

# Minimum Wage Resolution

WHEREAS, the statewide minimum wage is not sufficient to afford rising rents and costs of living in Whatcom County. According to the National Low-Income Housing Alliance's 2022 Out Of Reach report, a minimum wage worker in the Bellingham Metropolitan Area would have to work 1.4 full-time jobs to afford an average 2-bedroom fair market rental.

WHEREAS, the current minimum wage falls far short of a living wage for most families. According to the [MIT Living Wage Calculator](#), the minimum wage is vastly lower than a living wage for either dual or single parents.

WHEREAS, 15-20% of Bellingham residents rely on a food bank.

WHEREAS, 19.7% of Bellingham residents live on or below the poverty line according to the [U.S. Census Bureau](#).

WHEREAS, according to the Bureau Labor Statistics, more than 20% of Whatcom workers earn at or near the minimum wage rate.

WHEREAS, myths about the consequences of raising the minimum wage are debunked by rigorous empirical research:

- [Algeretto et al.](#) find that small and moderate increases in the minimum wage do not affect employment rates.
- [McDonald and Nielson](#) find that small and moderate minimum wage increases have small or insignificant effects on prices.

WHEREAS municipalities have the authority to set minimum wages higher than the state minimum.

THEREFORE, BE IT RESOLVED, that the Whatcom Democrats:

- Encourage its members to gather signatures to qualify City of Bellingham Initiative 2023-01 for the ballot, to raise the local minimum wage by \$2 by 2025.
- Call on the Bellingham City Council to adopt Initiative 2023-01.
- Call on Whatcom County Council and all Whatcom cities to adopt minimum wage ordinances in line with the economic realities faced by minimum wage earners.

*Adopted by Whatcom Democrats at the April 22 General Membership Meeting by a vote of 45-1.*

# Economic Displacement Relocation Assistance Resolution

WHEREAS, wages have not kept pace with housing costs. The Housing FAQ on the City of Bellingham's website identifies a gap between average incomes and housing prices, noting, "From 2000 to 2020, the median family income in Bellingham increased by 20% while the median home value increased by nearly 80%".

WHEREAS, the resulting gap between wages and housing prices has created a large number of cost-burdened households. According to the American Community Survey, 57% of renting households in Bellingham are cost-burdened (spending more than 30% of household income on housing) with 30% being severely cost-burdened (spending more than 50% of household income on housing).

WHEREAS, the Government Office of Accountability finds that a hundred dollar increase in average rents leads to a 9% increase in homelessness. It makes sense why – when rent goes up significantly, especially all at once, renters who can no longer afford to stay in their homes may also not be able to afford the high costs of relocation.

WHEREAS, first and last month's rent, security deposits, and fees can wipe out savings, drive people into debt, and even lead to homelessness. According to the Federal Reserve, the median savings of someone making less than \$20,000 is only \$810, and for someone making \$20,000 to \$40,000, the median is only \$2,500. Relocation costs for tenants displaced by rent increases exceed their savings for most low-income earners.<sup>1</sup>

WHEREAS, just as we expect businesses to pay the social costs of pollution or workplace injuries for which they are directly responsible, the handful of firms driving the rental market crisis should pay the social costs of excessive rent hikes.

WHEREAS, [other cities have required the payment of renter relocation assistance](#) by landlords displacing tenants through massive single time rent increases, with promising results.

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<sup>1</sup> [https://www.federalreserve.gov/econres/scf/dataviz/scf/chart/#series:Transaction\\_Accounts;demographic:agecl;population:1,2,3,4,5,6;units:mean](https://www.federalreserve.gov/econres/scf/dataviz/scf/chart/#series:Transaction_Accounts;demographic:agecl;population:1,2,3,4,5,6;units:mean)

WHEREAS, requiring landlords who excessively hike rents in a single year to pay relocation assistance does not impact landlords who do not excessively price-gouge.

THEREFORE, BE IT RESOLVED, that the Whatcom Democrats call on:

- Our members to gather signatures to qualify City of Bellingham Initiative 2023-02, which would give tenants displaced by rent increases of 8% or more in a single year the right to relocation assistance equivalent to three months average rent to cover first, last and security deposit.
- The Bellingham City Council to adopt Initiative 2023-02 when received from voters.
- Whatcom County Council and all Whatcom cities to adopt renter relocation assistance and other tenant protections to meaningfully address the rental market crisis.
- All Whatcom County legislators to support statewide rent stabilization to prevent price-gouging.

*Adopted by Whatcom Democrats at the April 22 General Membership Meeting by a vote of 44-0.*