

Whatcom County Business and Commerce Committee Meeting Minutes
Tuesday, February 26, 2019
The Muljat Group

Voting committee members present: Clark Campbell, Vice Chair; Pete Dawson; Casey Diggs; Andrew Gamble; Troy Muljat

Non-voting committee members present: Tyler Byrd; Sue Cole; Carol Frazey (by conference call); Don Goldberg; Michael Jones

Public present: Cara Buckingham; Jennifer Noveck; Guy Occhiogrosso; Paul Schlisser; Gina Stark

Call to order by Clark Campbell, Vice Chair. Motion seconded by Casey Diggs.

First motion to pass the minutes from the last meeting by Clark Campbell.

Motion seconded by Andrew Gamble.

Motion passed.

Don Goldberg –

- First on the agenda is a presentation by the City of Bellingham’s Planning Department regarding their plans for annexation in Alderwood

Greg Aucutt, COB Planning (COB after this)–

- Provided a map of the annexation location, as well as a map of historic annexation areas within the city, they also provided a handout on how Bellingham is planning to accommodate growth
- The Alderwood annexation area is approximately 800 acres, it has been part of the city’s urban growth area for 20 years
- In the past the city only annexed areas where property owners petitioned for annexation, it is then brought to the City Council for public hearings and their decision
- Though this is one of the biggest areas, they have never gotten a petition from any of the residents, in part they believe because the Alderwood area has a high number of renters rather than property owners
- State law changed about 5 years ago and allowed for annexation if City + County + fire are in agreement
- They are using this approach for Alderwood

Why Alderwood?

- City extended infrastructure to the area, which is both industrially and residentially zoned, and this encouraged development to the area but never brought city services in
- Now about 2000 people live here, very diverse population, more than seven languages spoken in the neighborhood
- One sheriff deputy for the area, no street lights, no sidewalks (kids walk to school on the road), there are higher crime rates, no access to city services
- City is trying to get the word out because they are having a hard time reaching the residents – there are not really any neighborhood or community groups that they are aware of, they’d also like to meet with business owners
- Cost to serve the area will be more than the revenue that the city gets from the area

Don – what is the proposed density in the residential zones?

COB – URMX zoning is fairly high density zoning, there is not a lot of vacant land in Alderwood, it is basically already completely built out minus some basic infrastructure and city services

Clark – How will they do the zoning then, if it is changed?

COB – There may be opportunities to split some of the lots, but probably not enough space for multifamily units, likely single family attached, quite a few apartments and people mostly looking for apartments

Sue – What about parks?

COB – There are parks, Birchwood and the waterfront will be connected

Don – The port does own some adjacent land, as well

Casey – Some of the lots are long and thin, will they still be able to use the infill kits in the backyards?

COB – As of now the lots are not split and zoning would have to change for them to be able to do that

Don – But if they are annexed, then the ADU regulations will apply

COB – Yes

Clark – Is the Port looking at any of the annexation property?

COB – There is currently no commercial zoning, fair amount of Port property up near the airport

Don – Airport Way is technically county, but it is co-managed by the city at the moment

COB – We have no plans to annex the airport at this time

Sue – Are any property owners in Alderwood concerned about an increase in property taxes [due to the cost of providing city services to the area]?

COB – No, because this area is primarily renters, we also find that recently annexed areas tend to actually go down, hoping that this will not cause increases in rental prices

Michael – How is the cost being covered and is it just for infrastructure or day to day services?

COB – Both

Don – It is quite typical that we see diverse, low income people being pushed out of urban centers. A cleanup of the area should benefit all residents and businesses. This public investment will hopefully result in private sector / businesses staying in the area.

Clark – The biggest obstacle is on convincing the City Council, County Council, and business owners that annexation and paying for extended services is a good idea.

Don – Are people who are on septic going to be forced to switch to city sewer at some point?

COB – No

Don – Will public transportation improve to the area?

COB – WTA serves that area, so probably no change immediately

COB – The city has been very active in annexation, with approximately one per year

- There are legacy areas and some areas to potentially annex on the east side, they have been eligible for a long time but COB has never received a petition
- COB is therefore planning to take the same action in these areas, to have the city, county, and fire agree

Clark – Why can't they develop [on their own]?

COB – Because they lack infrastructure and utilities, Alderwood is quite different than the other annexation areas

Michael – Does COB still give utilities to places that are not part of the city proper?

COB – We no longer do that.

Troy – What are the UGA reserve areas?

COB – These are areas that are eligible for annexation for residential development

Clark – If it is in the county, are all of the properties on septic?

COB – Not all

Michael – There is currently a bill in the house that would allow city + county to agree (leave out fire), there would be a public hearing but no required vote by the Councils

Don – That allows for the city + county to actually plan growth

COB – Yes, it also allows us to plan the timing of that growth

Don – Though these votes do not include the Mayor or County Executive

Michael – Yes, but it is still very political because it has to go through the government process and we will still have to deal with a very vocal minority who are against growth and annexation

Clark – Any opposition from Bakerview area?

COB – No, not really, and generally there is not a lot of opposition to annexation

- At this point the COB has not asked the County to annex the area yet
- Still collecting data and information and are waiting until they are ready to present

Troy – What's the timeline?

COB – Hearings in the fall, hopefully annex by April 1, 2020

Clark – What is the next stage?

COB – We met with the PTA, we need to have a community meeting, but COB is having a difficult time connecting with the community and thus are going everywhere they can to spread the word, they have not had a lot of success contacting business owners directly

Cara – What about school districts? Will they be affected?

COB – No

County – Not now, but later on as the area grows, yes

Casey: How many renters are in the area?

COB – We do not know exactly yet and are still collecting data

COB – Alderwood developed the way that they did because of a choice COB made to run utilities there

- Moral obligation to develop and to extend services to that population because we created the situation
- They have no school resource officers, no sidewalks to school, we have waited long enough

Presentation on Housing given by Jennifer Noveck regarding causes and solutions to Whatcom County's housing problems

Follow up discussion –

Don: What do we do next? What does the committee want to do now? What can we bring to County Council?

Casey: I think we should focus on permitting time and costs. Habitat waited for 2 years for their permit for the Telegraph Rd project. That should not happen. It should have been fast and with great customer service.

Sue: I think we should focus on tactics that we can take

Don: There are programs in other states that allow for expedited permits and reduce cost permits

Pete: It is not the permitting process that is a problem, really it is the planning and pre-application portion that can go on for a long time.

Don: If you go to Lynden or Blaine, it'd be faster

Pete: But that's not where most people want to live

Clark: What about if the COB and County harmonized their permitting processes? And between County and the other cities?

Michael: I think that it would be very difficult to do, many of the cities do not want to have the same processes as the other cities (or 'be like' other cities). But one of the areas is that there are too many conditional uses, which triggers additional attention and required processes. The committee could encourage the Council to give staff some discretion when evaluating permit applications and not require public commentary on every project. We also have to remember that almost all of the cities are strapped for cash and have limited staff to work on each project or application.

Pete: But if the planning process was less onerous, if there were less restrictions and fewer steps in the process, then each would probably need less time and fewer staff to process the permit applications. Much of these restrictions were put in place to protect the public, but these restrictions are costing the public their housing

Don – What are our actionable items? How should we make suggestions to the county?

Tyler – it would be useful to outline very specific obstacles within the planning and permitting process, what and where are the bottlenecks?

- The County has already evaluated the permitting process multiple times
- Focus on city and county issues

Michael – But the County can forward the concerns and recommendations of the committee to the state because there are a lot of options that are not available to cities and counties due to WA state law

- For example, pass on that litigation against developers has a negative influence on housing
- Waive fees for utility connections

Don – Enterprise Zones in Oregon are a place that we lose business too (offers tax incentives to businesses willing to relocate to OR)

Pete: Can we have a one page summary of the problems and solutions, focused on the county and city? What about giving zoning maps and just expanding what can be built in those zones?

Unfortunately the County does not do housing. COB does housing and the cities do housing, not the County.

Paul Schlisser – Have an item to add to your recommendations: the county utility hook up and impact fees can be used for affordable housing, county may be able to pay cities to do some of this, encourage the county to keep doing this and add more money as it is running out (\$1.5 million thus far)

First motion to conclude the meeting by Clark Campbell.

Motion seconded by Pete Dawson.

Motion passed.

Meeting adjourned at 1:45pm.