

URBAN GROWTH AREA REVIEW



UGA/UGA Reserve Proposal Addendum

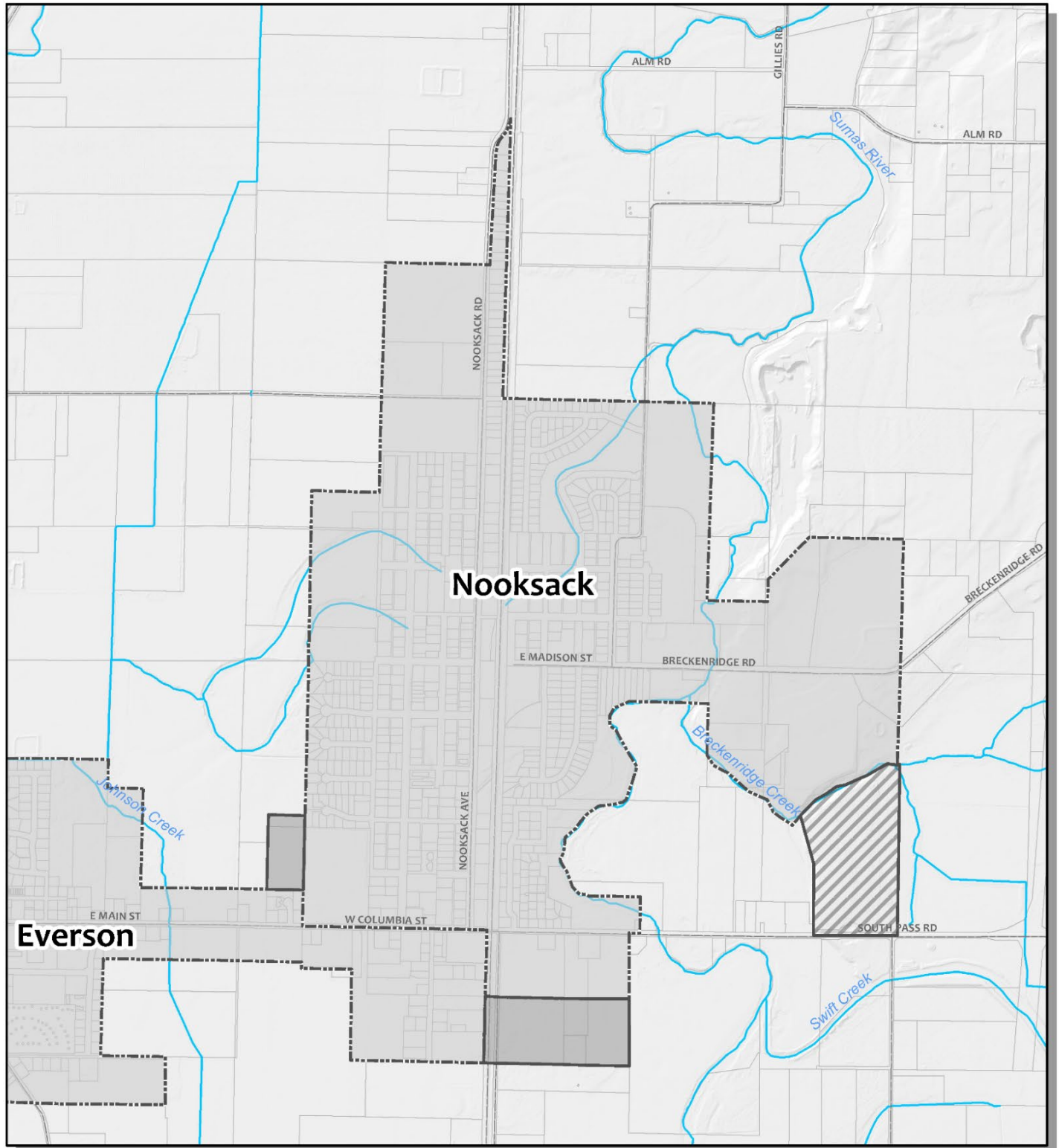
October 17, 2025

Introduction

On August 29, 2025, the City of Nooksack submitted its UGA and UGA Reserve Proposal (UGA Proposal) to Whatcom County as part of the 2025 review and update of the city and county comprehensive plans required under the state Growth Management Act (GMA), RCW 36.70A. See the attached map that shows the City's existing urban growth area (UGA) and UGA Reserve. See also the attached map that shows the Nooksack UGA Proposal, including Areas 3, 4, 6, 7 and 8 that are proposed to be included in the Nooksack UGA.

In an email message dated September 4, 2025, Whatcom County Planning and Development Services provided a list of issues / concerns related to the City's UGA Proposal. City staff met with the County Planning Director and Senior Planner on September 8, 2025 to discuss the County's concerns and provided the City's preliminary responses to these concerns. The purpose of this UGA Proposal Addendum is to provide supplemental information to address these concerns to a sufficient degree to allow the City's UGA Proposal to move forward.

In a subsequent message from the County dated October 1, 2025, County Planning provided an additional request that the City's UGA Proposal Addendum also address Whatcom County Policy 8A-6 related to de-designation of agricultural lands and changed circumstances. This Addendum also addresses this additional request from County Planning.



- Nooksack Urban Growth Area

-  City of Nooksack
-  Urban Growth Area
-  Urban Growth Area Reserve

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I. County Concerns

The issues / concerns raised by the County Planning Department in relation to the City's UGA Proposal included the following:

1. Population and Employment Land Capacity – The land capacity for population is about 68% higher than the population allocation (p. 9). The land capacity for employment is below the employment allocation (p. 9). Our understanding of Growth Board cases is that, when UGAs are being expanded, the increased land capacity should roughly match the population and employment allocations (more or less). The proposal causes concern with oversizing the UGA expansion for population and under-sizing for employment.
2. Setback/Buffering from Agricultural Lands – The criterion for expanding UGAs into UGA Reserves includes addressing potential incompatibility with adjacent Ag land (p. 12). This should be addressed.
3. Naturally Occurring Asbestos – One of the criteria for expanding a UGA into a UGA Reserve is addressing risk from Naturally Occurring Asbestos (p. 13). This will need to be addressed in greater detail to show how it meets the approval criterion.
4. Floodplain – The Proposed UGA/UGA Reserve map (p. 7) shows a portion of Study Area 8 in the effective flood zone, but it does not appear that this is addressed in the UGA Expansion in the Floodplain section (p. 13 and 14). Can you clarify?
5. Agricultural Mitigation – The UGA Proposal would result in the loss of 11 acres of designated Ag Land (p. 6). Please address mitigation for loss of Ag land (on pp. 14 and 15).

The County's additional request was that the City's UGA Proposal Addendum also address Whatcom County Comprehensive Plan Policy 8A-6, which reads as follows:

Require all requests for re-designation from agriculture to demonstrate that changed site conditions or circumstances have occurred since the original designation to such an extent that the site no longer satisfies the designation criteria for agricultural lands.

Each of these concerns/issues is addressed in the following sections of this UGA Proposal Addendum. Where appropriate, supplemental maps and tables have been included.

II. Population and Employment Land Capacity

The initial results from the City's land capacity analysis were included in the UGA Proposal that was submitted in late August. These results showed a small deficit of capacity for commercial/industrial growth and a larger surplus of capacity for population growth. Since submitting the UGA Proposal, the City has continued to refine the choices and assumptions incorporated into the land capacity analysis. As a result of making minor adjustments to the anticipated density of planned industrial growth, the City's land capacity results now show a very small surplus for commercial/industrial growth.

Updated Table 8. Proposed UGA - Commercial/Industrial Land Capacity Analysis Results		
1	Employment Growth Capacity of Proposed UGA	233
2	Employment Growth Allocation Proposed	232
3	Surplus (Deficit)	1

The City of Nooksack (like all of the jurisdictions in Whatcom County) has been working to comply with the housing requirements established under HB 1220, while still addressing land capacity requirements under the GMA. Although the City's UGA Proposal showed an initial surplus of capacities in all housing categories, the City has been working to refine our housing allocation assumptions to reduce this excess capacity. The updated results presented in the table below show the most-recent results from the land capacity analysis for housing units within various income bands.

Updated Table 7. Proposed UGA – Housing Land Capacity Analysis Results

Income Band (AMI)	Aggregated Housing Needs	Total Capacity of Proposed UGA	Surplus (Deficit)
0-80%	289	290.0	0.0
80-120%	56	56.5	0.5
120+%	88	169.5	81.5
Total	433	515.0	82.0

NOTE: AMI means "Area Median Income"

As can be seen, the land capacity analysis now shows minimal surpluses for the low-income and moderate-income housing bands. A modest, but reduced, surplus of housing units still remains in the high-income band (120%+ AMI), but a large

portion of this surplus is built in to the land capacity tool based on differences in assumptions embedded in the State's Department of Commerce, Housing for All Planning Tool (HAPT) and the County's land capacity analysis tool. The City will continue to work to reduce the overall surplus to the maximum extent possible given the statutory constraints under HB 1220.

The updated results of the land capacity analysis expressed in relation to population are shown in the table below. It is important to reiterate that a large portion of the remaining surplus is an unavoidable outcome of needing to comply with the HAPT-based housing targets, which factor in overproduction to make up for past deficits, higher than the vacancy rates, and lower than persons per household assumptions utilized by the State Office of Financial Management.

Updated Table 6. Proposed UGA - Population Land Capacity Analysis Results		
1	Population Growth Capacity of Proposed UGA	1,341
2	Population Growth Allocation Proposed	995
3	Surplus (Deficit)	346

The City will continue to refine the land capacity analysis to reduce the overall population capacity surplus as much as possible while still complying with HB 1220.

III. Setbacks / Buffering from AG Lands

The County's concern regarding setbacks and buffering from agricultural lands pertains only to the City's proposal to convert the existing UGA Reserve to full UGA status. It is the City's assumption that this concern is intended to reduce potential conflicts between new uses in the City and ongoing agricultural activities in the county. No specific comments or concerns from the owners of properties located adjacent to the UGA Reserve (Area 3) have been provided by the County, nor have any such concerns or concerns been received by the City. Unlike some other cities in the county, Nooksack over the past 30 years has not seen conflicts between residents within the City and surrounding agricultural operations.

It is important to note that the City has adopted "Right to Farm" provisions that are codified under Section 16.08.076 NMC to ensure that required notifications regarding the presence and potential impacts of nearby agricultural activities are fully disclosed to potential buyers of property located in proximity to County agricultural lands. More importantly, the City would highlight that the future zoning designation for the UGA Reserve is Light Industrial, which would likely result in far

fewer opportunities for conflict with agricultural activities than might occur where residential uses are present. In short, future light industrial uses within the City are not seen as being incompatible with adjacent agricultural operations.

If the County can provide a solid basis for needing increased setbacks or buffering between light industrial uses and adjacent agricultural uses, the City would be willing to discuss establishing such zoning provisions prior to annexation of the current UGA Reserve.

IV. Naturally Occurring Asbestos

The County concern regarding potential risks related to naturally occurring asbestos (NOA) pertains only to the City's proposal to convert the existing UGA Reserve located north of S. Pass Road (Area 3) to full UGA status. Although the County has asked Nooksack to demonstrate that risks related to the potential presence of naturally occurring asbestos have been reduced to acceptable levels, the County has not specified what constitutes an acceptable level of risk. Nevertheless, the City is confident that the existing geographic, topographic and regulatory conditions already in place are sufficient to reduce risks from naturally occurring asbestos within the UGA Reserve to negligible or insignificant levels.

First, the UGA is almost entirely situated on land that is elevated well above the surrounding territory to the east and west. While the surrounding areas sit at approximately 85-90 ft above mean sea level (MSL), the UGA Reserve is situated on land predominantly between 100 ft to 130 ft above MSL. See following Topographic Contour Map and Section Elevations. It is not conceivable how NOA sediments would be transported uphill from the surrounding low-lying agricultural fields to be deposited within Area 3.

Second, the UGA Reserve is located almost entirely outside of (and above) the 100-year floodplain (90-95' above MSL). It is not clear how floodwaters would be able to transport NOA sediments above the elevation of the 100-year floodplain to be deposited in areas within Area 3. See Map 4, FEMA Floodplain Map.

Third, the main portion of Area 3 that is within the 100-year floodplain is the northern-most band within the Breckenridge Creek corridor. This narrow stream corridor is bounded on both sides by steep slopes, and the stream itself falls significantly in elevation from east to west. This steep gradient substantially reduces opportunities for deposition of sediment within Area 3.

The City is not aware of any instances where sediment from Swift Creek have been carried through the Breckenridge Creek corridor. It is important to note that

Nooksack officials are very familiar with telltale changes to land and vegetation that result from the deposition of NOA sediments. The Breckenridge Creek corridor in Area 3 does not show signs of the grey sediment deposits where no vegetation is able to grow due to the presence of heavy metals. On the contrary, the Breckenridge Creek corridor is characterized by swift flowing waters, minimal sediment deposition and substantial riparian vegetation.

Fourth, the future zoning of the UGA Reserve is Light Industrial; therefore, following development, human use of Area 3 will be limited to workers that travel to the area during work hours. This area is not planned for residential development, which would have the potential to increase opportunities for human exposure to NOA sediments, such as where those living in the area might find their way down to the creek corridor.

Fifth, as can be seen from the Official Shore Map following, Map 5, the Breckenridge Creek corridor that runs along the northern edge of the UGA Reserve already has a "Natural" shoreline environment designation. This designation is consistent with the applicable stream buffer (Section 16.08.073 NMC, Critical Areas) that precludes development within 150 ft of the ordinary high water mark of Breckenridge Creek – a distance that extends significantly farther to the south of the creek than the mapped floodplain.

This "natural" shoreline designation and stream buffer ensure that no development would be allowed in proximity to the creek. Furthermore, the steep slopes and City shoreline regulations would preclude the establishment of trails with access to areas adjacent to the creek corridor.

Finally, the City has substantial direct experience with how to live and work safely in proximity to Swift Creek sediment deposition areas. City officials have worked closely with residents to ensure safe clean up and disposal of potentially hazardous sediments. This past experience would help ensure proper management of any areas around the perimeter of Area 3 if deposition of NOA sediments were to occur.

Based on all of the above factors, the City is confident that risks from NOA sediments would be reduced well below acceptable levels; therefore, inclusion of the UGA Reserve in the UGA would not pose any substantial risks to those working in this proposed Light Industrial area.

UGA PROPOSED - AREA 3: TOPOGRAPHIC CONTOUR MAP



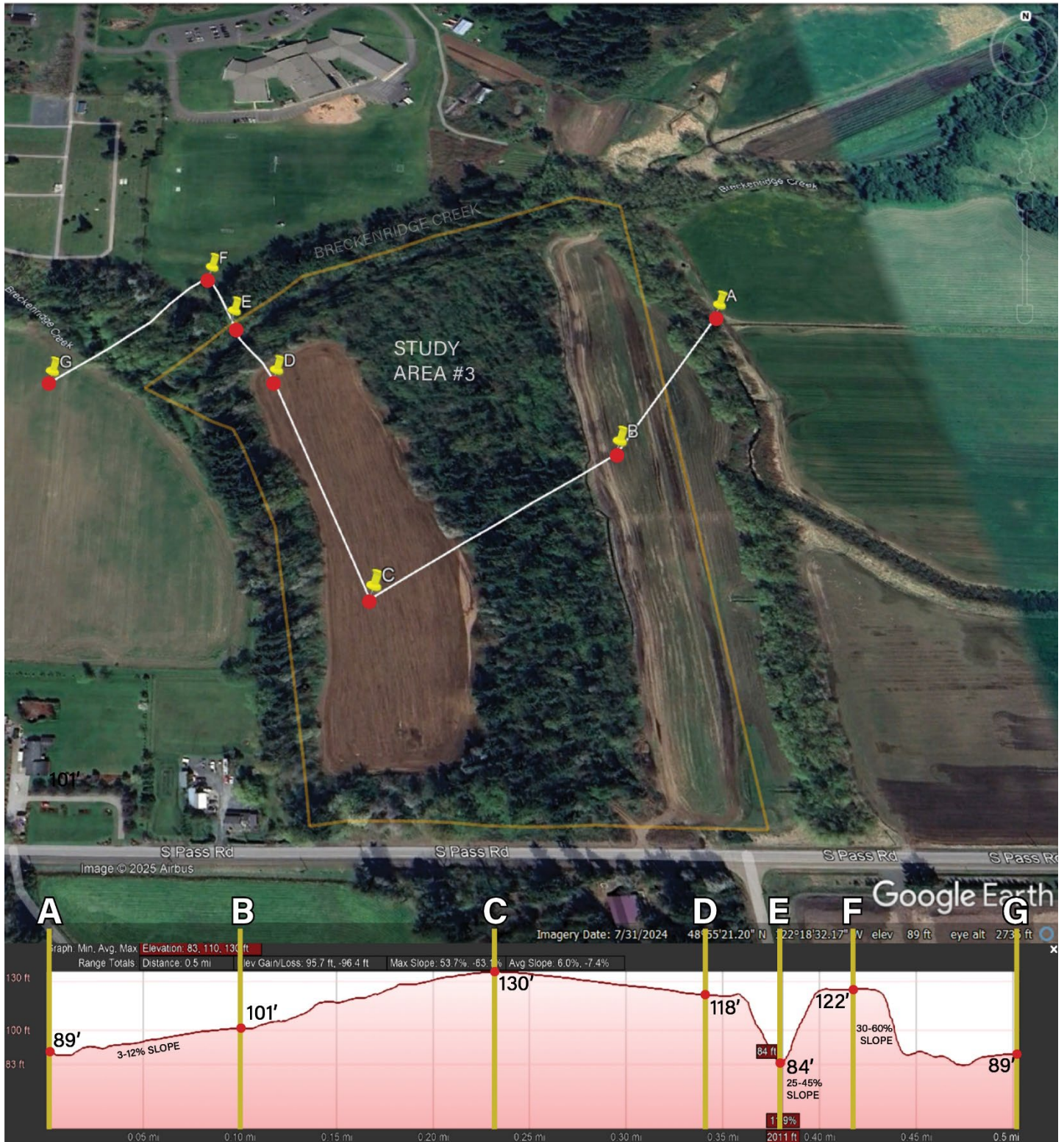
CITY OF NOOKSACK

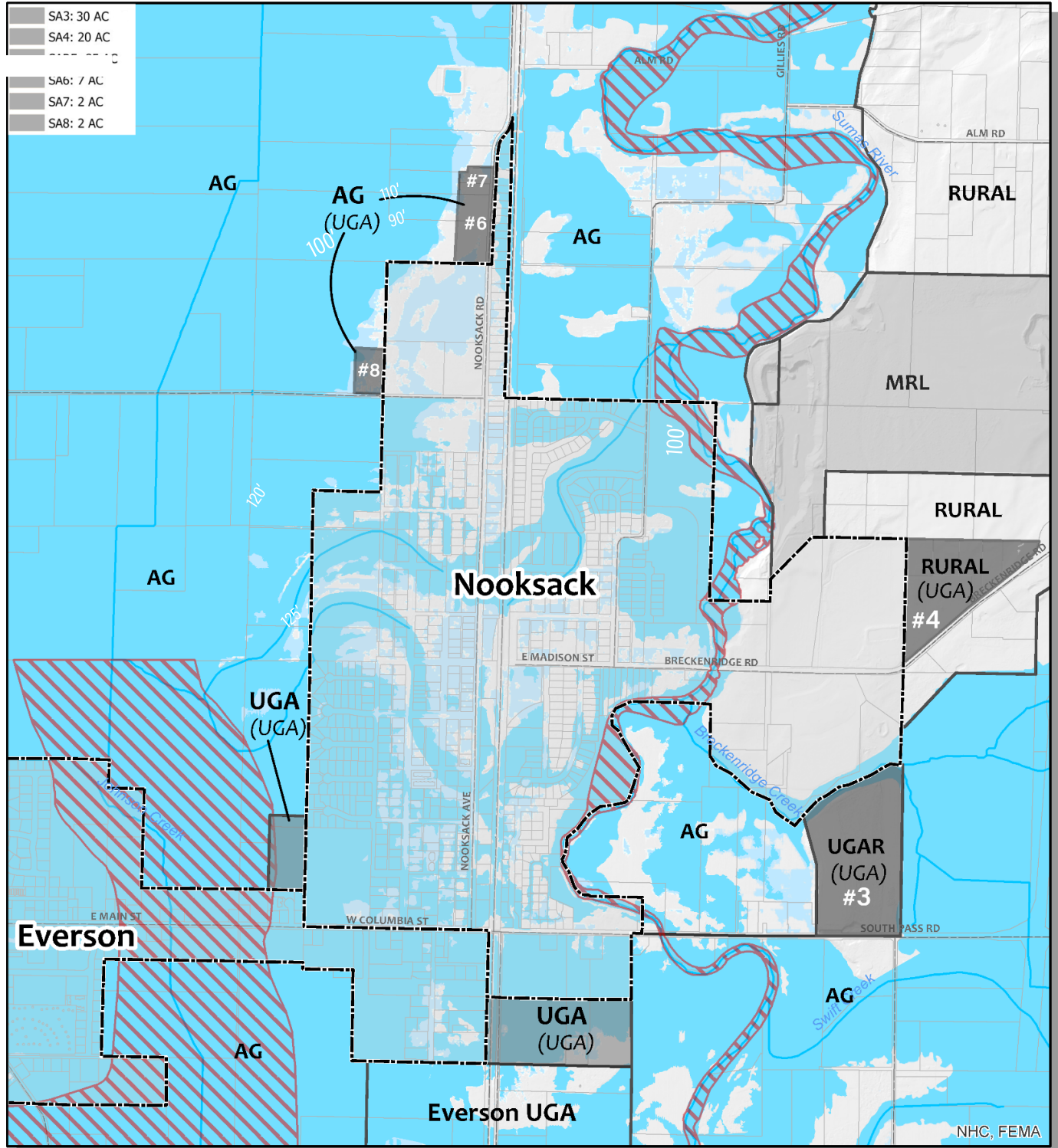
Incorporated in 1912
103 W. Madison Street
Whatcom County, Nooksack, WA 98276
360.966.2531 www.cityofnooksack.com

EFFECTIVE FEMA FLOODPLAIN

SCALE: 1:2,400 0 0.025 0.05 0.1 MILES

UGA PROPOSED: SECTION ELEVATION STUDY AREA #3





- Nooksack Urban Growth Area

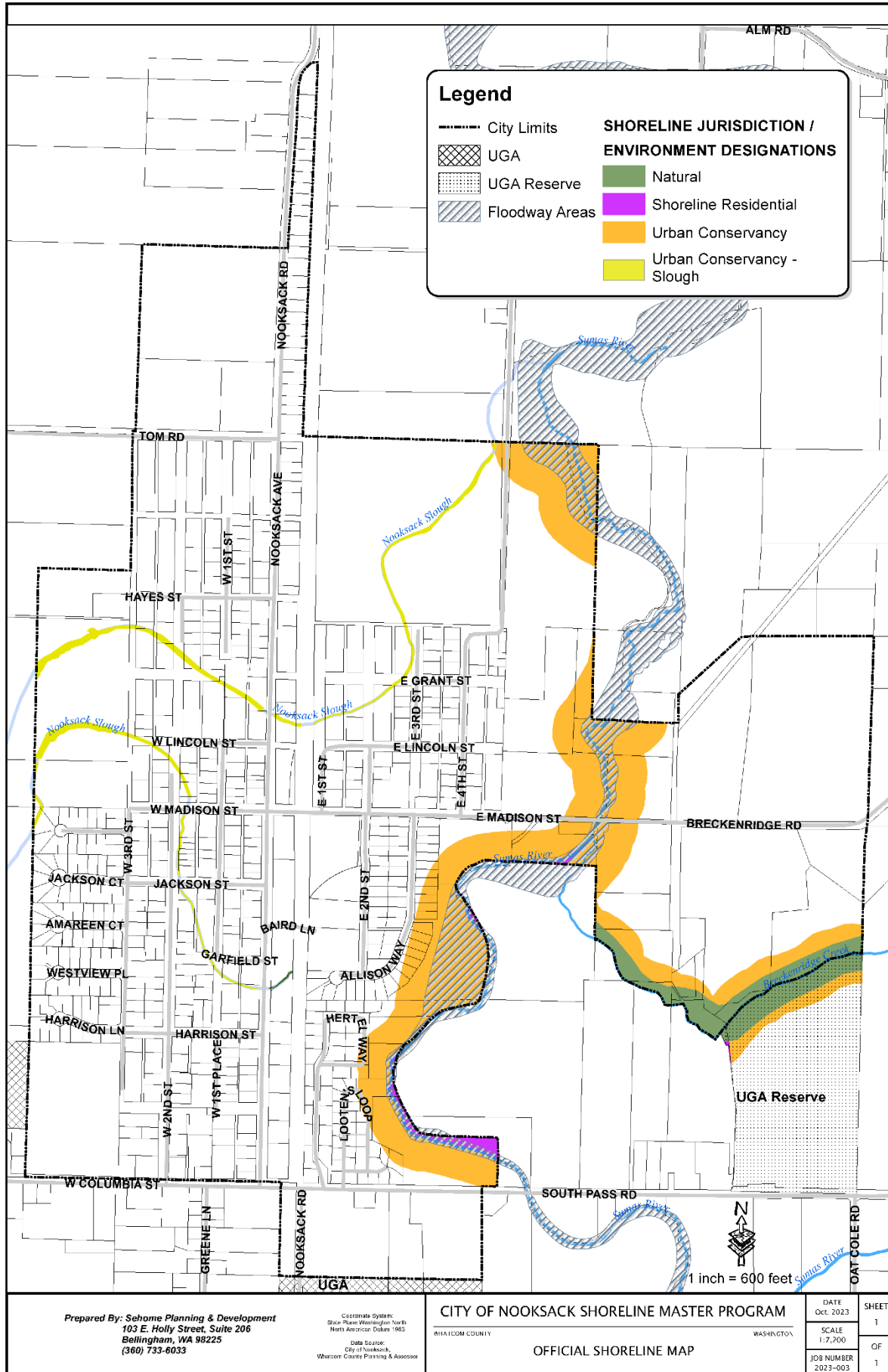
-  City of Nooksack
 -  Proposed Urban Growth Area
 -  Proposed Urban Growth Area Reserve
 -  Comprehensive Plan Designations (Proposed in (), Current in **bold**)
 -  Draft Floodway (2024-2025)
 -  Draft SFHA (2024-2025)
 -  Nookack 1p75x 100 Year Flood
- Net change in AG designation - 11 ac. to UGA/UGAR

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UGA PROPOSED - MAP 5



V. UGA Expansion into Floodplains

The County has raised a concern that the proposed UGA expansion area located immediately north of Tom Road (Area 8) may include a small expansion into the floodplain of the Nooksack River. Such an expansion into the floodplain at this location was not the City's intention. The City has revisited the mapping of this area and has made small adjustments to the proposed dimensions to ensure that Area 8 does not include any expansion into the floodplain of the Nooksack River. See Map below that shows Area 8 in relation to the boundaries of the 100-year floodplain.

UGA PROPOSED - AREA 8



AREA 8: View from Tom Road.

Proposed Use: Removal of blighted buildings and debris. Relocation of Community Church, once cleared. Property is on North Side of Tom Road.

**VI. Agricultural Mitigation**

As stated in the City's UGA Proposal, the City is proposing a very small UGA expansion into lands currently zoned Agriculture by the County. Area 6 is an approximately 7-acre portion of a larger property. While the balance of this agricultural property would remain within the County agricultural land base, the City is proposing to require a payment-in-lieu on a per acre basis into the County Conservation Futures Fund to help mitigate the loss of agricultural lands that would result from adding Area 6 to the Nooksack UGA. The details of this proposed mitigation are discussed below.

As discussed further below in this Addendum, Area 7 includes two 1-acre parcels that are already developed with one residence per parcel. Given the fact that these parcels are already developed with non-agricultural uses and are too small to be considered agricultural lands of long-term commercial significance, the City is not proposing to require any mitigation for inclusion of Area 7 in the Nooksack UGA.

AREA 7: View from SR-9.**Current Use:** Residential

Also as discussed, Area 8, located adjacent to Tom Road, is already functionally removed from any form of agricultural production due to the presence of an abandoned house, other aging structures and paved areas. This 2-acre area has been proposed to accommodate relocation of a local church. Based on these factors, no mitigation is being proposed in conjunction with the addition of Area 8 to the Nooksack UGA.

As mitigation for the loss of agricultural lands resulting from the addition of Area 7 to the Nooksack UGA, the City is proposing to require the property owner or developer to make a payment-in-lieu into the County's Conservation Futures fund that would be used to help retire development rights within targeted resource and rural study areas. Both the timing and the magnitude of such a payment are important details that would need to be worked out and agreed to by the City and the County to ensure that required payments are made, while also ensuring that the timing of such payments would not pose an insurmountable economic barrier to development of urban uses following annexation.

With regard to the monetary cost of the payment-in-lieu, the City is proposing that the property owner or developer be required to pay \$25,000 per acre into the Conservation Futures Fund. This price per acre is intended to be equivalent to approximately one-half of the increased property valuation that would result from converting the land from agricultural use to UGA status. For example, if agricultural land in the surrounding area is currently valued at \$20,000 per acre and

unimproved land within the UGA is valued at \$70,000 per acre, the proposed payment-in-lieu would equate to fifty percent of the anticipated increase in property value. Alternatively, at a cost of \$5,000 per development right, a \$25,000 per acre payment-in-lieu would equate to purchasing five development rights per acre.

In relation to the timing of such payments, the City is proposing that the payment-in-lieu be made prior to final approval of the annexation of the UGA expansion area OR, alternatively, a Restrictive Covenant could be recorded with the County Auditor's office requiring that the payment be made before the City approves any development permit for the property. This second option could be important in situations where a property owner might not have access to a large amount of capital at the time of annexation, whereas sufficient capital would be more likely to be available closer in time to actual development of the property.

The above-described proposal for ensuring mitigation has been designed to ensure a reasonable level of mitigation while taking into account the real world constraints related to timing and availability of capital.

VII. Whatcom County Policy 8A-6

Whatcom County Comprehensive Plan Policy 8A-6 states the following:

Require all requests for re-designation from agriculture to demonstrate that changed site conditions or circumstances have occurred since the original designation to such an extent that the site no longer satisfies the designation criteria for agricultural lands

The City's UGA Proposal identifies three areas (Areas 6, 7 and 8) where the City's UGA would be expanded into designated Agricultural Lands. These areas have been zoned Agriculture for many decades, including prior to the enactment of the Growth Management Act. Since their initial designation as Agricultural Lands, these areas (and the areas immediately surrounding them) have been subject to a number of important changed conditions and circumstances that have a direct bearing on the appropriateness or inappropriateness of their current designations.

First, all three areas are now situated immediately adjacent to Nooksack City limits. In 2016, Whatcom County expanded the Nooksack UGA to the north of Tom Road to add an approximately 29-acre area that was subsequently annexed into the City in 2023. This area is referred to as the Sytsma Annexation. Areas 6 and 7 now lies immediately north of the Sytsma annexation where it fronts onto the state highway (SR 9). Area 8 now lies immediately to the west of the Sytsma Annexation with frontage on Tom Road.

Second, the owner of the three parcels that comprise the Sytsma Annexation is now actively pursuing development of this area that is zoned Light Industrial. This will most likely be pursued through submittal of an application for a Binding Site Plan.

Earlier this year, the Nooksack City Council took action by ordinance to establish a new Chapter 18.36 of the Nooksack Municipal Code to allow development of commercial and industrial areas (including the Sytsma Annexation) through use of the Binding Site Plan process. This area was also identified in the Port of Bellingham's recently issued Industrial Land Report as having strong potential for development.

Third, since the time Areas 6 and 7 were designated, the area within Nooksack City limits that lies directly to the east of SR 9 (referred to as Nooksack North) has been fully developed at urban densities. Given that Area 7 only includes two 1-acre parcels with existing residences, Area 6 is now surrounded on three sides by non-resource-based uses.

Fourth, Area 8 includes a 2-acre portion of a larger Agriculturally zoned parcel. The portion of the parcel that is within Area 8 includes an abandoned house, other aging structures, and other impervious areas unavailable for agricultural production. This area is within the City's water system service area because the now-abandoned house was previously served by City water. Although this site still has a service connection to the City water system, the service meter has been removed. Area 8 no longer serves as an integral part of a functioning agricultural property. Rather, the presence of the deteriorating house and out-buildings and other impervious surfaces actually serve to remove this area from inclusion in the productive agricultural land base.

Finally, since the time these expansion areas were initially designated, SR-9 has seen substantial increases in traffic volumes, especially in relation to truck freight traffic. This state highway now serves as one of the main north-south corridors bringing goods to and from Canada through the Sumas and Lynden border crossings. Based on all of the above-described changed conditions and circumstances, these UGA expansion areas no longer meet the criteria for designation as agricultural lands of long-term commercial significance.

VIII. Conclusions

The City of Nooksack is proposing limited expansion of its UGA to address current capacity deficits and increased opportunities for employment growth and affordable housing in response to demonstrated demand. The City's proposal primarily includes adding areas outside the 100-year floodplain that are appropriate to

designate for future urban development. In this UGA Proposal Addendum, the City has provided information that supplements the information included in the City's initial UGA Proposal. This additional information has been provided in response to requests received from County Planning and Development Services. The City will continue to work in cooperation with the County to provide all of the information needed to support the City's UGA Proposal.