# Whatcom County Council (Special)

COUNTY COURTHOUSE 311 Grand Avenue, Ste #105 Bellingham, WA 98225-4038 (360) 778-5010



# **Minutes - Draft Minutes**

Tuesday, September 16, 2025
1 PM
Hybrid Meeting - Council Chambers

JOINT PLANNING COMMISSION MEETING - ADJOURNS BY 4:30 P.M. - HYBRID MEETING (PARTICIPATE IN-PERSON, SEE REMOTE JOIN INSTRUCTIONS AT www.whatcomcounty.us/joinvirtualcouncil, OR CALL 360.778.5010)

#### **COUNCILMEMBERS**

Barry Buchanan Tyler Byrd Todd Donovan Ben Elenbaas Kaylee Galloway Jon Scanlon Mark Stremler

#### **CLERK OF THE COUNCIL**

Cathy Halka, AICP, CMC

# Call To Order

Council Chair Kaylee Galloway called the meeting to order at 1:05 p.m. in a hybrid meeting.

#### **Roll Call - Council**

Present: 6 - Barry Buchanan, Todd Donovan, Ben Elenbaas, Kaylee Galloway, Jon Scanlon,

and Mark Stremler

Absent: 1 - Tyler Byrd

# **Roll Call - Planning Commission**

Planning Commission Members Present: Dan Dunne, Jim Hansen, Dominic Moceri, Kelvin Barton Planning Commission Members Absent: Rud Browne, Nick Greif, Alvin Scott Van Dalen, Suneeta Eisenberg, Julie Jefferson

#### **Announcements**

#### **Special Presentation**

1. <u>AB2025-594</u> Presentation from the Port of Bellingham on the industrial lands report for the 2025 Comprehensive Plan

Tyler Schroeder, Economic Development Director for the Port of Bellingham, shared a presentation (on file) regarding the Port's Industrial Lands Report. The report looks at trends influencing how industrial land is developed and used in the county, where industrial land is available, and whether the industrial land supply is adequate to support anticipated demand.

Schroeder stated that the report was compiled to inform the 2025 Comprehensive Plan Update and builds upon the recent Land Capacity Analysis and Buildable Lands Analysis.

Schroeder stated that there are 19 industrial areas throughout Whatcom County. The Industrial Lands Report identified total industrially zoned lands and developable industrially zoned lands in order to assess timing and likelihood of future industrial development in Whatcom County.

Schroeder reported that the study identified some available developable industrial land, as well as some challenges and limitations to development, including the need for larger parcels and proximity to freight corridors.

Donovan asked whether the Port of Bellingham is working to combine smaller parcels into larger areas. Schroeder said one of the recommendations from the report is to utilize the Port's powers or abilities to make those investments.

He continued his presentation, highlighting individual industrial areas throughout the county.

Donovan asked about Economic Development Investment (EDI) funds and Ferndale's industrial areas.

Schroeder clarified that some EDI funds were used to correct stormwater issues in an area in Ferndale east of I-5.

Discussing trends, Schroeder stated that energy availability and responsiveness of state and local governments are key for businesses when considering site selection. Target industries include food processing and cold storage, supportive manufacturing, maritime, energy production, wood products, and recreation.

Schroeder stated that the report found that total industrial land supply meets projected demand based on growth scenarios; however, the quality of that industrially zoned land presents some challenges. He then provided a high-level overview of the report's strategies and recommendations, which include wetland mitigation banking, coordinating between the Port of Bellingham and local jurisdictions to plan for infrastructure, and improving and extending truck freight corridors. Other recommendations include facilitating regulatory consistency, finding land for emerging and growing target industry businesses, and participating in active comprehensive planning.

Jim Hansen, Planning Commission, asked why rail wasn't talked about as part of freight corridors.

Schroeder stated that he believes rail should be part of that consideration.

Hansen asked for more information about the water and sewer services available to the Marine Drive Heavy Impact Industrial (HII) area.

Schroeder stated that he understands the Marine Drive locations have access to utilities.

Scanlon asked Schroeder to speak to the demand for acreage and site needs.

Schroeder said that the Port receives a lot of interest in maritime and waterfront redevelopment. He also said he has worked with a few local manufacturers who started with less than 10,000 square feet who are now looking to grow. Vacancies for 40,000 to 60,000 square feet locations are very low right now. He said there is also demand for cold storage and alternative energy.

Scanlon asked about the potential for relocating commercial, non-industry businesses like storage units and gyms that are currently located in industrial zones.

Schroeder stated that it is not currently possible to answer that question due to lack of available information. He said that city and county councils need to discuss and prioritize high-wage, high-demand jobs.

Donovan asked whether the needs differ between light and heavy industry.

Schroeder said the report does not distinguish between heavy and light industrial.

Donovan asked for clarification about the employment projections and freight corridors.

Schroeder clarified the source of the employment projections and provided examples of freight corridor infrastructure requirements.

Elenbaas said Schroeder's presentation was truthful and acknowledged a number of challenges businesses and industries face that often go undiscussed, such as critical areas.

Stremler asked whether the Port of Bellingham has a good understanding of the level of interest businesses have in settling in Whatcom County.

Schroeder stated that the report identifies a desire for growth in the county. He said that the community as a whole needs to find a way to enable high-wage job growth opportunities to meet the demand.

Hansen said that there is a deficit in the amount of available industrial acres with utility services. He said that the clear solution is to ensure there are utilities provided to the areas that need them.

Donovan asked how to jumpstart that utilities infrastructure.

Schroeder said that the first step is to identify where the infrastructure should go. The Port of Bellingham has some industrial development districts (IDD) that can provide local funding based on assessments for industry. A local improvement district (LID) is also an option.

Dominic Moceri, Planning Commission, asked about how housing affordability impacts business growth and the ability to attract new businesses.

Schroeder said he is not aware of any instances where housing costs were a deterrent for a company.

Elenbaas said that local regulatory uncertainty may be a more significant barrier to industry.

Scanlon asked what the Port has learned about industrial parks in Canada.

Schroeder described Campbell Heights, which is probably 100-200 acres large and includes utilities and access to transport. He said the ability to create something like that would bring a lot of economic value. However, finding space for something like that in Whatcom County would require a policy discussion. West Lynden, Grandview, and east Blaine might offer opportunities.

Scanlon asked about the county's progress with wetlands mitigation banking.

Kayla Schott-Bresler, Deputy Executive, stated that this continues to be a priority and discussions are ongoing about how to move forward and expand on Bellingham's mitigation bank. However, Bellingham's experience in developing the mitigation bank has been quite fraught due to regulatory barriers, so there are conversations underway about how to overcome those barriers.

Schroeder said advocating with the state might be helpful to overcome some of the regulatory hurdles. He added that the Port is also considering some advanced mitigation opportunities.

Mark Personius, Director of Planning and Development Services (PDS), provided clarification about the county's work on an off-site mitigation program.

Schroeder said that sort of program would work very well for many of the

properties being discussed.

Elenbaas said that wetland mitigation banks are typically located on farmland, which is a cost to consider.

This agenda item was PRESENTED.

# **Committee Discussion**

**1.** AB2025-513

Presentation by the Whatcom County Planning and Development Services Director and discussion relating to preliminary preferred alternatives for the Final Environmental Impact Statement (EIS) associated with the 2025 Comprehensive Plan Update

Personius provided an update on the schedule for discussions on urban growth areas (UGAs) and Comprehensive Plan elements.

Planning Commission held a public hearing on UGA proposals for Everson, Nooksack, Sumas, Birch Bay, and Columbia Valley on September 11. On September 25, Planning Commission will hold public hearings on Bellingham, Ferndale, Lynden, Cherry Point, and Rural and Resource Lands UGA proposals. City of Blaine requested additional time to make changes and will have a public hearing at the Planning Commission meeting on October 9. On Wednesday, September 17, there will be a growth management coordination meeting for elected officials from 2:00-4:00 p.m.

Planning Commission will meet on Sept. 30 from 1:00-4:00 p.m. to go over the Climate element of the Comprehensive Plan. On October 9, they will consider Comprehensive Plan Chapter 5 Utilities. On October 23, Planning Commission will hold a public hearing on Chapter 8 Resource Lands. Another joint Council and Planning Commission meeting is tentatively scheduled for October 28. Planning Commission also has two special meetings tentatively scheduled to go over the Environment and Land Use and Housing elements.

Donovan asked about the possibility of changing the schedule.

Personius clarified when Council will receive various Comprehensive Plan chapters.

The final Comprehensive Plan will likely be delivered to Council for consideration in January 2026.

<u>Cherry Point UGA - Approximate Timestamp: 1:37:55</u>

Galloway introduced discussion of the Cherry Point UGA. She asked

whether there has been engagement with property owners in the area and a reconciliation with the UGA, the industrial lands capacity, future jobs allocation, etc.

Personius said that there are currently only three major companies operating in the Cherry Point area. The administration has had conversations about eventually having an industrial park at the former Intalco site, which has been approved for demolition. The light impact Industrial (LII) area north of Grandview is BP's advanced mitigation site, which is under a conservation easement. The county is proposing redesignating that area as rural to reflect the area's true development potential.

Galloway asked for clarification about the projected employment allocation.

Personius said that most of the employment is projected at the Intalco redevelopment site with some expansion anticipated for the other companies.

Scanlon whether zoning changes are needed to allow for recreation and beach access at the end of Gulf Road.

Personius responded that no zoning changes are necessary.

# Columbia Valley UGA - Approximate Timestamp: 1:43:07

Galloway turned the discussion to the Columbia Valley UGA. She asked how to ensure growth is not being driven to areas that do not have the necessary infrastructure supports and employment opportunities.

Personius stated that staff is proposing shrinking the Columbia Valley UGA slightly. He said there is sufficient land in the general commercial zone to create additional opportunities for commercial development in the UGA. Staff are also proposing to redesignate some rural forestry zoning as light impact industrial zoning, which provides additional commercial and job opportunities without expanding the UGA.

Matt Aamot, Senior Planner for Planning and Development Services, said that they are changing UR 4 to URM 6 as well to support middle housing and multi-family housing in accordance with House Bill 1220.

Elenbaas asked about critical areas.

Personius stated that infrastructure challenges are a greater hurdle than critical areas in the Columbia Valley UGA.

Donovan asked if zoning was one of the barriers to locating a grocery store in the Columbia Valley area.

Personius said that there was always room for that use, but the zoning redesignation may improve the situation. However, demand may remain a challenge.

Stremler asked how the county might help promote growth of industry in the UGA.

Personius stated that addressing infrastructure challenges would help incentivize growth. The water treatment plants currently have limitations in what they can support, but improvements are expensive. Providing support in the form of economic development investment (EDI) funds may be a possibility.

Hansen stated that the hope is that the new light impact industrial zone will enhance the forestry industry and build on current industry.

Dan Dunne, Planning Commission, asked about population projections and the sizing of the UGA.

Personius responded that UGA sizing is a complicated issue that requires consideration of multiple factors including the tool instituted by House Bill 1220 which guides population allocation.

Everson UGA - Approximate Timestamp: 1:53:39

Galloway moved discussion to the Everson UGA.

Donovan asked about the proposal to expand into agriculture lands.

Personius stated that Everson is dealing with the challenge of flood modeling following the November 2021 floods and new draft floodway and floodplain maps. Some UGAs have to be moved out of floodplains.

Donovan asked whether it is the county's position that UGAs can be expanded into prime agriculture lands.

Personius said that some cities are proposing moving UGAs because of floodplains, and those cities are surrounded by agriculture lands, which creates challenges. Under the Growth Management Act (GMA), expansion into ag lands is possible, but it requires a study and mitigation options. Council should receive the results of the study by the end of October. In terms of floodplain mitigation, cities have, in the past, implemented restrictive covenants, meaning property owners agree not to develop the portion of their property that is within a floodplain. In terms of ag mitigation, a fee in lieu might be implemented, where property owners and jurisdictions would pay a fee for conversion of ag land to UGA. The resulting funds could then go into the Conservation Futures Fund and be used to retire development rights on ag land in the future.

Elenbaas said that Lynden, Everson, Nooksack, and Sumas can only grow if they expand into agriculture areas. He asked about whether certain locations, such as the Everson auction barns, are part of the UGA or UGA reserve.

Alex Putnam, City of Everson, clarified that those areas are located in UGA Reserve.

Rollin Harper, who is assisting the City of Everson with their planning, provided further clarification regarding the UGA map.

Putnam stated that Everson's UGA proposal does not include any floodplain except for a small portion in the northern UGA which connects to city limits. She emphasized that Everson is dedicated to moving west out of the floodway. Everson is also proposing giving more agriculture land back to the county than they are proposing adding as UGA.

Stremler asked for more information about the study regarding ag lands.

Personius stated that the GMA requires an assessment when there are changes to certain designations.

Scanlon asked about a specific property north of Riverside Park.

Putnam clarified they are looking at expanding the park to keep the UGA.

Scanlon said he would love to hear from first responders and emergency management staff in Everson regarding the northernmost area of the map and its potential for future flooding.

Harper stated that Everson officials have expressed no concerns about flooding in this area.

Scanlon asked when the Comprehensive Plan undergoes a legal review.

Personius said that PDS staff raised concerns about Everson, Nooksack, and Sumas proposals in regard to meeting GMA requirements. The cities are preparing addendums to address these concerns. This information will be provided to the county's attorneys, who will help to assess any risk for the county.

Elenbaas asked for analysis of whether there is zoning available for another auction barn.

Stremler said that Public Works River and Floods is working on a berm project through Everson. He asked whether that project would affect Everson's UGA map.

Personius responded that there is still uncertainty regarding the project, so it is unclear how it will impact the maps in the future.

Paula Harris, Flood Planning and Mitigation Manager at Public Works, spoke about some of the complicating factors regarding the berm project.

Dunne asked about the population allocation and UGA capacity for Everson.

Personius said staff are comfortable with the numbers.

#### Ferndale UGA - Approximate Timestamp: 2:17:45

Galloway moved discussion to the Ferndale UGA.

Mike Cerbone, Community Development Director for the City of Ferndale, provided an overview of the city's UGA proposal. He stated that the city has a fairly large UGA, and they are looking to upzone low density areas and incorporate commercial and mixed-use commercial zoning. He said the city has been actively managing utilities and other city infrastructure to accommodate growth.

Donovan asked about recent annexations by the City of Ferndale.

Cerbone provided an overview of recent annexations. He said property owners in certain areas have seen benefits to annexation, while others would like their area to stay more rural in character.

Donovan asked about the process for changing zoning designations.

Personius clarified that there are several ways to change zoning designations, including adding to the 2026 work program, amending interlocal agreements with cities, downzoning properties, etc.

Elenbaas asked for clarification about the Ferndale UGA map.

Cerbone clarified which areas of the map are new proposals.

Elenbaas stated that in District 5, there are only a few operating dairy farms, and he believes the Ferndale map encompasses several of those. He said he has heard resistance from farmers about converting dairy farms to city.

Cerbone said he had spoken to one of the dairy farmers who indicated they were open to the area's urbanization. Cerbone clarified that Ferndale is not telling people what to do with their land. However, he noted that adding land to a UGA or UGA reserve can put economic pressure on landowners.

Stremler asked about Ferndale's water source and feedback he's heard from residents about their wells.

Scanlon asked if Ferndale has looked at the future shorelines mapping the county has done, which indicates parts of the river shorelines could be at risk.

Cerbone said Ferndale participated in that process and are considering downzoning some of those areas.

Lynden UGA - Approximate Timestamp: 2:45:40

There was no discussion about the Lynden UGA.

Nooksack UGA - Approximate Timestamp: 2:46:23

Donovan asked about the balance of ag land in the Nooksack proposal compared to Everson.

Harper said that the total net impact to agriculture land is 11 acres at the north end of the city. Areas 6, 7, and 8 on the Nooksack UGA map are zoned for agriculture. The city is proposing requiring a payment in lieu to retire development rights on a per acre basis. He added that Nooksack is not expanding to any floodplain areas.

Elenbaas said that, from a farmer's perspective, retiring development rights does not promote a viable, resource-based economy, which is the purpose of the ag zone.

Moceri asked about Area 3 on the UGA map.

Harper responded that access along the south edge of South Pass Road in Area 3 is a challenge.

#### Sumas UGA - Approximate Timestamp: 2:55:20

Carson Cortez, City of Sumas, provided an overview of the city's UGA proposal. He said the number one issue they are attempting to mitigate is the floodplain. Sumas is almost entirely located within a floodplain. The proposal is to expand the city's UGA to the west, which is primarily outside the floodplain, and to the south along Highway 9. He noted that Sumas is running out of land capacity within city limits.

Donovan asked for clarification regarding the city's expansion into floodplains.

Cortez said the proposal is that areas in the floodplain would have their development rights extinguished.

Harper said that Nooksack had part of its UGA expansion in the floodplain in 2016. The city entered into restrictive covenants with property owners, which extinguished development rights, prior to the Comprehensive Plan's adoption.

Cortez said that Sumas would be pursuing a payment in lieu system to mitigate impacts to agricultural land from their proposal.

Scanlon asked how necessary the ring dikes are in the south part of the city to safety.

Cortez responded that ring dikes might help reduce initial impact. However, it does not solve the problem.

Galloway asked about mitigation measures for Area 7.

Cortez clarified that the mitigation measure would be to extinguish the development rights for those properties or portions of properties in the southeast corner of Area 7.

Stremler asked about the western boundary of the proposed UGA.

Cortez stated that the western boundary is property lines.

## Rural and Resource Lands - Approximate Timestamp: 3:09:18

Aamot provided a brief overview of the rural and resource lands and the use of a Housing for All tool associated with HB 1220. The county is proposing upzoning three Limited Areas of More Intensive Rural Development (LAMIRD).

Councilmembers and staff asked clarifying questions about the maps and zoning designations.

Galloway asked whether the upzone from RR2 to RR3 in Custer limits the ability to imagine a denser LAMIRD region.

Aamot said that a Custer UGA is not part of this update.

Elenbaas said Custer already feels like a UGA because of its downtown.

Personius said that the county is looking at it as part of a 40-year growth strategy. It's not currently a UGA because it doesn't have the appropriate level of utility services. He added that when GMA was first adopted, the LAMIRD restrictions were stringent. The legislature have recently somewhat loosened restrictions on what can happen within the LAMIRD boundaries.

Galloway asked whether the county is prevented under current law from accelerating toward a UGA in Custer.

Personius said that an adopted capital facilities plan would be needed, which is a big lift. Feasibility studies for sewer, water, etc. are necessary as well.

Dunne asked a question about making Custer a UGA.

Personius said that Custer would be a new, non-municipal UGA similar to Birch Bay or Cherry Point.

Galloway encouraged councilmembers to reach out to PDS with any questions.

This agenda item was DISCUSSED.

# **Items Added by Revision**

There were no agenda items added by revision.

## **Other Business**

There was no other business.

# **Adjournment**

The meeting adjourned at 4:31 p.m.

ATTEST:

WHATCOM COUNTY COUNCIL WHATCOM COUNTY, WA

Cathy Halka, Council Clerk Kaylee Galloway, Council Chair

Meeting Minutes prepared by Jenna Gernand