

To: Whatcom County Executive's Office, Whatcom County Council; City of Bellingham, Small Cities Mayors
From: Whatcom County Business & Commerce Advisory Committee
Subject: Recommendations for actions to cope with the ongoing Affordable Housing Crisis
Date: January 10, 2023

The Whatcom County Business and Commerce Advisory Committee (WCBC) was created to inform the County about challenges to growth that firms are currently facing and to make suggestions on how to improve and mitigate these foreseen obstacles. The WCBC has therefore identified and recommends that the housing **crisis** be a top priority for elected leaders in order to maintain our current quality of life, improve business conditions, and encourage development in Whatcom County.

In June 2019, the Committee sent a memo to the County, City of Bellingham, and Small Cities with recommendations for dealing with the housing crisis. As a follow up to this memo, in our September 2022 meeting the WCBC committee developed, reviewed, and voted upon a list of very specific actions that Whatcom County can take to ameliorate the housing crisis. A similar letter was also sent to the City of Bellingham that was signed by individuals and organizations who support the recommendations. The signatures can be found in "Attachment A."

The letter reads as follows:

Proposals to Increase Access to Housing for All Income Levels – Whatcom County

Dear County Executive Satpal Sidhu:

The Housing Subcommittee of the Whatcom Business Advisory Council had participation by a wide spectrum of community members - from funders to builders to sellers and suppliers of homes, both non-profit and for-profit. We came together as people who care about the present and future livability of our community. We did not find complete agreement on every point, but we all agree that many more permanently affordable homes are needed. Many of the following ideas support housing supply generally, based on the belief that availability of housing will ease housing affordability at many levels. We look forward to the opportunity to discuss these ideas with you and help implement them.

Affordable housing is defined as a household spending 30% or less of its income on housing costs. This includes costs such as principal and interest, rent, utilities, and insurance. We believe that everyone, at every income level, should have access to a full range of affordable housing types, from studios and apartments to detached single-family homes.

Overall, the County should:

1. Reduce the complexity and the cost of compliance of code.
2. Prioritize density in existing city boundaries and urban growth areas while supporting limited annexations.
3. Provide incentives for permanently affordable home ownership and rentals for occupants whose incomes range from 50% to 150% of area median income.

We request that you:

Budget:

1. Add an FTE planner to focus on affordable housing in Whatcom County.
2. Adopt the Multifamily Tax Exemptions of 8, 12, and 20 years.
3. Use EDI funds as a long term, low interest loan to pay for onsite infrastructure for affordable housing.

Land Use/Building permits:

1. Approve land use permits within 4 months, and building permits within 3
2. Adopt voluntary inclusionary zoning, with incentives for permanently affordable homeownership and rentals.
3. Adopt as a pilot program, an ordinance similar to Spokane C36232 to allow ADU, duplexes, and up to 4-plexes in all single-family zones within urban growth areas.
4. Allow building permits to be approved by 3rd party outside sources
5. Enact digital permitting for land use and building permits.
6. Allow single staircase in multifamily buildings
7. Extend all county land use permit timelines to a minimum of 5 years to align subdivisions, conditional use permits, stormwater permits, development agreements, and wetland permits.
8. Extend Critical Area Permits and Consultant reports with the Preliminary Plat or Land Use Permit.
9. Allow applicants to bond clearing, grading, and stormwater permits before Public Facilities Construction application approval.
10. Expedite permitting for permanently affordable housing (complete permit sets approved within 90 days).
11. Preserve existing mobile home parks.
12. Create a minimum 7-day notice for a Hearing Examiner date.
13. Increase the notice period for rent increases to 90 days.

Planning Department Staff

1. Schedule informal monthly meetings between Planning director, staff, land use consultants, tenants, and for-profit and non-profit developers for feedback in both directions.
2. Require phone calls and emails to be returned within two business days.
3. Tighten coordination between Public Works and Planning to avoid conflicts and confusion.

Comprehensive Plan/Consolidated Plan

1. Support the following annexations in the 2026 Comp Plan: South Caitac UGA Reserve, Yew St, and Alderwood.
2. Create a wetlands mitigation bank available to developers.
3. Expand the analysis of cost-burdened households by income, to 200% of MFI.
4. Target an average rental vacancy of 3-5% for all income levels, and available housing supply of 4-6 months for all income levels.

We also request that you support the following items in your interactions with our State Legislators:

1. Legalize ADU's across the state
2. Change single family zoning to allow higher density and more housing types
3. Reform condo law to appropriately limit liability to condo developers and builders.
4. Increase flexibility for funding and incentives for workforce housing.

Thank you for your time, and we look forward to hearing your feedback on these proposals.

Sincerely,

Whatcom County Business and Commerce Committee (10-0-2)

Voting Committee members that voted "Approve" to send this letter to County Council:

Debbie Ahl, Healthcare

Ryan Allsop, Other For Profit, Committee Vice Chair

Clark Campbell, Recreation
Pete Dawson, Real Estate
Andrew Gamble, Energy
Troy Muljat, Other For Profit
Bob Pritchett, Internet Technology
Chris Trout, Manufacturing
Sarah Rothenbuhler, Other For Profit, Committee Chair
Dana Wilson, Marine Trades

Voting Committee members that were Absent from the vote:

Paul Burrill, Food Processing
Brad Rader, Agriculture