



**CITY OF BELLINGHAM
EXECUTIVE ORDER 2020-01
COVID-19 ECONOMIC RELIEF**

WHEREAS, on February 29, 2020, the Governor of the State of Washington proclaimed that a State of Emergency exists in all counties in the State of Washington due to the outbreak of novel coronavirus (COVID-19); and

WHEREAS, on March 10, 2020, the Whatcom County Executive, in coordination with the Whatcom County Health Board, declared a Whatcom County public health emergency to reduce the spread of COVID-19 in our community; and

WHEREAS, in response to the rapidly evolving situation in Whatcom County, the Whatcom County Health Officer issued recommendations to slow the spread of COVID-19; and

WHEREAS, the City of Bellingham (City) has implemented measures within City operations, services, and facilities to follow the recommendations of the Whatcom County Health Department; and

WHEREAS, on March 12, 2020, I issued a Proclamation of Local Emergency as a result of COVID-19; and

WHEREAS, COVID-19 is a threat to life and public health and demands ongoing and further emergency action; and

WHEREAS, the World Health Organization (WHO) has declared that COVID-19 is a global pandemic, which is particularly severe for people with underlying medical conditions and the elderly, and the WHO has raised the health emergency to the highest level requiring dramatic interventions to disrupt the spread of this disease; and

WHEREAS, on March 13, 2020, the Governor issued an emergency proclamation requiring all K-12 schools in Washington to close from March 17, 2020 through April 24, 2020 to combat the spread of the disease; and

WHEREAS, the Whatcom County Health Department has recommended that all residents of Whatcom County avoid gatherings of 10 or more people and that high-risk individuals stay home; and

WHEREAS, on March 16, 2020, the Governor issued an emergency proclamation placing statewide limits on food and beverage services and areas of congregation in the state; and

WHEREAS, the Governor's March 16 proclamation prohibits: (1) the onsite consumption of food and/or beverages in public venues, including, but not limited to, restaurants, food courts, bars, taverns, coffee shops, catered events, clubs, and bowling alleys; (2) the operation of public venues in which people congregate for entertainment, social or recreational purposes, including, but not limited to, theaters, bowling alleys, gyms, fitness centers, non-tribal card rooms, barbershops and hair/nail salons, tattoo parlors, and pool halls; and (3) the operation of all retail stores, except pharmacies and grocery stores, unless the stores establish and implement appropriate social distancing and sanitation measures; and

WHEREAS, these recommendations and requirements are appropriate for public health reasons, but have a significant adverse impact on local businesses and nonprofit organizations, including loss of income, layoffs and reduced work hours for a significant percentage of the local workforce; and

WHEREAS, decreased economic activity, layoffs and substantially reduced work hours will lead to widespread economic hardship that will result in lost income and wages and an inability to pay basic expenses, including taxes, utilities and rent; and

WHEREAS, local businesses have recently reported laying off employees, experiencing severe revenue losses, and seeing major declines in foot traffic as many employees are being asked to work from home; and

WHEREAS, these impacts are being felt across all industry sectors, including retail, restaurant, hospitality, transportation, logistics, arts and culture, and many more; and

WHEREAS, the economic impact may have long-term, dynamic and unpredictable local and regional consequences, necessitating the City to act and plan accordingly; and

WHEREAS, City departments have convened meetings to strategize immediate interventions for affected small businesses, utility customers and tenants of City properties, including as described in the following whereas clauses; and

WHEREAS, the City imposes business and occupations (B&O) tax on entities engaged in business within the City pursuant to Bellingham Municipal Code Chapter 6.04; and

WHEREAS, taking action to extend the B&O tax filing and payment deadline for quarterly filers will help distressed small businesses manage the use of scarce cash resources during the COVID-19 emergency; and

WHEREAS, the City operates fee-based water, sewer and stormwater utilities; and

WHEREAS, City-issued utility bills combined with the public health emergency for COVID-19 will inherently have a disproportionate impact on low-wage workers, individuals on fixed incomes, non-profit organizations and small businesses, many of whom may struggle to pay bills on time during this crisis; and

WHEREAS, Bellingham Municipal Code Chapter 15.04 authorizes the Finance Department to impose late penalties and interest on delinquent accounts and/or shut off water service; and

WHEREAS, Governor Jay Inslee encouraged all public utilities in Washington state to suspend water shutoffs and the imposition of late penalties and interest on delinquent accounts during this emergency and to expand bill assistance programs (including payment plans) for customers who are economically impacted by this emergency; and

WHEREAS, taking action to implement the utility-relief measures recommended by the Governor is necessary to both help ease the negative impact on low-wage workers, individuals on fixed incomes, non-profit organizations and small businesses and to reduce the frequency of in-person bill payment at the City's Finance Department; and

WHEREAS, the City currently leases City-owned property to a number of small businesses and nonprofit organizations, many of whom may struggle financially to pay rent while dealing with the loss of income associated with the COVID-19 outbreak; and

WHEREAS, taking action to waive rent temporarily for tenants leasing property from the City will assist those who are not yet closed to do so as needed to help prevent the spread of COVID-19 and will also help boost their future viability, which is a benefit to the City as a landlord, to those businesses and to the Bellingham community as a whole.

NOW, THEREFORE, I, Seth Fleetwood, Mayor of Bellingham, hereby order City departments to implement the following economic-relief measures:

Section 1: Business & Occupations (B&O) Tax Deferrals

To help distressed small businesses manage the use of scarce cash resources, the Finance Department is directed to take administrative action to allow businesses that file quarterly to defer first and second quarter B&O tax returns and payments until October 31, 2020. No penalties or fees will accrue during this period for quarterly filers. Businesses that desire to submit their first and second quarter tax returns and make payment at the usual times are encouraged to do so.

Section 2: Utility Relief

In order to provide economic relief for those impacted by COVID-19, the Finance Department is directed to implement the following measures for all commercial and residential utility customers, including water, sanitary sewer and stormwater:

A. Extended Payments Plans

The Finance Department shall take administrative action to allow for extended payment arrangements for residential and commercial customers who cannot pay their utility bills on time due to loss of income associated with the COVID-19 outbreak. Customers who are able to make timely payment are encouraged to do so.

B. Late Penalty & Interest Waiver

The Finance Department shall not impose any new late penalties or interest on utility bills from the date of this Executive Order until the earlier of:

1. Termination of Mayor Seth Fleetwood's Proclamation of Local Emergency, dated March 12, 2020; or
2. June 1, 2020.

C. Water Shutoffs for Delinquent Accounts Suspended

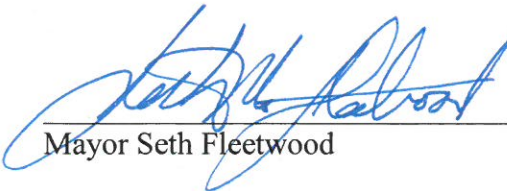
The Finance Department shall suspend water shutoffs for delinquent accounts from the date of this Executive Order until the earlier of:

1. Termination of Mayor Seth Fleetwood's Proclamation of Local Emergency, dated March 12, 2020; or
2. June 1, 2020.

Section 3: Rent Relief for Small Businesses and Nonprofits Leasing City Property

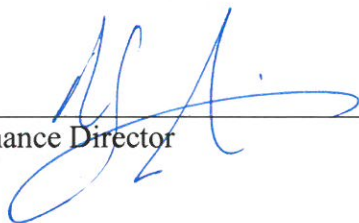
The Finance Department shall waive rent for the period beginning April 1, 2020 and ending May 31, 2020 for small businesses and nonprofit organizations whose ability to pay rent under their lease agreements with the City is negatively affected by the reduced economic activity levels associated with the COVID-19 pandemic.

Dated this 19th day of March, 2020.



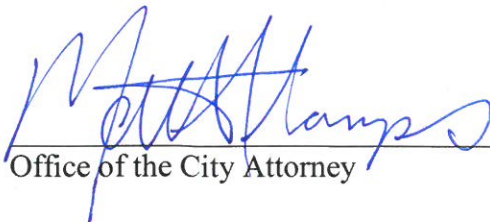
Mayor Seth Fleetwood

Attest:



Finance Director

Approved as to Form:



Office of the City Attorney