



## Memorandum

January 14, 2019

**TO:** The Honorable Jack Louws, Whatcom County Executive  
The Honorable Whatcom County Council

**FROM:** Matt Aamot, Senior Planner *MA*

**THROUGH:** Mark Personius, Director *MP*

**RE:** Density Credit Program – Potential Zoning Code Amendments

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The Whatcom County Council adopted a policy in the 2016 Comprehensive Plan update that included convening a multi-stakeholder work group to examine a variety of transfer of development right (TDR) and purchase of development right (PDR) issues.

In accordance with this policy, the County Executive appointed the Whatcom County TDR/PDR Multi-Stakeholder Work Group in February 2017. The Work Group met a total of 15 times between March 2017 and October 2018. The *Whatcom County TDR/PDR Multi-Stakeholder Work Group Final Report* (October 3, 2018) was e-mailed to the Executive and County Council on October 10, 2018.

The primary recommendation of the TDR/PDR Work Group is to transition from a traditional TDR program, which has not worked well in the past, to a density credit program. In a density credit program, a developer voluntarily makes a cash payment (instead of purchasing TDRs) to access development incentives such as density bonuses. Any cash raised through this program would provide supplemental funding to the County's PDR program to help protect agricultural and rural areas. The density credit model is a simple and efficient tool that could allow increased development in cities, UGAs, and other designated areas while providing additional funding for purchasing development rights in agricultural and rural areas and, potentially, for city amenities.

The County Council forwarded Comprehensive Plan amendments relating to density credits, recommended by the Work Group, to concurrent review on November 7, 2018. We would now like to discuss potential zoning code amendments relating to density credits.

Preliminarily, it should be noted that the County Council adopted a density credit program for the Resort Commercial zone in the Birch Bay UGA in November 2017 (Ordinance 2017-062). This program allows higher density single family residential development in the Resort Commercial zone in the Birch Bay UGA, through the planned unit development permit process, if density credits are purchased. The County Council adopted a \$4,000 density credit fee for each additional dwelling unit in December 2017 (Ordinance 2017-072).

The TDR/PDR Multi-Stakeholder Work Group's Final report includes several recommendations for consideration:

- Expand the density credit program to the Urban Residential zoning district in the Birch Bay Urban Growth Area (p. 33).
- Expand the density credit program to allow an increase in the size of accessory dwelling units (p. 34).
- Expand the density credit program to, in certain areas, allow elimination of the requirement that the land owner must live on the site when an accessory dwelling is constructed (pp. 34-36).
- Expand the density credit program to allow higher density in certain areas within the Rural one dwelling/five acre (R5A) zone (p. 36).

Additionally, the Work Group's Final Report includes a concept of transferring density between R5A parcels, although the Work Group did not formally recommend this concept (p. 48).

Staff would like to discuss these items with Council Committee on January 29 so it can be determined which zoning amendments should be docketed for further review. Thank you for your consideration of this matter. We look forward to discussing it with you.