ivy Ndambuki, Jennifer Noveck, Guy Occhiogrosso, Kori Olsen, Mindy Pelton, Scott Pelton, Anna Robbins, Andrea Ruback, Sarah Simpson, Gina Stark, Brien Thane, Dr Greg Thompson

## August Agenda

**Introductions / Administrative business / Comments welcome from the Public** (5mins)

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- Committee Chair calls meeting to order
- Committee Member Introductions
- Approve July 2023 minutes
- Invite all attendees to participate along with Committee members during Q&A sessions

**WCBCC Public Safety Sub-Committee Related Topics**

**Opioid Data, Challenges, Opportunities & Settlement Update**

Whatcom County Health & Community Service Co-Health Officer Dr. Greg Thompson (25 mins)

**Q&A** (10 mins)

**WCBCC Public Safety & Housing Sub-Committees Related Topics**

**Update Proposed Housing and Homelessness Public Health Emergency Declarations**

Whatcom County Councilmember and Business & Commerce Liaison Kathy Kershner (15 mins)

**Q&A** (10 mins)

**WCBCC Childcare Sub-Committees Related Topic**

**Update on Healthy Children's Fund & Distributions**

Executive Director of Chuckanut Health Foundation Heather Flaherty and Whatcom County Health and Community Services Children and Family Programs Supervisor Sarah Simpson (15 mins)

**Q&A** (10 mins)

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**Ryan Allsop:** Well, thanks, everybody, for coming. Probably call the meeting to order.

**Dan Dunne:** I'll second that.

**Ryan Allsop:** And the first thing is just member introductions. But this is officially Dan's first meeting as a member, voting member. So excited to have him on board. Thank you, Kathy and County Council, for pushing that through on your end. Ryan Allsop, Allsop Incorporated.

**Dan Dunne:** Dan Dunne, CAZ Construction. The new construction position, I'm filling that position.

**Clark Campbell:** Clark Campbell, President of Gear Aid, representing outdoor recreation.

**Gina Stark:** Gina Stark, Port of Bellingham Economic Development.

**Rob Fix:** Rob Fix, also with the Port of Bellingham.

**Paul Burrill:** Paul Burrill, representing food processing.

**Kathy Kershner:** Kathy Kershner, representing Whatcom County Council.

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**Blake Lyon:** Blake Lyon, Director of Planning and Community Development.

**Ken Bell:** Ken Bell, Commissioner of the Port of Bellingham.

**Doug Chadwick:** Doug Chadwick, undersheriff, Whatcom County Sheriff's Office.

**Sarah Simpson:** Sarah Simpson, health and community services.

**Michael Lilliquist:** Michael Lilliquist, Bellingham City Council.

**Ryan Allsop:** Online?

**RB Tewksbury:** RB Tewksbury, Pacific Northwest Chapter of the Internet Society.

**Chris Trout:** Chris Trout with Woodstone, the manufacturing segment.

**Troy Muljat:** Troy Muljat, general business.

**Seth Fleetwood:** Seth Fleetwood. Mayor Bellingham.

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**Pam Brady:** Pam Brady, BP Cherry Point Refinery, manufacturing sector.

**Kori Olsen:** Kori Olsen. Port of Bellingham.

**Derek Long:** Derek Long, Sustainable Connections.

**Darby Galligan:** Darby Galligan. City of Bellingham.

**Jennifer Noveck:** Jennifer Noveck, Port of Bellingham.

**Gina Stark:** Let's see. And the rest are just general.

**Ryan Allsop:** Thank you very much. I think next order of business would be to approve the July minutes. I was not here. So anybody have comments on or more information?

**Dan Dunne:** Did we get a copy of the minutes?

**Ryan Allsop:** They were sent out. Yeah.

**Clark Campbell:** I will put forward a motion to approve the minutes as presented.

**Paul Burrill:** Second. I did review them.

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**Ryan Allsop:** All right. So approved now. Oh, sorry. All in favor. Thank you. Give me a line. And then, as always, I think we have a note on here, and I think it's very important. One of our goals is to have everybody participate, not just committee members, but anyone from the public. Speak up. Please. Don't hesitate. This is an opportunity for everybody to take in our community and county, and we try to broaden this as much as we can in the last few years to a bigger group. And I think that's really important. And thank you for attending. So, um, I think we'll move right into our subjects. I think Erica helped line this up, I believe, Dr. Greg Thompson here to speak on the public safety related topics about opioid data, challenges, opportunities. So obviously a huge subject right now around here and nationally, as we all know. I'm a parent of an 18-year-old and it scares me to death all the time. I've got Narcan in all three of my cars. Probably overkill, but he's in college and he's going to take. So it's near and dear to, I think, all the parents in this room and committee members. So thank you, Dr. Thompson, for joining us. And I think we're pulling up the presentation right now.

**Gina Stark:** Yes, I believe that Dr. Thompson has his first.

**Dr Greg Thompson:** Yep, I do. And I can go ahead and share that directly if that sounds good.

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**Ryan Allsop:** Great. If you could do a brief introduction on yourself, that'd be fantastic.

**Dr Greg Thompson:** I will. Absolutely. So I'm Greg Thompson, Co Health Officer for Whatcom County. And it's Co Health Officer because I share the job with Dr. Amy Harley. And I'm super happy to be here today to talk to you guys. Are you able to see my screen and the slides now?

**Ryan Allsop:** Yes.

**Dr Greg Thompson:** Perfect. And I apologize in advance to Mayor Fleetwood and Council member Kershner. You have heard this presentation probably at least a couple times. I try to mix things up a little bit every time, but I'm going to go over a little bit of the basic background in terms of the history of opioids in the US and how we got where we are now. A little bit of data regarding where things are in Whatcom County specifically and how it relates to the state in the US. And then talk a little more in depth about kind of some of these thoughts about challenges and opportunities which Director Erika Lautenbach will continue with talking about the opioid settlement as well. So if no other questions before I get started, then I'll go ahead and get rolling.

**Ryan Allsop:** Go for it.

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**Dr Greg Thompson:** All right. So if the terms are confusing at all, the term opiates refers to drugs that are derived from the opium poppy. So those include things like opium itself, morphine, heroin and codeine. So these are all naturally extracted and in some cases modified to change their properties. Opioids refers to drugs that are chemically related to these naturally occurring opiates. And we mostly focus on the synthetic opioids here, things like fentanyl, of course, Oxycontin, which we'll talk a little bit about that really precipitated kind of our current crisis. And then other drugs that are available, such as Imodium for treating diarrhea. We also have some what we call endogenous opioids in our body. These are the naturally occurring chemicals that function like opioids in natural processes, like endorphins that people have heard about. In terms of how opioids work. They bind to these various receptors throughout our body. And you can see in the little cartoon at the bottom right, those blue kind of cups sitting on the surface of the cells are opioid receptors. And these interact with these opioids, whether they're the ones our body produces or ones we introduce into our bodies to have effects depending on what cell they interact with.

Most commonly, we use these as pain relief. They can also decrease cough. They can reduce diarrhea and then they have other side effects. So they can cause this feeling of intense pleasure or euphoria. They can also cause profound sedation, which is part of the reason that we use them in anesthesia. And

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the most concerning side effect is that they can slow down your breathing. And if you take enough, it can stop your breathing entirely. And this is why people die of opioid overdoses, because the breathing stops. Now, fortunately, we can use what we know about these opioid receptors to create antidotes. So Narcan or Naloxone, which we heard about— and I don't think having one in each vehicle is overkill, I think that's good practice— but naloxone works by binding to these receptors in a way that doesn't stimulate them, but it prevents the opioids from interacting with them. So if someone is in an overdose situation, if you give naloxone, it can knock those opioids off the receptors and allow you to begin breathing again. And if anyone is interested in getting naloxone, I will show you later how to request it through the health department. And also, you can request training as well.

When people have been using opioids long term, there are a few phenomenon that we see. The first one is tolerance, meaning your body needs more and more of that drug to have the same effect. So if you've been using them for several weeks, the amount you need goes up. Alongside that, people also develop dependence, meaning the body physiologically actually requires these drugs then to function normally. When the drugs are stopped, you go through withdrawal. And this is characterized by irritability, pain, tremors, diarrhea and severe cravings to get these drugs, so you no longer feel sick. And these withdrawal symptoms can really feel like death. I mean, imagine the worst flu

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you've had and amplify that significantly. And that's why people go to such great lengths to take these drugs when they're going through withdrawal, so that they don't experience this. And that leads to risky behaviors, whether it's using dirty needles for injecting heroin, or whether it's taking medications that you're not familiar with in order to stop these withdrawals, which can lead to overdose.

Now we have a long history with these drugs really going back to the opium poppy. It's been used medicinally for 5000 years. And in the US, it goes back to the founding of our country. Thomas Jefferson, on the left, used laudanum, which is an opium extract for some of his chronic medical conditions later in life. In the Civil War, morphine had just been discovered at that point and the hypodermic syringe. So it was used widely to treat battle injuries. And there was a lot of addiction that resulted from that and dependence. Heroin was introduced to the market in the late 1800s, and you could buy it through the Sears Roebuck catalog. So people began ordering it then. And we saw the second worst opioid epidemic and overdose crisis the US has ever seen in the late 1800s, largely middle- and upper-class people who were getting these opiates either from their doctors—but frankly, you didn't need prescriptions back then—so a lot of people were just buying them directly from the businesses selling them, such as mail order catalogs.

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Opioids have been tied up in foreign policy as well, including US policy and connections to the rest of the world. And the top left you can see the Opium Wars, which were largely driven by England, but the US was involved, at least in the outcome of those getting trade concessions for China when we were forcibly selling opium to China in the 17 and 1800s. On the top, right, you can see these are Hmong resistance fighters in Laos during the Vietnam War. Opium and heroin were used to fund the resistance that was being supported at that time. In the bottom left, the Afghan resistance against the Soviets. Again, heroin and opium were used to fund that resistance fight as well. And in the bottom right, it shows kind of some of the current trades in terms of fentanyl, which is one of these synthetic opioids. It involves policy around chemical sales and international criminal organizations tying China, India and Mexico together. In terms of the major sources for the precursor drugs that are used to synthesize fentanyl and then the production in Mexico and transport into the US as well. So, a very complicated and very long history. It's not something new, but it is more severe than we've seen in the past.

Moving on to the modern opioid epidemic that we are in right now. This really began in the 1990s with the prescription of Oxycontin and other long-acting opioids. You can see in the bottom left there the pain clinics that had popped up at that time. The pill mills, which began in places like Ohio and West Virginia, spread down to Florida, where it was particularly rampant. People would line up

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around the block to get doctors that would prescribe them these pills. It quickly became apparent how much of a problem this was. And as we made moves to shut down availability and improper prescribing, people who had become dependent on these drugs then turned to street drugs. But you can see here, when we look at this modern opioid epidemic, the first wave began with prescription opioids outlined in green. So beginning in the late 1990s and peaking around 2006. As people turned from the prescription opioids which they were no longer able to buy, they often turned to things like heroin. You can see black tar heroin on the bottom left and powdered heroin on the right. So we saw an increase in use of heroin along with the social problems that that brings, including spread of infections like HIV, when people use dirty syringes. But beginning in about 2010, heroin began to climb and eventually replace prescription opioids as the number one cause of death due to opioid overdoses. And this is Washington data here, I should add.

So 2010 to 2016, heroin was on the rise. And beginning in about 2016 in Washington state, fentanyl began to replace heroin because it was widely available. It was incredibly cheap. And through those international organizations that we talked about, it began to saturate the market and displace heroin. I will say in Washington, we are about three years behind the Midwest, the South and the eastern US, which began this epidemic before we did. So what about the impact on young people specifically? So

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this is just general death data I had shared with you above. In terms of young people, you may have seen this publication in the last couple of years that showed in 2020, as motor vehicle crashes were declining as the number one cause of death, firearms became number one cause of death in youth under the age of 20 for the first time.

What's hidden further down in this graph, though, and I circled here in orange, is that drug overdoses and poisonings— so this is either intentional overdose or suicide or accidental overdose or very rarely homicide— became the number three cause of death in these young people in 2020. And that's up from number 6 or 7 previously from overdose deaths. And this is paradoxical because as you can see in this graph, which shows illicit drug use other than marijuana or alcohol in young high schoolers, that has been fairly steadily decreasing since the 1980s. So you can see in the early 80s, among 12th graders, as many as 23% reported use of illicit drugs in the last month. Now we're down to about 4 or 5%. And this is national data. We see the same thing in Washington state. Fewer and fewer kids are actually using these stronger illicit drugs, but more are dying. And the reason for that is shown here. The gray line that's climbing is fentanyl. So while use of all of these other drugs you can see in the other colors— the benzodiazepines, methamphetamine, cocaine, prescription opioids and heroin— all of those are relatively flat or even

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decreasing. But as fentanyl has come on the scene, those deaths have increased.

So what is it about fentanyl that makes it so bad? Number one, it is extremely potent. It's 50 times stronger than heroin, 100 times stronger than morphine. And just that tiny little bit on the tip of that pencil, which is two milligrams of pure fentanyl is enough to kill the average adult who is not already tolerant to the drug. On the right, you can see what the fentanyl sold on the street mostly looks like. Most of it is coming in the form of counterfeit pills. On the left is an authentic oxycodone tablet, which is a prescription pain reliever. On the right is the fake M30s or blues, as they call them, which is made of fentanyl and mixed with other things just to make up the pill. So why is why is this so strong, the drugs on the street? It's being dosed for people who already have a tolerance to the drug. So the fentanyl that's sold on the street, these pills, about half of them have enough fentanyl to kill a drug-naive person, so someone taking it for the first time. But they're really being mostly marketed to people who are dependent on them already and have a lot higher tolerance.

There's also very poor-quality control. In some cases, they just put the powder in a blender, mix it with other things, press it into a pill. One pill can have, you know, five or even ten times more fentanyl than another pill can. And it's impossible to know when you take it what you're actually taking. As I said, about half of

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these have a potentially lethal dose. The other thing is it's being marketed in a way to look like other non-opioid medications. On the left here, you can see pharmaceutical Xanax pill. And on the bottom left, this is a yellow or a school bus or they have different names for them. But this is basically a fentanyl pill that's marketed to look like Xanax. And on the right, even more concerning, this looks like an Adderall. The top right is an Adderall pill, which is a prescription for treating ADHD. It's something that a lot of college students and other kids have used recreationally as well. And on the bottom is one that is made with fentanyl. If someone takes that thinking, they're getting Adderall, they could die or they could develop a dependance on that drug as well.

Also incredibly cheap. I heard down to $0.80 per pill on the street right now in western Washington. And it can be bought anywhere, including downtown Bellingham, on any street corner. And when I say low barrier to use here, I think it's also a bit more appealing to people because unlike heroin, which you have to cook and inject, a lot of people just take the fentanyl, crush it up, put it on a piece of aluminum foil and burn it and smoke it. In terms of what we're seeing in Whatcom County itself, this is some data that is on our Whatcom Overdose Prevention website, which you can look at any time. You can see the gray bar here shows the generally upward trend in fatal drug overdoses in Washington state beginning around 2018, 2019, showing a significant increase. And then in the green there, a little bit below the Washington state

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numbers are Whatcom County. And the table on the right shows actual numbers. This will be available. If it's not already in your packets, it'll be available for review. We also have more recent data from the medical examiner, and this is again, available on this website showing confirmed and probable overdose deaths over time.

And you can see in 2022, there were 92 overdose deaths attributable to any drug. And in Whatcom County, as of the first half of 2023, we're up to 63 confirmed or probable deaths due to drug overdose. And March was a particularly bad month this year. No one knows exactly why. There are rumors of particularly bad batches of drugs on the street, but we did see a significant uptick in deaths then. When we look county by county, just for reference, the statewide overdose death rate between 2020 and 2022, those three years aggregated together was about 21 deaths per 100,000 Washington residents per year. Whatcom County was at about 16, similar to where Skagit is. And then I believe is that Mason? I should be careful. I think it's Mason County was our number one at 35 deaths. So about double the rate in Whatcom County. And you can see looking across the state, it's really not an urban problem or a rural problem. It's a bit of a patchwork across the entire state of Washington, affecting everyone.

I also wanted to bring this up here. People may have seen in the Seattle Times a few weeks ago, Maria Cantwell had a town hall or

an open house, and she referred to Washington State as the epicenter of the overdose epidemic. And I want to talk about why I don't like that term, but where that idea came from. So when we look at deaths across the entire US from drug overdoses, you can see that West Virginia, Kentucky, Tennessee, the Rust Belt areas and the East Coast have tended to be the most severe. In 2021, there are about 90 deaths per 100,000 in West Virginia. At that point, Washington was at about 28, so significantly below what we were seeing there. The 2022 data here is not yet available. And we can also see, as I mentioned before, that really this was a problem on the East Coast, the Midwest and the South before it was in the west. So this red, blue and black shows drug overdose death rates in those other three regions and the yellow is the West Coast. So we've been below all of those areas, but we're rapidly catching up and we may be set to exceed them in the next year. As I said, rates are increasing quickly. And where Washington state does have a very dubious distinction here, which I think is where Senator Cantwell's comment came from, is that Washington State last year had an increase of 24% in overdose deaths year over year, which was the fastest increase of anywhere in the US. So we are still below average, but we're increasing much more quickly than the rest of the US is.

So where does that leave us now? I like to think of an analogy of us being all in this big boat together. But the boat is leaking. There's quite a bit of water on it already and people are

overboard. So a few of the things that we can do, number one, we have to most urgently save those people who are already drowning. And this is where overdose prevention comes in. So naloxone or Narcan, the antidote that we talked about is incredibly important. And also making sure that people, if they are already using drugs, already drowning, that they don't go under. We don't want anyone using alone. They need to have someone around who can rescue them. We don't want people using unknown substances, young people, when they buy these drugs off the street or they get things from their friends again. Often it looks like something that they may think is slightly less dangerous than fentanyl, but it could contain fentanyl and be lethal. We also need to be bailing. We need to get that water out of the boat so the people who are already suffering from substance use disorder, we need to make sure we've got adequate programs for intervention and outreach and treatment. We need the recovery services.

And as I've spoken to a number of people here before, we really need to focus on those risky, risky transitions. So when someone who uses substances leaves jail or incarceration, their risk of overdose death is exceedingly high. In the first two weeks after release from jail, it can be 130 times higher risk of dying from an overdose than a person in the general population in Washington state. Also leaving the hospital or the emergency room after they've had an intervention, there's a really high risk of overdose. Then, too, we need to fix the leak to stop that water from coming

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into the boat. And this is what prevention is all about. So going upstream, starting with our young people so they don't begin to use to begin with delaying alcohol and marijuana use every year that someone delays initiation of these reduces the risk that they will later develop dependence on these and other drugs, including the opioids. We need to model healthy behaviors. So as a parent, if you come home and you say, Well, it's been a really hard day, a really tough day, I need a drink— think about what that is saying to your children in terms of using substances to deal with problems.

And we need to be providing peer support and parenting support for people to help prevent this. And then finally, the bigger and stronger boat. So we need to make sure that we've got a boat that's not going to leak and not going to sink in the first place. And this is building strong communities, availability of affordable housing, employment, mental health care and community and cultural connections which are helpful to provide resiliency, to prevent drug use to begin with, and to help people recover if they have been using in the past. So that is my quick summary here. I wanted to quickly plug our WhatcomOverdosePrevention.org website. Any of the data that I shared here from Whatcom County you can access on this website, there's a lot more information about what opioids are. And at that big yellow button on the top, you can click and you can request naloxone from the health department. There's also information about how to administer it

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and how to get more information, including information about treatment. So I think that's all I've got prepared and I would love to turn it over to director Erika Lautenbach to talk about the opioid settlement and what that means going forward. And I don't know if you want to save questions till after Erika or now?

**Ryan Allsop:** We can wait. I think Michael has one comment about that data you just had recently.

**Michael Lilliquist:** So this Dr. Thompson is different data—you're charting deaths. I talked to Chief Hewitt. This is about EMS calls which aren't necessarily like, you know, coroner verified drug deaths. But the numbers that are for this year alone, there's a 68% increase over 2022 in calls where for the primary impression is coded for an overdose. That's primary impression. There are other calls that where a drug overdose may be part of the issue. That is the primary impression with regard to death. These are unsuccessful resuscitations or dead on arrival, no resuscitation. And again, these are presumptively due to the drug overdose, not coroner confirmed. That is a 20% increase for up to 170 such deaths the EMS has responded to this year.

**Erika Lautenbach:** So great point. We have all of that data on our overdose prevention. We've partnered with medical examiner, EMS and PeaceHealth. So there's hospitalization data, there's EMS call data, and there's data on the website and we update

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that monthly. So it's much more current than any other data source. You'll find that the state or federal level. Yeah.

**Ryan Allsop:** I mean, you do hear a fair amount of EMS employees complaining about Narcan actually as an enabler. It saves lives, but it's become an easy excuse to continue bad behavior, the behaviors. And so it's ironic, right? And I have it in my cars because I'm more worried about a kid that's making a bad decision. So I've heard quite a few actually complain that it's just enables too much too easily.

**Erika Lautenbach:** Well, and unfortunately, I don't I don't think I don't think it's widely thought about, but it does have a cumulative negative impact on a person's body. When you go into an overdose state, there are a lot of there are a lot of implications for your body. And so the more overdoses you have, even if they're corrected with Narcan, it has a long term impact. So it's not a get out of jail free card.

**Paul Burrill:** This is an excellent presentation. Are we teaching this to our kids? I have junior high and high school kids myself. This is extremely educational.

**Erika Lautenbach:** We have a local behavioral health sales tax and it supports three staff at the health department that work with community coalitions in school districts to help parents and

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teachers and students learn more about this. But there's certainly more work that can be done.

**Clark Campbell:** Yeah, particularly a piece around like Adderall.

**Erika Lautenbach:** Oh, yes.

**Clark Campbell:** And the street drugs are meant to look like the prescribed ones that the question I had is, do we have an understanding of where the supply of this— is this diverted medical grade product that's ending up in the street, or is this just being synthesized locally or in China?

**Dr Greg Thompson:** Yeah. So the fentanyl that's coming into the US, the vast majority of is being synthesized in a couple of regions within Mexico. There are several large cartels, international criminal organizations that are doing that, and they're using precursor chemicals that are being sourced from overseas to do that. There's kind of there could be a very long conversation about exactly where that's coming from, how it's being produced, how it's getting into the US, how it's being distributed. But it's initially being synthesized in a fairly concentrated way and then it's being very widely disseminated, you know, almost like peer-to-peer networking or something. A lot of some large-scale dealers and some very, very small, small scale people transporting, you know, 500 or 1000 pills at a time, which may sound like a lot, but

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considering that millions and millions are being seized, it's lots of people transporting small amounts, you know. Quick comment about the data about potential deaths versus the medical examiner data. So when EMS sees someone who's died, you know, they're making an assumption that initial impression about what they think has happened. The medical examiner data is based on actual lab testing after the death. So the medical examiner does take jurisdiction on all cases where there is an unknown cause of death or a cause of death that is deemed not natural. So if it's not clearly, you know, you died of a pneumonia or you died of a heart attack or something, the medical examiner takes jurisdiction, reviews, all those cases. And the ones that are showing up in this final data are ones that are confirmed deaths due to drug overdose. So I think probably that's ultimately more accurate data, although it may lag a little longer because it takes months to get the toxicology back in some cases. But we are looking at, like I said, over 60 doses in the first half of 2023, which is up from 92 in the entirety of 2022. So we're on track to be up at least 25% potentially from what we saw last year if those numbers continue.

**Ryan Allsop:** Thank you. Erika, did you have a presentation?

**Erika Lautenbach:** Yes. I know, I know. This could take your entire meeting, so I recognize that and I can just run through. I want to give you a little bit of information about the opioid

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settlement and. Okay. Thanks. So you've probably heard some about all of these settlements with different drug companies and pharmaceutical companies, both pharmaceutical companies, but also, you know, organizations like Walgreens, Walmart, et cetera. So– Huh. Wow. Well, I did not get hired to be good at making PowerPoint, so I'm sorry. That looks really strange. So this is what we know so far. There's a number of different settlements that are finalized. And then there's a number that are in process. This is where we are in the process with each of these different settlements that are finalized. So the biggest one you'll see is that distributors resolution, which is $518 million, and that's McKesson, Amerisource and Cardinal Health, and I'll show you on the next slide how that sort of plays out. But this is these are those that are finalized. And then on the next slide, there's a number, as you can see, that that have been finalized, but we don't have a distribution period set. And there's also at least four that are pending currently. But again, you see the big one is that $500 million on the top line there. And just to sort of temper some of the expectations around this, the state will receive half the funding for this and local government will see receive half the funding. There's different distribution periods for each of these settlements. So that's very confusing. Some, like Walmart, really wanted to just get this settlement off their books immediately. So they asked for an early settlement. Some want to phase it out over a number of years.

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**Clark Campbell:** These are Washington dollars?

**Erika Lautenbach:** These are Washington state dollars. Yes. So but, for example, just to temper expectations, this is the allocation of that distributor settlement, that $518 Million. And so if you look at Whatcom County share, it's $5 Million, but it's over 18 years. So if so we have we have agreements in place with Ferndale and Lynden because, you know, Ferndale might receive $8,000 a year for this settlement which for them they're weighing whether or not that's worth all the reporting requirements in order to, and what would they do with the $8,000 a year. So that is an open conversation with both Ferndale and Lynden. We know that Bellingham has an intention to hit their allocation, but even if Whatcom County government absorbs the total allocation of Ferndale and Lynden, it would only be about $178,000 a year. So it's real money, but it's not life changing money for our county. It's enough to do some targeted interventions and some prevention work. But it will not be the game changer that I think we all hoped it would be. And this is– so it's such a strange term, there's a regional opioid abatement strategy group that includes the Swiss region, and they are starting to meet. Joe Fuller of the Health Department is our representative from Whatcom County. And these are sort of the prescribed strategies that the state has put forward in their opioid plan. So thinking about a whole section around treatment, some prevention activities and then some other strategies, so likely that regional team will come up with a number

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of strategies that each county will adopt or be able to tweak. But again, you know, it would be more than $178,000 to operate a crisis facility, for example. Right. It's not going to be a game changer, but it is a help. And I think it's important to acknowledge the harm that many of these organizations were knowingly doing while we were struggling with this this epidemic. And then I'm just going to very briefly talk about our multi-agency coordination group.

**Clark Campbell:** So what do those dollars look like for Bellingham? You know, you said it was $8,000 per Ferndale per year.

**Erika Lautenbach:** Bellingham has $2 million over 18 years. So yes. And that's one. There will be more coming. But to guess that it would be double that would be a bit optimistic. Yeah. For the total allocation. So we have formed at the request of the of executives and Mayor Fleetwood, a multi-agency coordination group. This is really designed to organize our kind of anchor institutions around some of the system-wide and structural barriers that we have. If any of you went to the opioid all hands two-day summit, you heard from some families of people who lost their lives to an overdose about all of this, all of the institutional challenges that they faced in in communication between health care partners, in warm handoffs, in gaps and services. And so this group is really these are the institutions that are really going to

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start to dig in on what are the ways that we are either contributing to some of the chaos and the challenge or that that we're not actively working to address and reduce barriers for people to receive at any period in the spectrum of recovery, to receive the services at the time that they need them. So this will be a group that meets monthly. And we're really trying to, of course, first reduce opioid deaths, but also mitigate the impacts of public safety in Whatcom County, as well as just reduce the overall suffering of people in the throes of addiction and their families and loved ones. So this is a group we just had our kickoff meeting on Friday, just a sort of information session. And the reason why I'm bringing this forward, we're joining all of our communicators together. So we have shared messaging, which feels really important that we're not creating additional confusion about what services are available and where people can go for resources. And the reason why I'm bringing this forward is we would love a member of the Business and Commerce Committee to be on our group. The expectations are it's once a month meeting for an hour. And then we'll dive into workgroups where the actual work happens and it will be around certain topics, certain system challenges. So individuals representing groups that have a stake in that system challenge will be invited to dig in on some of these topics. And this is really an opportunity for us to actually start to think about how we can collaborate differently and more effectively and honestly. If we can solve some of these system challenges, we're solving them for not only people with substance

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use disorder, but a whole host of other challenges in our community. So we know we need to do this. And this is the forum to do it. This is a collaboration model. It's not a command-and-control model like our ICS structure. I'm not quite ready to activate an incident response again, I after three years of that kind of ready to get rusty on ICS structure. Okay! So I'm going to I'm just going to pause there and I will stop sharing my screen.

**Ryan Allsop:** As I'm not a great timekeeper. I think we need to keep our questions as quickly as possible, if we can circle back with the team.

**Paul Burrill:** One, since we have a person in the room too that can help answer it. If somebody is caught dealing opioids that are that are nonviolent themselves, but dealing that type of material can kill a child, another human being, how are they dealt with when they are arrested? Are they released? Are they detained?

**Doug Chadwick:** Again, that decision is up to the judge. But again, trafficking and sale and delivery of narcotics is still a felony in the state of Washington. So the possession is a gross misdemeanor. But the trafficking that sheriff's office runs, the Whatcom Gang and Drug Task Force. So we are still focusing on and targeting the people that are bringing our supplies. We're seeing anywhere from 10,000 to over 100, 200,000 at a time working with our state federal partners. So they are still being in

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some of those cases are going federal. As well. We're working with the US Attorney's office on those.

**Paul Burrill:** That's it. So incarceration. I know we don't like some of those terms, but that's probably quite important. I would imagine too. Luckily we had great discussion. You know, keep those people from potentially affecting our children's lives, too. That's just as important to see. Maybe some of that money in those directions. I know it's just business at this point.

**Clark Campbell:** Do we have any data on the path to people using fentanyl? Like how much of that's coming from people just being overprescribed Oxycontin in a you know, in that period of 2006 to 2020, that seemed to be where you saw a big spike in Oxycontin use that then led to black tar led to— my sense is, we wouldn't see the spike we had if it hadn't been for the things you're talking about in the settlement and Sackler family and stuff that's going on with that.

**Erika Lautenbach:** Yes. That certainly led us. And Greg I know I heard you clearing your throat, so I'll just say one thing and then then I'll turn it over to you. So, so I think the biggest challenge is the fentanyl and meth are not the heroin and meth of the 1980s and 90s. We don't see long term use of these drugs because people die. And there's a lot of paths that led them to that. But for example two-thirds of kids under 18 that die of a drug overdose

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have never used that drug before. And so it's really for us, it's a race against time. And it is important to save lives and get people into recovery as soon as possible or, you know, use incarceration as a tool if it needs to be to get people on a path to save their lives. So it's it feels much more acute than it used to be. We had long term users of heroin that you would use our services program they might use for several years before they decided to make the change and get into recovery. We don't have that kind of time anymore.

**Clark Campbell:** So are you seeing, I know on the East Coast there's this thing where people are combining horse tranquilizer together with fentanyl. Does that hit the West Coast or Bellingham?

**Erika Lautenbach:** Yeah, we do have we do have xylazine test strips now and we're testing the supply where possible, if people ask for that. I don't know, Greg, have we seen xylazine yet?

**Dr Greg Thompson:** Yes. So, you know, there are places in Port Angeles and Vancouver, Washington, where they are doing they've been doing kind of underground xylazine testing for a while. They say about 5% of the fentanyl in their areas has xylazine in it. In Whatcom County, we've certainly heard kind of rumors on the street, but none of it has been confirmed as of the last time I spoke with the medical examiner, she's been testing all

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overdose deaths for xylazine since summer of 2022, and it has not come up on any of the toxicology there. So it's expected that it's in the community. If it's not widely in the community, it is at least occasionally popping up here, although we have not seen it associated with any deaths yet. So we do have test strips available. We're waiting to hear back to see if anything is testing positive. And we are trying to do more drug testing along those lines.

**Clark Campbell:** Just get ready. It's on its way to the East Coast, to the West Coast.

**Dr Greg Thompson:** And I would say I will say a couple of quick comments about xylazine number one is it is not reversible by Narcan. So the xylazine itself will not be reversed. It's often in combination with fentanyl, so the Narcan can still help to reverse the fentanyl and prevent overdose deaths. I don't think anywhere that we've seen the xylazine it's driven deaths up to the degree that the fentanyl itself has. So even though it's present in a lot of the overdoses and a lot of the drugs in places like Philadelphia, I don't think the addition of the xylazine to the drug supply. Obviously, it's bad. It's killing more people, but it's not a game changer the way that fentanyl itself has been, if that makes sense. So it's bad, but it's not as big a change.

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**Ryan Allsop:** Two questions. One, it seems, and this is totally anecdotal, just being a local that sees a lot of homeless on the streets, doing drugs, walking around, having a lot of properties, that the drug induced schizophrenics are rampant compared to what they used to be. And that's just totally my opinion. I don't know if it's factual or not, and it doesn't seem reversible from an outsider's perspective. What's your take on that scenario?

**Erika Lautenbach:** That's the meth.

**Ryan Allsop:** That's the meth?

**Erika Lautenbach:** Yeah. And in fact, at the Ann Deacon Center for Hope, it's very, very hard for the clinicians to know if it's a diagnosed mental illness of paranoid schizophrenia or if it's a medium to long term impact of using that drug.

**Ryan Allsop:** Because when you walk down Holly and you want to go to dinner and that's the ones that kind of freak you out, when they're behind you and they're screaming and doing, they're like, whoa, hey, you know... And then second, I guess my other question would be, do you guys have any correlation? Because in your slide you talked about slowing the rate of marijuana and alcohol use to kids. Marijuana is way more prevalent than it used to be. The use of marijuana from the time we have, we tied this back to the day at all that we legalized marijuana in any of these

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states around the country, that the epidemic has gone up, it seems. So somewhat tie in relationship to when we legalized it, at least in our state back 6 or 7 years since.

**Erika Lautenbach:** It's been ten.

**Ryan Allsop:** Yes. Okay.

**Erika Lautenbach:** I don't know if there's data to suggest that. Greg, I don't know if you've heard anything.

**Dr Greg Thompson:** You know, a lot of the states that had the earliest and worst fentanyl, outbreaks, you know, place like Ohio, Kentucky, West Virginia, you know, their fentanyl greatly preceded kind of the current upsurge we're seeing in marijuana. And those are states that had not certainly legalized marijuana at that time. So I don't know of any kind of broad correlation. I certainly know that. I mean, in terms of youth ending up in emergency rooms, young people and children, you know, like kids who find a gummy on the table in their house and eat it and so on. We've certainly seen a lot more of kids ending up in emergency rooms across the US due to marijuana intoxication after legalization in those states. I mean, there was a Colorado being the first. There was a big uptick in kids in the emergency room for marijuana. As far as the direct effect on that, on fentanyl, it would be speculative. I don't really have any good data.

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**Ryan Allsop:** Okay, well, thank you. Well, and keep things moving. I think we need to jump. Thank you very much. Scary time. I don't know if there's anything we can do besides adding a committee member. We'll talk about that. So we can circle back on that day.

**Erika Lautenbach:** Our next meeting is not till September, so you have time.

**Ryan Allsop:** And then your boat, your larger boat at the bottom. We're focused on three of those heavily, obviously housing, employment and I can't remember the third one you had up there. So as a committee, you know if there's things we can do in that area as a committee to help, let us know. We definitely focused on three of the four from my recollection. All right. Yeah.

**Dr Greg Thompson:** Thank you so much. Really appreciate the opportunity. And your interest.

**Ryan Allsop:** Thank you very much. I guess moving on to completely different— well, not totally, some related. The third leg of the stool. So I don't know if you want to just take over on this, that'd be great.

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**Kathy Kershner:** Sure. So, Sarah asked me to come and give an update to the committee on Whatcom County's homeless resolution. And I don't have a slide show. This is terrible. But on August 8th, which was last Tuesday, the council passed the resolution titled, "Affirming that housing affordability and homelessness are a public health crisis requiring system wide actions and requesting updates on county actions taken". So a couple of highlights out of this resolution. It's recognized that in January of 2023, this committee sent a proposal to increase availability and affordability of housing in Whatcom County to the council and the administration, also to the city. And we've heard many presentations from city and county officials on actions that have been taken and that we're continuing to take that's addressed in this.

A couple of things I think that I want to go over is that, you know, housing is about availability. We don't have enough, we don't have enough, lots of reasons behind that. Land use policies, the regulations, the costs, affordability, prices of housing are outpacing wages in Whatcom County, basically in Washington, on the West Coast. And regulations are adding to the cost of building homes. And then we've got the cofactors. One of them we just talked about substance abuse, mental health, socioeconomic factors, criminal histories, people with disabilities, people who are aging. Our homeless population. The aging folks are some of the greatest increase that we've seen, people that are getting old and

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being priced out of their homes. So these are this is not a simple solution. And I know this committee does not think it is.

And this resolution was designed to kind of highlight the issues that we are facing in the community and then ask our administration to look at this system wide. So not just looking at and the health department for the substance abuse issues and mental health issues and figuring out how do we get people into winter shelters that are homeless due to many things we don't know. But right now, they're having a schizophrenic meltdown on the sidewalk and it's, you know, 25 degrees outside. So we're looking at we're asking to look at how do we get here and how do we get out of this system wide. So our planning department and our planning department, too, and our health department and our public works department and our facilities department, all of them our health department. And figuring out how do we all work together here? What is this person doing? And this person doing that is not contributing? How can we change that? So we're all contributing to a solution here. Homelessness, just like drug use has increased. Um, we had the Point in Time survey in 2023 was 1059 individuals from 850 different households, and that is a 20% increase in persons experiencing homelessness and a 33% increase in households experiencing homelessness from '22 to '23. Public school students experienced homelessness at a greater rate. The ideas that potentially it was due to some of the flooding in Lynden. But those areas had public school students

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who were displaced from their homes at a rate of 103% in London and 250% in Nooksack. Uh, Mount Baker and Blaine had a decrease. So that's one small little silver lining.

**Clark Campbell:** Anything that they can attribute that to, the decrease?

**Kathy Kershner:** We don't have that information yet. Yeah, just the data sets. Yeah. We continue to have a shortage of workforce that's able to meet the housing and behavioral health needs. So we talked about those co factors at the beginning. And until you can help somebody with substance abuse, mental health, getting their criminal history cleared, getting an ID and helping them find a job, all of those things have to happen before they can afford to buy or be in a home. So then we try to give them the home, too, and there's a shortage of workforce in all of that. So we're struggling with that. Um, Washington state acknowledges that we have a 1 million house shortage in our state that we need to make up by 2044. And that means that that will also then increase the prices of our homes by 14%.

Only 26%, so roughly a quarter of the people needing housing are served in our programs that are millions and millions of dollars. So we've got 75% of the people that are not getting any access to that. And it takes three and a half years for that family or homeless person to actually be put in a house on average. That's

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a long time to wait. It's a big lottery, right. You've got to be in the 25% and then you wait three and a half years. I just wanted to let the committee know that this resolution came forward and it had missed the Business Committee's recommendations to us in January. Inadvertently, I think it was just totally inadvertently. But we got that added in, so that your ideas and recommendations are part of this to be considered. We also recognize that the Bellingham City Council also passed a resolution declaring affirming homelessness and housing as a public health crisis in July. And what I wanted to just kind of end with is that, you know, the things that we do, we continue to pursue.

We continue to pursue funding from various sources so we can help people continue to pursue a new jail with behavioral health services so that we can make that system better. We continue to look at our funds like the Children's Health Initiative and the Children's Health Fund to help address some of these needs at the earlier phase of life. We deploy our behavioral health surplus to meet the needs. We've got quite a big surplus in our behavioral health fund. And like Paul's idea that we get to these for this particular issue, we get to the kids in school, we get to the young kids and educate them on the dangers that are going to come from picking these habits up or it won't be a habit. Can't even call it a habit because it's one and done. One pill can kill you. So picking up these pills and trying them, because all of that goes back to the, you know, call it the three legged stool. It all goes

back, if we if we have people that are not functioning in our society, then we're going to have people that can't participate in the normal activities that normally we would see people getting into housing. So, any questions? And this is online if you'd like to read it.

**Clark Campbell:** Yeah, just so declaring it. That's great. Is there anything specific that comes out other than asking for updates? Like budgetarily? Does this drive interlocal agreements? Does it change how money gets allocated or what's the to-do look like from that perspective?

**Kathy Kershner:** So just, you know, in '19 there was a strategic plan developed a homeless workgroup, the Strategic Plan to End Homelessness in Whatcom County. And that was looking at centralized point of entry, rapid rehousing, permanent supportive housing and increased supply of affordable housing and homelessness prevention and diversion, interim housing and economic security. This is asking for to take a look at that and all the other systems and put together ideas that can be moved forward. I'd say from 2019 to 2023, we are not at the same place. Yeah. So that's what this is doing is basically we're recognizing this. We're asking for help and support from our administration to come up with a plan for how we're going to address this. How many moving parts? Right?

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**Paul Burrill:** Can I come back to what Clark said— focusing on the positive. There's some success. Can we look at that? And like all these, it's pretty easy to focus on the negative. And how are we going to do the best? But we do have some success stories in the county. Maybe we can dig into that a little more and see what happened, what was working there?

**Kathy Kershner:** So that those statistics are for children that are not homeless. So it's hard to know exactly why, why they're not. But we certainly could look at that and find out what is going right there. Were there more housing units with their project.

**Clark Campbell:** And in this body, you tend to focus on home ownership. And to me, you know, there's layers here. There's shelter. And shelter is really government subsidized. You get subsidized sheltering. That's not going to happen, there's no market force that's going to drive that. Or housing, which is housing you don't own but you can afford to live in. It's an upgrade from an emergency shelter. And then there's home ownership, right. And the reality, I think, is happening across the West Coast and across the United States is home ownership may not be the right place to be focusing on homelessness. It's shelter and low cost, lower cost options for housing that you don't own yet. But still housing the workforce that we need in the county and getting people off the street. Right. And a pathway to homeownership. Yeah, but yeah, it's not a shortcut.

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**Ryan Allsop:** When you look at the construction in downtown Bellingham, you know, Samish Way you know, Garden, the port and a lot of it is Section 8 housing or subsidized housing of some form and units that's what you see as just a developer driving around and this side of town, I don't know about the north side of town. And so and I don't know what the county and Ferndale's put in some, but who's using, who's going into those? Applying for college students somehow qualifying for those and getting in there, or do we actually find it's pulling people off the streets or helping their families that are in need of immediate housing.

**Blake Lyon:** So from the Bellingham perspective, those that are subsidized units are as was mentioned earlier, are people that are in the system, are, you know, are getting placed in the homes. But oftentimes when you see new construction coming on board that it's coming at a higher price point. Sure. So you're unless you're subsidized and placed in through a voucher or some other kind of program, you're really hoping that attrition works its way down. Some of those folks are coming and we're seeing we're still at an unbelievably low vacancy rate. We're talking about student housing around Western in particular. It's about a 1% vacancy rate. The rest of the market's closer to two and just above two. City council has passed the ADU ordinance for the city of Bellingham, advancing some of this. The majority of the state works, you know, bills that are going through. So that'll go into

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effect on the 23rd. So it'll have two ADUs per lot and then it can also allow them to be ownership models so you can have a condominium of that particular unit. So that may help with that. In some respects. We're also trying to relocate tiny home villages, additional support there. Council is hearing this evening or this afternoon, I should say, safe parking discussion and RV parking issues. So they're trying to hit it on a variety of different fronts.

**Gina Stark:** Troy has his hand up.

**Troy Muljat:** Thanks. Yeah, I would agree with what Blake just said in regard to, you know, we're not building the right product for affordable workforce housing. So thank you for that, Blake. I would bring everybody back to the original recommendations that were made to the Whatcom County Council back in June of 2019. Declare a public housing crisis, number one. Replace the current zoning rules, codes, procedures, with a temporary housing crisis plan. Item three, provide infrastructure and resources to increase housing availability. Number four, reduce government fees for housing development. Number five, provide incentives for hitting affordable housing and workforce targets, and six annex additional outlying areas. We spent a lot of time on those six. There's a lot behind that that we fleshed out in the last two years in the workgroup. But this has been one of the this was the number one paper that this committee wrote. And we started writing this five years ago.

**Blake Lyon:** I'll also mention the city is looking at the multi-family tax exemption as well. We've seen just over the last several years, we've mentioned Samish Way, there's quite a bit of utilization in the 8-year model which allows for additional multi-family units. So putting units into the marketplace. What it doesn't do though, is it doesn't produce affordable units. It's the 12-year program that looks at affordable production. And the problem is that we have not seen that 12-year really take hold. So we're going to take a closer look at that. We're working with a couple of folks on analyzing what that incentive base might need to be to up that yield, whether or not we restructure the 12-year, whether or not we think about the 8-year, we know that the eight year is getting used.

**Ryan Allsop:** So I'll go back to my question on the more I see is, you know, affordable houses, apartments being built, a lot of them, I mean, a fair amount of them, at least compared to what we had in the past. And who's filling those, I guess is my final question is, do we know who's filling them? I don't know who manages that.

**Blake Lyon:** Well, we have about 76% of our population increase within the city is in-migration. So there's more people. Our birth rates exceed our death rates. So that accounts for 24% of our

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growth. 70, 76% of that is coming from in-migration. So people moving into the city.

**Ryan Allsop:** And they are they are qualifying for Section 8 or not?

**Blake Lyon:** Not necessarily. Some of those are, you know, getting vouchers and other are people that are residing here. But when you're talking about those, you know, upper end unit models, it's not always.

**Ryan Allsop:** Guess I'm more thinking about like the ones I'm seeing— Pete's on here, I think— Dawson, and he's building a lot of I thought those were mostly...

**Blake Lyon:** So Samish Commons is a big one. Yeah.

**Ryan Allsop:** And the one across the street.

**Blake Lyon:** There's one up in Berkeley. So those are folks typically that are somewhat local or Whatcom County somewhat regional.

**Ryan Allsop:** That's the classic kind of like, you know, 30% of your income model.

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**Blake Lyon:** So there's yeah, there's different price points, but, you know, 30, 50, 80%, somewhere in that range.

**Ryan Allsop:** And is it helping them? We've seen it help pull people off the streets? Or are we just replacing, you know, because the goal of that is to get...

**Blake Lyon:** I think it's kind of like we're talking about, it's helping, but the need is outpacing that. Yeah, our lag from the last recession. Out of 2008.

**Troy Muljat:** Ryan, from a traditional model we're overbuilding. But because there's so much in-migration coming in that they're renting before they're buying housing sales have dropped dramatically in the city of Bellingham and people are renting before they own. So that's who's filling it. But we are overbuilding, in my opinion, slightly the last couple of years, but more people are renting. So we have to adjust that, how many people are renting model up?

**Ryan Allsop:** Yeah, got it.

**Clark Campbell:** And again, interest rates are affecting people selling houses because you're not going to trade a 2% mortgage for a 10% or 7%. Right.

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**Paul Burrill:** As a committee, can we go back to the county council and say, hey, we want to revisit this, but maybe make it a little more palatable? But surely the last plan that didn't go over, I mean, just because it didn't work the first time doesn't mean we can't...

**Ryan Allsop:** Well, I think that's what we did in January. We spent a long time and Dan led that charge a lot. And so we resubmitted and that's kind of what Kathy's responding to at this point. I think we're I think to Troy's point, he narrowed it back down to the original six points, which is really, a really simple message. And I think it's effective when we speak to it in six verses. You know, we tried to break out into sections and did a lot of work on like, okay, well, this is in those buckets. This is what we would recommend. And Blake spent a lot of time working on that.

**Blake Lyon:** And so I would encourage us not to say it's not working. I just think that there's some time I mean, there's just a lot of time to get some of those things and prioritize some of them.

**Ryan Allsop:** And the state passed some stuff this year that helps push that forward. You know, and it's a matter of whether there's a time period in which counties and cities can adopt it based on size and all these things.

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**Blake Lyon:** And that's what I was referencing with the for example, the state law says that it has to you have local jurisdictions have to do it in six months after the adoption of their comprehensive plan. So for Whatcom County, that's June of '25, which means we'd have to have the ordinances and codes in place by January of '26. The city council adopted those earlier. So basically two and a half years early, in part to try to address some of those, you know, availability of ownership models. We're also working through rental protection measures and other things like that. So Troy's been helpful on that and others have been helping us garner some information and trying to pull that little.

**Paul Burrill:** Thank you. Is there some level of protection for the areas that maybe don't really want to have lots of ADUs or multiple ADUs as well? So, I mean, there's one thing and then there's also the other because it's.

**Blake Lyon:** So under the state law ADUs are allowed any anywhere you have housing and two per lot. Now there are some protections for critical areas or other watershed protection measures that are so there are a few pieces, but not purely design.

**Ryan Allsop:** Some neighborhood rules that supersede the state still. Covenants that are managed and enforceable that are

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enforced currently, then they supersede state. Some states have switched that and actually try to overrule that.

**Paul Burrill:** So that's where you have an out-of-state contractor then looking at the area. You might have two acres, well, the reason you buy multiple space is to have your space.

**Kathy Kershner:** Within the city limits is what you're talking about. And in cities of a certain size.

**Paul Burrill:** One thing leads to the next.

**Blake Lyon:** Yes. Yeah. I mean the way that the state for House Bill 1110 which is the middle housing piece, it applies to jurisdictions that have over 25,000. There's one threshold and then the other is 75,000. So when we talk about Bellingham in particular, we fall into that 75 or greater. That would allow up to four units per lot, potentially six if you have affordable, that piece will come. We have not adopted that piece, we've only done the ADU portion of different state law, but that will come with that January 26th.

**Ryan Allsop:** So in an effort to keep going.

**Gina Stark:** Big meaty topics for us. No, no, actually we're doing we're doing okay and we've got.

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**Ryan Allsop:** And so the next subject— the two of you are is the team managing you know, something was created pretty quickly and implemented pretty quickly.

**Sarah Simpson:** Where would you like us to sit? What's best?

**Ryan Allsop:** Next to the owl.

**Heather Flaherty:** Oh I see.

**Ryan Allsop:** Just easier to hear for the people online.

**Heather Flaherty:** Thank you for having us here. So my name is Heather Flaherty. I'm the executive director of the Chuckanut Health Foundation. And it's funny to hear you say that it was created quickly. It was actually a ten-year community project and dream. And so many of you here actually contributed to what the Healthy Children's Fund was created to do, what the goals are, how it will be measured. And it's been really wonderful to listen to the conversation today. Also heartbreaking, but so much of what we've talked about is really that crisis orientation in the downstream effects. And one of the biggest reasons for creating the Healthy Children's Fund is that there wasn't any system focused leadership on that super critical birth to five period where 90% of somebody's brain development happens. And we know

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that the top two reasons people become addicted to drugs are childhood trauma or that's just how your brain is wired, and nobody can help how your brain's wired. And we also know that we can do better on the prevention side of keeping families in houses before they get to that crisis of being evicted. And we know from longitudinal studies, the Perry Preschool study, for example, many decades of looking at what is the impact of a dose of preschool. So getting access to early learning and care is a significant preventative measure for future incarceration and a huge lift for future economic opportunity and high school graduation. And that whole trajectory changes when a kid has access to early learning and care. And then you bring it down to the local level. And childcare is a huge crisis in our community as well. There's a significant shortage. We have many families who can't participate in all those workforces Kathy talked about because they can't find regular, affordable, accessible childcare for the hours that they need it. And I was honored to come here a little over a year ago and share kind of a deep dive on the economic impacts in our community of what happens when we don't have childcare. And many of you— I started to list names, but there's so many really contributed to shaping that ordinance which guides the whole, how do we manage and implement the Healthy Children's Fund? So just as a quick refresher, the big goal was, how do we increase kindergarten readiness? That's kind of our proxy measure and that's both a backward-looking measure, how well are we taking care of kids and families from

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birth to five before the public school systems kick in, and then it's a forward facing, because that data correlates to third grade reading levels, high school graduation rates and the future success of somebody often. And if you start behind, it's really hard to catch up sometimes. And only half of our children in Whatcom County make it to kindergarten ready to learn. And when you look at that with low-income families, it falls to 30%.

**Heather Flaherty:** So the big goal is bumping that number up for the whole health of our community. And the sub goals to support that are increased childcare, prevent family homelessness and increase mental health supports, especially for new parents in those really vulnerable and challenging years. When you have the baby and it's sort of like, good luck. There you go. Hopefully you can buckle your car seat up. And so and we wrote in some very strict accountability and reporting measures so that we could actually see how many families didn't fall into homelessness because of these dollars, how many more child care slots were built. And our expectation in the drafting based on community feedback from many of you on the screen in here is that these funds would be locally leveraged similar to the city's housing levy, right? So we would be able to bring in and raise state funds, federal funds, because when we did the fiscal mapping, we did that homework as well. There was no local control over where dollars go for birth to five for the most part. And so it's my incredible honor and great delight to welcome Sarah Simpson to

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the table, too. And Sarah is extraordinary, has incredible background in fund management and community collaboration and is going to share more about exactly what has happened between the passage which it did pass case you missed that to now.

**Sarah Simpson:** Cool. Thanks so much. Thanks for having us today. This is such a delight to hear all your thoughts around the other issues that came before us, because I do think, like Heather said, everything is so interconnected in our community and the Healthy Children's Fund is really going to do a lot of work, I think, to lift up that 0 to 5 population. So I've been on the job for two months. It has been a rip and roaring two months. Incredibly exciting. Don't tell my husband because I'm going to start maternity leave on Monday. But I was on a meeting the other day and I thought to myself, I don't think I can leave. This is just too good. And that's to say, I think the work that we've that has happened in the months before me and in the last two months is really just going to continue to ramp up in the next three months before I return on December 1st. So excited to share with you kind of more about what we've been up to.

As you know and Heather just mentioned, the Healthy Children's Fund was kind of split into two parts. One is to support vulnerable children that connect a lot to the housing crisis and then also the opioid epidemic and then and then helping with early childhood

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education and care. And so one of the things that I love about this work and that was written into the ordinance is all the external support and expertise and community feedback that we will continue to use in order to implement the plan moving forward. And so that looks like right now kind of two groups. One is an implementation team that helped write the implementation plan. I brought some copies if anyone's interested and digging into it a little bit more, but also the Children and Family Well-Being Task Force, which is a great group. We actually meet tonight. It's a public meeting and they've been split into a variety of work groups, but really help to influence the work of the Healthy Children's Fund and I think in a really meaningful way and also help with a lot of oversight, which I think is really valuable. And I know that my team is really invested in that part of getting and getting this right. And I think we can only get it right as long as there's more voices that are a part of the conversation.

So I want to share with you, like Heather mentioned, there's just this wonderful robust evaluation and auditing plans associated with the implementation plan and ordinance, and we're actually in the final stages of hiring our internal evaluator, which is really exciting. And in addition to folks who work at the county, we've also had outside community members who sit on the task force participating in that interview process. So lots of voices getting to make that decision. And I think often who we hire is a policy choice and so excited about the real strength and depth of

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applicants we have. So I think whoever's going to help us evaluate this is going to do a really superb job. And then one of the things that I also want to share is that the ARPA dollars that we had that have been distributed in the community are already doing work that's really kind of creating this great steppingstone for the Healthy Children's Fund. So between now and 2026, we're going to have 250 to 300 child care slots available through those ARPA dollars that we just get to continue to piggyback on, which is really, really exciting. And I know we have limited time, so if you want to hear more, I'm happy to share with you where those slots are going to be after the meeting today.

But I really wanted to spend most of my time kind of talking about what's next. And so we have been working with Casey Osborne Hinman, who is a policy expert in early childhood education. Our goal working with her is how do we braid state and federal initiatives and dollars into Healthy Children's Fund to make this as robust as possible? And then in addition, of course, working with our implementation plan, following our working with our implementation team and then also the healthy children's, the task force kind of thinking about, okay, what do we need to do first in our community to really maximize these dollars? And so the funding opportunities that are rolling down the pipeline first in terms of child care expansion and Innovation Fund, I will say that's the thing I'm most excited about and having the hardest time leaving for maternity leave. And one of the reasons that

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Innovation Fund came to be is that, well, first of all, we know there are so many smart people who've been thinking about this for ten years in our community. We don't need to decide for them how they should spend this money if they're the experts. We just need to evaluate the efficacy of the work that they're doing and make sure that it evaluates to the progress that we're looking for.

And additionally, we don't want providers in our community to have to apply for 15 RFPs and spend all that work time when they could apply for this one innovation fund. So we're really, really excited about the innovation fund. Additionally, in the context of braiding funding, we're working to do outreach to increase the working connections family enrollment. That's something that we evaluated is that there's lots of families in our community who could be accessing state dollars who just aren't because they don't know how or don't know that they exist. And so using some of the Healthy Children fund resources to do that, continuing to support emergency childcare vouchers, there's a lot of kind of complexity and losing your spot if you lose funding, but you need to get a job to pay for your slot. So having these emergency childcare vouchers really helps with a lot of the shaking up of where families are on professional development scholarships for those who are providing care. That's a big thing that's come out of all the convening, is that those who are providing childcare really need more training in order to sustain in those jobs. And so we offer them more professional development. It's much more likely

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that they're going to be there, which is an opportunity to expand on the slots and retain the employment. And then transportation, which is kind of a subset of a state funded program.

And then a big part of our work too, is expanding and retaining the workforce in a variety of ways that we're kind of working through right now. And then also ALICE Family Childcare subsidies, which is another group of families who work, who are working out in the community who could use additional resources. And so for the next two years, 55 to 68% of the Healthy Children's Fund will be spent in that category. And then we really get to the vulnerable children's piece, which is exciting because this is an area where we already have so many structures in place to advance this initiative in our community right now. And we heard Greg and Kathy talk about this already, but. One part of that is housing support. And so how do we support housing needs for families who have children? 0 to 5 is a preventative, not when they're already homeless, but how can we support them before they get to that place where they have to sit through this three-year wait list? Cross their fingers that they're a part of that quarter of families who get that service. And Greg, I thought, did such a great job of talking about kind of this connection to peer-to-peer family support. So peer to peer parenting support, also behavioral health services. And then I think housing also goes into that piece around addiction. And so those are all things that we're working

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on right now that we can roll out really quickly to support the Healthy Children's Fund and those vulnerable children.

And then additionally, there will also be an innovation fund to support one of the vulnerable children population. So that's about 20 to 36% of the funds that we'll spend each year. The ordinance was really clear about how much of our resources could be allocated to each pocket, but we are super excited about the things that we're doing the way we're moving forward. There have been a lot of, I think, just agreement between the implementation team, which is folks like Heather. Other people wrote the ordinance. People sit on the task force and task force members at large around the direction we're going, and we feel excited about our ability to capitalize on these dollars. A statistic I read the other day, don't quote me exactly, but I want to share because I felt like it was relevant to the conversations that we had before is that every dollar we spend on 0 to 5 is in comparison, $7 to $12 we'd have to spend later on, like if folks are using services. And so I just think it's pretty profound the opportunity that we have with the Healthy Children's Fund to really make a systems level difference in our community. And I'm super, super excited to be a part of it. Thanks.

**Heather Flaherty:** And that is accurate. It's the Huffman equation. High return on these dollars.

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**Sarah Simpson:** That's big money. Yeah.

**Ryan Allsop:** My head's spinning a little with all that.

**Sarah Simpson:** I know.

**Ryan Allsop:** This is fine for my own brain. Yeah. Of the $11 million, I think the final number for this year roughly for each year I think. So 11, how much of it has been implemented year to date?

**Sarah Simpson:** That's a good question. I think there has been some, but I can't give you the exact number.

**Ryan Allsop:** And because we're still in the setup process, I'm assuming it sounds like not a lot. Okay. But we will get it all out at the end of this year, or will we be doing like $17, $18, $19,000,000 in 2024 because we're going to have next year's allocation. And this year's allocation, I guess. Sorry, somebody got a hand up. Jennifer's got a hand up.

**Jennifer Noveck:** Hi, everyone. Jennifer Novak here. So I just dropped in the chat. The Center for Business and Economic Research at Western's Child Care Demand Study report. And on page six, they give us that forecast of what will need to meet the demand. And I just wanted to confirm that I heard correctly that 300 spots will be added with these ARPA dollars and I was just

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wondering if the implementation plan includes, you know, just some metrics that will indicate if the demand forecast is being met and what the gaps still are.

**Sarah Simpson:** That's a good question. The evaluation plan is being built right now. And so I would imagine, because that's an important part and a promise made in the ordinance, that we will be evaluating the slots that are being built and how they meet the current demand.

**Erika Lautenbach:** Just to answer your question about year one, we sort of knew that this was going to be the ramp up year. And frankly, some of the projects that Sarah mentioned are projects that our county government has never undertaken before. So we're also trying to understand the legality. How do how do we develop our RFPs to do that work in order to get the right outcomes? So it was always going to be the year that we saw a lower number of money going out the door. But that said, we will have RFPs out the door for the end of the year and be able to start moving forward with.

**Clark Campbell:** So I know that Washington State gifting rules is kind of thrown a little bit of a fog into the meaning. Like my understanding is there are only two things that governments locally can give money directly to private business to that's not related to providing a specific budgeted service. And that's for

people who are impoverished and the infirm. Anything outside of that scope. It's against the Washington state law, which we've just created a fund that's supposed to do just that, do something outside of just those two things. My sense is that that's probably the big challenge you're having with the money we're able to collect. We have a strategy to set up an impact. Now we get this legal thing that sits right in between those two things for mixed use housing.

**Kathy Kershner:** And if you're paying for a service, it's not the same thing. It's not a gift, it's paying for service.

**Clark Campbell:** So you don't have to set up pilot programs or anything like I know King County.

**Erika Lautenbach:** Mostly not maybe some. We are doing a lot of learning from King County. Yeah, because they are a few years ahead of us and they've sorted through some of these pilot projects.

**Clark Campbell:** And that allowed them to skirt state gifting rules. Right. And then yes, I'll just say that.

**Ryan Allsop:** So in short, if I had somebody right now that could use these funds to expand their childcare into its already existing operation separately, but they do all mental health for pediatrics.

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They want to expand into childcare for high behavioral kids to get them off the streets. Their parents are the highest in need typically.

**Sarah Simpson:** That sounds really exciting.

**Ryan Allsop:** That's super exciting, but there's no way for them to actually access the money currently.

**Sarah Simpson:** Not currently, but there will be soon.

**Ryan Allsop:** What about ARPA funds? Because I know there was a distribution done. That was when I reached out to somebody on their behalf. They kind of got the sense that, well, that money for 2023 has already been sucked up.

**Sarah Simpson:** It'd be worth emailing Kayla about. Those remaining dollars. I could give you some context.

**Erika Lautenbach:** You mean the overall.

**Ryan Allsop:** It seems like we would want to distribute it anytime we could if there's a need for it. It's not just like March of 2024. There's an RFP process that happened that a lot of people weren't probably even aware of having. Those were on the inside. At the beginning it was happening, and the head of pals of the

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world that are big and sophisticated doing this all the time, which is great, she needs it. And so but there's other companies out there that could probably use this and would also be so. But they don't know anything about it. They've not been it's been no messaging for them.

**Heather Flaherty:** Could I maybe just say I do think connecting even in advance of an RFP, I would think that the team at the health department would really welcome that and get them at least in some sort of information queue. And then there is a healthy children's county website and a listserv that I expect when there are RFPs that they will email. So tell them to sign up for that.

**Clark Campbell:** And these ARPA dollars are additive. They're not replacing what's being raised. So we're raising money and targeting that money. The $19.9 million over two years that was initially kind of put up and this $12.8 for early childhood learning. Those numbers are from the Health and Childhood Fund. Whatever gets allocated from ARPA, it's separate.

**Sarah Simpson:** It's just an additional opportunity to bring.

**Clark Campbell:** It's great, but ARPA can probably get deployed more quickly for flexibly for capital investment.

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**Ryan Allsop:** Outside of that specific RFP process?

**Erika Lautenbach:** The federal reporting around this totally different. And allocation.

**Clark Campbell:** And then in addition, Washington Department of Commerce, I pulled up the three the three organizations here in Whatcom County, they have a separate money and funds. I think some of that went to the Boys Club Girls Club. There's three in Whatcom that took money this last year.

**Sarah Simpson:** There's some state facility dollars, too, that were just released that we just sent out to our listserv group. So I'd be happy to share that.

**Ryan Allsop:** I'm going to connect them with you three.

**Sarah Simpson:** That'd be great. That'd be great.

**Ryan Allsop:** So I don't want to be in the middle, but they're fantastic.

**Sarah Simpson:** What an exciting opportunity.

**Ryan Allsop:** Super exciting. Part of what they need is to have access to capital improvements because they're taking over more

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space than has become available out of the ordinary. We had a tenant change. One wanted less space or so they were like, We'll take it. We don't quite have a plan, but we want it because we think we want to go into childcare. And I was like, oh you should have access to that. They'd be the perfect case for this.

**Paul Burrill:** Do you have staff that can find people like this because your return on investment, with people that already do it independently, would be much higher dollar spend.

**Sarah Simpson:** One of the things that we're looking into is providing how we'll provide outreach so people know about the resources because it makes like, what a bummer that that person didn't know about the opportunity. And so those are the things that really is important to our group, especially around advancing equity. And we really can't build this system up if we're just relying on, you know, a particular group of providers. We really need to open that provider pool. There has to be layers around the work. And so we are working to hire folks to help us with that.

**Erika Lautenbach:** Outreach at that point. We do expect to have a technical assistance component to this as well, because, I mean, if you've never worked with government before, it was not easy. It's a huge barrier. So we want to make sure that that isn't a barrier for providers to be able to get RFP dollars. Yeah.

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**Sarah Simpson:** Thanks for sharing that.

**Ryan Allsop:** Yeah, all that stuff is another level of complexity for small businesses. So, we've run out of time. So I just want to be if anybody needs to go, we respect that time. We probably need to close the meeting. But I do have a few more questions. Motion to close the meeting.

**Clark Campbell:** Second.

**Ryan Allsop:** All in favor. All right. All right. Thank you very much, everybody. And thank you to our presenters. It's fantastic. A lot of meaning there. More to circle back on. Definitely subjects we'd like to circle back on soon. All right. Thank you. Great job.

**Next meeting:**
**Monday, September 18, 2023 11-12:30pm**
Hybrid Meeting - In-person encouraged and Zoom option available

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