

## **RECORD OF PROCEEDING OF CITY COUNCIL**

### **CITY OF BELLINGHAM, WASHINGTON**

Thursday, September 26, 2013, 01:00 PM

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#### **Committee Meeting**

Council Chambers

#### Called To Order

#### Roll Call

##### *Present:*

Jack Weiss, Council Member, First Ward  
Cathy Lehman, Council Member, Third Ward  
Terry Bornemann, Council Member, Fifth Ward

##### *Excused:*

### **PURPOSE**

### **DISCUSSION**

#### Waterfront/Downtown Development Committee

Terry Bornemann, Chair  
Cathy Lehman; Jack Weiss

Also in attendance: Stan Snapp; Seth Fleetwood

AB20063 1. Worksession to review the Waterfront District Sub-area Plan and related documents

Presented by: Jeff Thomas, Planning and Community Development Director

Amy Kraham, Assistant City Attorney

Tara Sundin, Economic Development Director

Steve Sundin, Planner, Planning and Community Development

Kurt Nabbefeld, Senior Planner, Planning and Community Development

Chris Comeau, Transportation Planner, Public Works Department

Ted Carlson, Public Works Director

Rory Routhe, Assistant Director, Public Works Engineering

#### MOTIONS/VOTES ON STAFF PROPOSALS:

Subarea Plan:

1. Committee preliminary direction - Change the maps for the Cornwall Beach area to show that the "development pad" is uncertain in terms of size and location.

NO MOTION

2. Committee preliminary direction - Add information regarding habitat restoration resources and processes.

Staff suggestion revisions, P. 19:

~~The Waterfront District includes approximately 3 miles of shoreline, which is also subject to the City of Bellingham Shoreline Master Program (SMP). The City adopted an update to the SMP in November 2009, which is currently under review of the Department of Ecology. In this draft SMP, the Waterfront District is identified as a "Special Area" under WAC 173-26 to allow more detailed planning to take place through the Waterfront District Sub-Area Plan.~~

The Waterfront District includes approximately 3 miles of shoreline, which is regulated by the City's Shoreline Master Program. (SMP) The Washington State Department of Ecology approved the City's SMP in February of 2013.

The SMP includes the "Waterfront District" shoreline designation under which "Special Area Planning" was conducted as specified in WAC 173-26-201(3)(d)(ix).

The stated purpose of the Waterfront District Shoreline Designation is.....no change

The draft-SMP establishes Shoreline Management Policies for the Waterfront District.....no change

The SMP includes habitat protection and restoration management policies which are based upon analysis conducted in the Bellingham Bay Demonstration Pilot Project Comprehensive Strategy. These include:

- Coordinating with state, federal and local agencies including Lummi Nation and Nooksack Tribe to improve ecological function of the shoreline.
- Cooperative projects and funding for shoreline restoration, habitat enhancement, environmental remediation and public access should be identified.
- Pocket beaches within the Waterfront District should be reserved for preservation and restoration / enhancement as habitat and public access points.

3.1 Environmental Consideration Policies (P. 22) Add a new bullet to the Habitat subsection: ~~Where appropriate and whenever feasible, implement~~ Restoration and enhancement opportunities should be implemented as specified in the SMP's Restoration Plan, the Whatcom Resource Inventory Area 1's "Marine Nearshore and Estuarine Assessment and Restoration Prioritization" plan and the City's Habitat Master Restoration Plan. [Changed in committee]

JW/CL MOVED TO RECOMMEND APPROVAL WITH CHANGES. The motion passed 3-0.

3. Committee preliminary direction - sea level rise. Add a statement requiring use of "best available science" to address potential future sea level rise.

Staff suggestion revisions. The Planning Commission recommended adding the following section on sea level rise on P.19, after the Shoreline Development section. Staff has added best available science requirement to the section (see last sentence in the first paragraph:

### Sea Level Rise

The Waterfront District infrastructure and development will be constructed to accommodate potential long-term sea level rise and tsunami conditions. Most of the site is currently located at an elevation of 5-7 feet above the Mean High Water Mark. Recent climate change studies have projected sea level to rise 15" to 50" over the next 100 years. Development in the Waterfront District shall be constructed in accordance with the best available science sea level rise information at the time the development occurs.

The site grade for parks, infrastructure and development pads will be raised to levels appropriate for the design lifetime of the projects. Marine-related industrial uses which need water access and buildings or facilities with a low initial cost or short life span may be located close to current sea level elevations and modified over time to adjust to rising sea level. Commercial, residential and institutional uses with a longer building life or more significant investment will be elevated at appropriate levels to reflect projected sea level rise.

JW MOVED TO AMEND BY ADDING "INCLUDING PARKS AND HABITAT RESTORATION PROJECTS" TO THE FIRST LINE". No second.

### Development Regulations:

1. Committee preliminary recommendation - district heating. Add to the regulations a requirement to participate in a district heating system if one is available.

Staff recommendation: Clarify in the permitted uses table that a public or private district heating system is a permitted use. Add a requirement that property owners and developers are required to participate in such a system if one is installed. Staff is working on language.

### Planned Action Ordinance

1. Committee preliminary direction: clarify text to show that the development thresholds in Section 3.D.2 on P. 4 are not the maximum that could occur in each area.

Staff suggested revision:

#### 2. ~~Maximum~~ Development Thresholds

- a. ~~Maximum~~ Building Development by Area. The Preferred Alternative of the EIS analyzed the

impacts of development of five million three hundred thousand square feet of new building space in the Planned Action Area. The following table identifies the ~~maximum~~ development, including existing development, analyzed in the Preferred Alternative of the EIS for each area within the Planned Action Area:

JW/CL MOVED TO RECOMMEND APPROVAL. The motion passed 3-0.

2. Committee preliminary direction - sea level rise. Add a statement requiring use of "best available science" to address potential future sea level rise to mitigation measure in the Planned Action Ordinance.

Staff suggested revision: (II. 1.B. 1-7) As part of construction of onsite infrastructure, site grades shall be raised to accommodate potential long-term sea level rise and tsunami conditions, appropriate to the design lifetime of the project, as determined conservatively using best available science.

JW/CL MOVED TO RECOMMEND APPROVAL. The motion passed 3-0.

### Development Agreement

1. Committee preliminary direction - affordable housing. Revise the agreement (Section 3, P.4) to make clear that the affordable housing provision is a requirement and that the housing must be permanently affordable.

Staff recommendation: Staff is working on the appropriate language.

JW/CL MOVED TO RECOMMEND APPROVAL. The motion passed 3-0.

2. Committee preliminary direction - interim land uses. Revise the agreement (Section 13, P.7) to require all nonconforming interim uses to cease at the conclusion of the term of the development agreement, regardless of ownership.

Staff recommendation: Delete the last sentence of Section 13.

A Director's Interpretation application shall be submitted by the Port. The application shall include: the Port's acknowledgement of its approval of an Interim Permitted Use and a termination date certain, the name of the business, the proposed Interim Permitted Use and the location of such use on Exhibit 3. The City's Planning Director shall issue a Director's interpretation as to whether the proposed use is an allowed Interim Permitted Use pursuant to this section prior to issuance of any permits. Interim business activity may not occur on the property prior to the issuance of the City's written verification to the Port. The Interim Permitted Use shall be a conforming use for the term of this Agreement or until such time as the property is converted to a non-industrial use, whichever occurs first. Upon expiration of this Agreement, the Interim Permitted Use shall cease and the property shall be vacated and the Port shall be responsible for enforcing such vacation. ~~If the Interim Permitted Use is located on property to which the Port has fee simple title, the use can continue as a non-conforming use, so long as the Port continues to own the property.~~

JW/CL MOVED TO RECOMMEND APPROVAL. The motion passed 3-0.

### Planning Commission Recommendations

Staff recommends that the Committee accept all the amendments suggested by the Planning Commission, EXCEPT item #12 on P. 3 of the Commission's recommended amendments document. This item deals with zoning and limiting the permitted uses in the Marine Trades area.

JW/CL MOVED TO RECOMMEND APPROVAL. The motion passed 3-0.

### COMMITTEE MEMBERS MOTIONS/VOTES

1. Market Demand Research Information Request Motion: Move to request the Administration provide Councilmembers with a copy of the April 2012 Waterfront District Demand Research Report by Hebert Research and any documentation provided by Heartland that reviewed and modified the Demand Research Report.

NO MOTION, staff agreed to bring this information

2. TBL Information Request Motion: Move to request the Administration provide councilmembers with the financial, environmental and social benefit and cost analysis of the waterfront redevelopment plan in a clear and understandable format.

NO MOTION.

3. Eliminate Cornwall Beach Residential Motion: Move to insert language in all pertinent documents and agreements to refer that there will be no housing component at the Cornwall Beach Area.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

4. PC Trail Recommendation Modification Motion: Move to modify the Planning Commission recommended revisions to the waterfront district Subarea Plan regarding trails to Parks Chapter 7 to read as follows:

"Develop a continuous waterfront trail along the south side of the Whatcom Waterway and Log Pond shoreline from Roeder Avenue to the Northeasterly edge of the Shipping Terminal. This trail ~~will~~ should be extended through the Log Pond planning area to connect to Cornwall Avenue as close to the water's edge as possible without creating significant impact to habitat restoration areas. ~~if compatible with industrial and/or cargo uses in the Log Pond area.~~ If the Log Pond area is subdivided into smaller parcels to be leased or sold for long-term uses which do not require access to the Shipping Terminal, dedication of a trail connection ~~should be considered during~~ will be part of the binding site plan approval process. Public access along the Log Pond trail may be briefly suspended for public safety or site security purposes during periods when upland uses conflict with trail use."

JW/CL MOVED TO RECOMMEND. The motion passed 3-0.

5. Sea Level Buffer Motion: Move to request the Administration provide councilmembers with an elevation map showing current and projected minimum and maximum sea level delineations at Ordinary High Water Marks (OHWM).

NO MOTION.

6. Remove Commercial St Bridge and Green Motion: Move to request the Administration to modify pertinent documents and agreements to delete references to a Commercial St Bridge and a Commercial St Green and to insert language and new transportation maps to show waterfront access from Bay Street.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

7. Create Town Square Area Motion: Move to request the Administration to modify pertinent documents and agreements to create a Town Square park area equivalent to the currently proposed Commercial St Green located between Bay St and Commercial St closer to the bluffs than the water edge.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

8. Limit TIF Discounts To Downtown Waterfront Urban Village Only Motion: Move to modify the boundaries for the TIF Reduction Program to permanent uses in the Downtown Waterfront Area only.

JW/CL MOVED TO RECOMMEND. The motion passed 3-0.

9. Modify Mode Shift Goal Motion: Move to amend pertinent documents to reflect a reduction in the transportation mode shift goal in the Downtown Waterfront Area from 70% to 50%.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

10. Modify PC Recommendation for LEED Silver Motion: Move to remove LEED Silver Certification as a Floor to Area Ratio option in the Planning Commission recommendation for development regulations.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

11. Lower Height Ceilings Motion: Move to reduce all 100-foot height ceilings in the Downtown Waterfront Area to 75 feet.

JW MOVED TO RECOMMEND. The motion failed 1-2. CL, TB opposed.

12. Modify PC Recommendation in PAO on Historic and Cultural Resource Policy Motion: Move to modify the PC recommendation on page 10 of their revision report to read as follows:

NO MOTION.

13. Modify PC Recommendation on Local Food Production Motion: Move to amend Section 20.37.440.C.3 of the proposed Development Regulations to read as follows:

"3. Landscape Irrigation- landscaping with native or drought tolerant plants which do not require permanent irrigation systems is encouraged. If irrigation systems are installed for landscaping or uses such as roof top and patio vegetable gardens to provide local or personal food production, irrigation systems shall use only captured rainwater, recycled wastewater, or water treated and conveyed by the public agency specifically for non-potable uses. Temporary irrigation systems used for plant establishment are allowed to utilize potable water if removed

to recommend within three years of installation." [Proposed addition by staff accepted by committee]

JW/CL MOVED TO RECOMMEND. The motion passed 3-0.

### **ADJOURNMENT**

\_There being no other business, Committee Chair Bornemann adjourned the meeting at 4:36 PM

**Terry Bornemann, Chair**

**ATTEST: J. Lynne Walker, Executive Assistant to the Bellingham City Council**

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