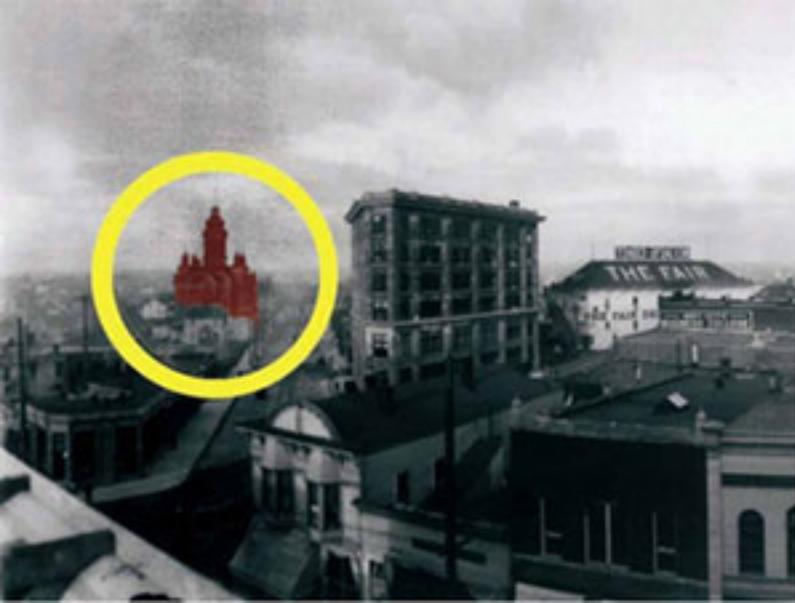


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Strengthening our Cultural and Civic Center: A Decade of Progress

December 8, 2003

Bellingham has long envisioned ways to strengthen our community, enhance our quality of life and improve our economic vitality. During the past decade, hundreds of community members worked together to chart Bellingham's future and agreed the best route to strengthening our city is to further develop its cultural and civic core.

1992: City hosts 'Visions for Bellingham'

Visions for Bellingham process convenes more than 200 Bellingham residents to identify what is important to the community and what should be preserved and enhanced. Our community's cultural assets were rated as a high priority.

1992: R/UDAT team studies Bellingham

American Institute of Architects Regional/Urban Design Assistance Team (R/UDAT) prepares plan for area. After months of advance preparation, a team of nationally known planners and academics join scores of local citizens in a marathon 72-hour planning effort focused on the cultural district/waterfront area. The cultural district is identified as a major asset that should be enhanced and connected whenever possible to the waterfront.

1996: Tourism Committee highlights cultural assets

A thirteen-member "blue ribbon" committee, appointed by the Mayor to develop strategies for improving the community's visitor appeal, recommends further development of the Theatre and Museum. The committee notes the importance of the cultural assets in the district, seen as a unique resource to be more fully developed.

1998: Tourism Commission designates cultural district as key

The Mayor's Committee on Tourism became the Tourism Commission in 1996. Given the task of developing a tourism strategy for the community, the Commission, among other recommendations, urges the community to take action in developing the Cultural District as a "point destination" for visitors.

1998: City hosts 'Downtown Development Workshop'

About 160 community members meeting seven times over five months identify more than 350 ideas and wishes for downtown enhancement. Preserving and enhancing the major cultural venues is urged and full development of the private potential of the district is seen as necessary.

2000: Tourism Commission funds development strategy

The Tourism Commission funds the development of a strategy to move forward key ideas from the Downtown Development Workshop. The strategy brings together all the major players in the Cultural District. The joint development of the Museum, Theatre and Library is seen as the key to efficiently using public resources while encouraging additional private investment.

2001: Capital committee selects cultural district as a top priority

After months of study and evaluating hundreds of possible projects, the city's Capital Improvements Advisory Committee (CIAC) selects the Cultural District Development Strategy as a top priority for city capital funding. The committee saw the joint development of Museum, Theatre and Library as an innovative, efficient and effective way to meet community needs.

2001-2002: City develops, adopts City Center Master Plan

City Center Master Plan identifies the Cultural District/Civic Center as a major "opportunity site". The full development of the Cultural District/Civic Center is seen as one of the top three major initiatives to be undertaken to ensure the development of downtown in the community's vision. Priority is given to implementing the Tourism Commission strategy.

2002: City endorses capital recommendations and funds further feasibility work

Mayor and City Council endorse the recommendations of the Capital Improvements Advisory Committee and fund further feasibility work and other efforts toward implementing the recommendations.

2002: Bellingham-Whatcom Public Facilities District created

Bellingham City Council and Whatcom County Council form Bellingham-Whatcom Public Facilities District. Public Facilities District legislation allows a portion of state sales taxes to be directed back into communities to support eligible facilities.

2002: Public Facilities District Board sets its direction

After extensive study, the Bellingham-Whatcom Public Facilities District Board agrees in concept to use its funding authority to support capital projects in the cultural district, and moves forward with additional feasibility work.

2002-2003: Centennial Project proposed

Under the leadership of the Downtown Renaissance Network, further capital project feasibility work is completed. The concept is proposed as the "Centennial Project" to the Bellingham-Whatcom Public Facilities District Board (October 2002) and the final project plan presented to the Bellingham City Council (March 2003).

2003: City/County/Public Facilities District host open house

Officials from the Bellingham-Whatcom Public Facilities District, the City of Bellingham and Whatcom County host an open house to describe proposals and processes for civic center capital projects (May 2003).

2003: City Council considers projects for Public Facilities District funding

The Bellingham City Council is responsible for approval of Public Facilities District funding. City Council holds a public hearing and approves an interlocal agreement between the City and the Public Facilities District on May 19, 2003.

2003: PFD begins construction

The Bellingham-Whatcom Public Facilities District begins construction of the regional center on December 8, 2003.

Evolution of the Cultural District Development Strategy

The community institutions located within what is generally known as the *Cultural District* have enjoyed broad significant public support for many years. The Whatcom Museum of History and Art, the Mount Baker Theatre, and the Bellingham Public Library by their close physical location have helped create a unique area that the community has come to see as special.

The following is a brief discussion of the major events in the evolution of the community plan for the full utilization of the Cultural District.

1976

City assumes responsibility for the Whatcom Museum of History and Art. In an agreement with Whatcom County the City assumed management responsibility for the Museum while the County assumed the same role for the Senior Activity Center.

1985

City purchases Mount Baker Theatre from a private owner to preserve the historic structure. A citizen committee developed a plan to acquire and maintain the Theatre. The group generated support from the Mayor and City Council leading to the successful purchase of the building. The County also contributed funds to the purchase price. Ongoing operation and scheduling are contracted to a private, non-profit organization.

1992

Visions for Bellingham process convenes hundreds of citizens to identify what is important to the community and what should be preserved and enhanced. The cultural assets in the district were rated as critical to the well being of citizens.

1992

American Institute of Architects Rural/Urban Design Assistance Team (R/UDAT) prepares plan for area. A team of nationally known planners and academics joins scores of local citizens in a marathon 72 hour planning effort focused on the Cultural District/Waterfront area. The Cultural District is identified as a major asset and should be enhanced and connected whenever possible to the waterfront.

1996

Mayor's Committee on Tourism notes the importance of the cultural assets in the district. A thirteen-member "blue ribbon" committee appointed by the Mayor to develop strategies for improving the community's visitor appeal recommends further development of the Theatre and Museum. The Cultural District is seen as a unique resource to be more fully utilized.

1998

Tourism Commission's Strategic Plan designates Cultural District as a key "point destination" for visitors and citizens alike. The Mayor's Committee on Tourism was constituted as the Tourism Commission in 1996. Given the task of developing a tourism strategy for the community, the Commission, among other recommendations, urges the

community to take action in developing the Cultural District as a “point destination” for visitors.

1998

Hundreds of Downtown Development Workshop delegates agree that the development of the Cultural District is pivotal to the redevelopment of downtown. One hundred sixty community members meeting seven times over five months identify 350 plus ideas and wishes for downtown enhancement. Preservation and utilization of the major cultural venues are urged and full development of the private potential of the district is seen as necessary.

2000

Tourism Commission funds Leland Consulting to prepare a strategy for the development of the Cultural District. The strategy is seen as the mechanism to put into place the key ideas from the DDW. The strategy brings together all the major players in the District. The joint development of the Museum, Theatre and Library is seen as the key to efficiently utilizing public resources while encouraging additional private investment in the District.

2001

City Center Master Plan (CCMP) identifies the Cultural District/Civic Center as a major "Opportunity Site". The full development of the Cultural District/Civic Center is seen as one of the top three major initiatives to be undertaken to ensure the development of downtown in the community's vision. Priority is given to implementing the Leland Strategy.

2001

Capital Improvements Advisory Committee (CIAC) selects the Cultural District Development Strategy as the Number One priority for city capital funding. After months of study and evaluating hundreds of possible projects this select committee saw the joint development of the Museum, Theatre and Library as an innovative way to meet community needs efficiently.

2002

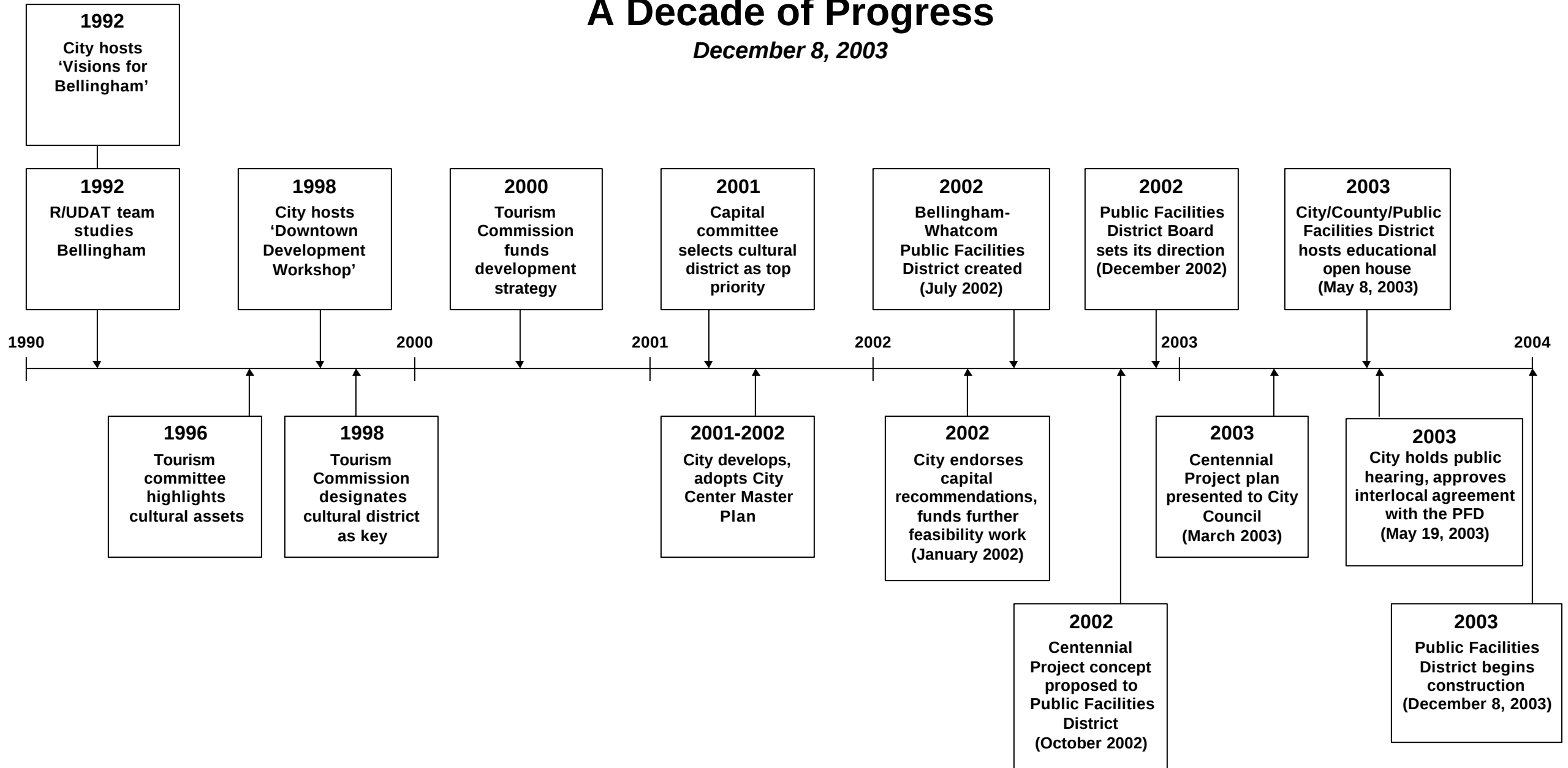
Mayor and City Council endorse CIAC report. The Mayor proposes funds in the 2002 budget to further investigate the CIAC recommendations. In adopting the 2002 City Budget the Council provided funds to conduct additional feasibility and preliminary cost estimating work on these recommendations. Under the leadership of the Downtown Renaissance Network the results of that feasibility work are reported to the Bellingham-Whatcom Public Facilities District Board.

2002

PFD created by City and County Councils.

Strengthening our Cultural and Civic Center: A Decade of Progress

December 8, 2003





CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

Final Report

June 2001

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

Committee Members:

Rud Browne
Elizabeth Joffrion
Rebecca Johnson
Alan Kemble
David King
John McGarrity
David New
Mark Packer
Christine Park
Foster Rose
Kay Sardo
Daniel Taylor
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Ex Officio Members:

Patricia Decker
Barbara Ryan
Bob Ryan
John Watts

Staff:

Therese Holm
Gary Pitcher
Steve Price
Gary Smalling

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

BACKGROUND –

In the fall of 1998 Mayor Asmundson asked the City Council to appoint a citizen's task force in the coming year to help determine the capital needs of the community. The task force would gather information, evaluate it and establish priorities for the funding of these capital projects

On March 19, 1999 the task force, now known as the Capital Facilities Committee, convened for the first time. During the ensuing seven-month period of 1999 the committee met seventeen times, on average twice a month. Attending many of these meetings were city department heads, community members and city council members. The committee was made up of nineteen Bellingham citizens familiar with the community, its needs and financial issues. Throughout the process, attending and assisting the committee were staff from the Budget, Finance and Planning and Community Development Departments.

The committee received **230** requests from city departments during the investigative phase valued at more than **\$560,000,000**.

The committee spent several meetings discussing how to best use this information. Methods of evaluation were explored, as were methods of prioritization. It soon became apparent that there was far too much information to handle effectively in

the first year of the committee's work. The direction from the Mayor had been to complete the committee's work in time for the 2000 city budget process. In order to meet that deadline the committee decided to evaluate only the unfunded or General Fund dependent capital projects. During the deliberations of the committee the following findings or statements of fact became clear and were used to set a framework for the committee's discussions.

- Finding #1 – The City has significant capital improvement needs.
- Finding #2 – The City has greater capital improvement needs than there are resources to meet those needs.
- Finding #3 – Capital improvement benefits are long-term in nature, generally are significant in cost and, therefore, should be met through the use of debt instruments consistent with current financial rating limitations.

In addition to these findings the committee developed and adopted the following recommendations:

- Recommendation #1 – Capital improvement projects should be funded from revenue sources in the following hierarchy of analysis a) user fees (e.g. golf course users), b) assessments on beneficiaries (e.g. LID'S), and c) the general population (e.g. a bond issue).
- Recommendation #2 - Generally, capital maintenance requirements should be funded from current revenue.

- Recommendation #3 – Capital projects that present a general benefit to all residents should be considered for funding by voted debt instruments.
- Recommendation #4 – Capital projects with indirect benefits to residents should be financed through non-voted debt instruments.
- Recommendation #5 – The City Council should use debt instruments that require only their approval, as they deem appropriate and necessary.
- Recommendation #6 – In funding capital projects all possible funding sources should be considered and used as appropriate, including the development of currently unknown alternative sources.

The committee's final report of 1999 presented the City Council with a list of **54** un-funded capital projects with an estimated value of **\$137,000,000**.

The committee recommended that the City Council appoint a new committee in the coming year to further refine this un-funded list and to provide the Council with a prioritized list for community consideration.

In late summer of 2000 the Mayor and City Council moved forward with a plan to develop this prioritized list.

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

The Capital Improvements Advisory Committee (CIAC) was created by City Council resolution on September 18, 2000. The CIAC was given a very clear mission to pursue and measurable outcomes to achieve. The mission statement read:

"The Capital Improvements Advisory Committee shall update, review, and prioritize the list of un-funded capital needs of the City of Bellingham as presented in the Capital Facilities Committee report of October 28, 1999 and other new needs as may be identified by the community. The Committee shall also prepare a financing strategy that identifies techniques and recommendations for funding the most needed capital projects. The report shall be presented to City Council at the second City Council meeting of January 2001."

The CIAC, as a result of their work, was to produce a report that produced these specific outcomes:

- ❖ Rank each project in overall priority relative to the other projects.
- ❖ Develop a financing strategy for those projects deemed to be most critical.
- ❖ Propose a suggested community education process that informs the community of the need for these projects.
- ❖ Propose a method for ongoing Committee review of community needs on an annual basis.

The CIAC first met on Oct. 19, 2000. Over the ensuing eight months the CIAC held twenty informational, investigative, discussion, and public involvement meetings. Throughout the process,

attending and assisting the committee were staff from the Office of Neighborhoods and Community Development and the Budget and Finance Departments. The Finance Director attended most of the meetings.

During these sessions the CIAC heard presentations from over a dozen community organizations (e.g. Whatcom County Government, Bellingham School District, Port of Bellingham, Chamber of Commerce, the Convention and Visitors Bureau, YMCA and numerous private citizens) and conducted two general public meetings

In addition, the CIAC received a detailed presentation from the following city departments or facilities:

- ❖ Public Works
- ❖ Police
- ❖ Fire
- ❖ Planning
- ❖ Parks and Recreation
- ❖ Whatcom Museum of History and Art
- ❖ Public Library
- ❖ Office of Neighborhoods and Community Development
- ❖ Mt Baker Theater

FINDINGS –

As a result of the 2000 - 2001 information-gathering phase the CIAC refined and updated the un-funded needs list from the prior year's process and added several new needs to create a total of **64 un-funded capital improvement needs** valued at approximately **\$148,000,000**. (Note: All cost estimates were recognized as preliminary at this point).

The improvements ranged in nature from seismic upgrades of city buildings, to cemetery improvements, and downtown parking garages. See Appendix A for a complete listing of all the identified capital improvement needs.

The total number of improvements presented by the various community groups, citizens and governmental agencies confirmed the findings from the 1999-2000 Capital Committee's report that there are great unmet capital improvement needs in our community.

To effectively study these improvements and to meet the City Council's request for a list of the most needed capital improvements the CIAC developed a comprehensive and detailed evaluation process.

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

Over the course of several meetings the CIAC evaluated the improvements according to the following criteria:

- ❖ Public Health/Safety
- ❖ Enhance or Protect Natural Environment
- ❖ Enhance or Protect Social Environment
- ❖ Preserve Existing Assets
- ❖ Impact Future Operating Budget
- ❖ Provide economic benefit
- ❖ Advance other Capital Projects
- ❖ Advance Community Goals
- ❖ Provide Community-wide benefit

Priority projects were organized at this point into “theme” groupings. The purpose of the grouping exercise was to create combinations of projects that would compliment each other, enhance cost savings possibilities and create synergies that met as many goals as possible.

The environment for funding these community needs is particularly good at this time because:

- bond indebtedness decreases in the next few years;
- our practical bond capacity is very high;
- bond interest rates are currently very low; and
- the city’s bond rating has recently been upgraded.

See the report Capital Project Funding prepared by the City Departments of Finance and Budget for a

clear explanation of financing options for the City of Bellingham.
Appendix B provides a brief summary of this report. .

THE RECOMMENDATIONS –

The 2000/2001 capital improvement needs process pointed out to the CIAC that the findings identified in 1999 were still valid. The City still has significant capital needs, there are still more needs than resources and debt still seems to be the only way the community can effectively address these needs.

The evaluation process identified the following nine (9) capital improvements, as the most needed:

1. Streetscape/public space along Railroad Ave.
2. Improvements for the Farmers Market
3. A new parking structure at Railroad Avenue and Holly Street
4. Streetscape/public space/plaza in Cultural District
5. New Library and expanded Museum
6. Completed Mt. Baker Theater Master Plan
7. New parking structure in Cultural District
8. Waterfront Acquisition and Development

The CIAC, in addition, wishes to encourage the City Council to consider these needs for G.O. Bond funding as soon as is practical.

Further, the CIAC recommends to the City Council, that the financial and HR systems upgrade be funded this year by Councilmanic bond.

See Appendix C for a complete listing of the nine improvements. The list is not “prioritized.”

In addition to these nine priority improvements the CIAC identified the following four (4) other maintenance or facility upgrades that should be addressed by bond levy in the near future.

1. Earthquake Protection for City Hall and Museum buildings
2. AC upgrade and fire suppression
- 3.

Appendix D presents more information on these improvements. The list is not “prioritized.”

The CIAC also recommends that the City Council ask the voters to continue the levy, currently funding “Beyond Greenways” until 2006, to fund an ongoing Parks and Recreation acquisition, development and maintenance program.

See Appendix E.

Appendix B, C and D also provide suggested financing methods to achieve project implementation. The

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

CIAC recognizes that it is within the purview of the Mayor and City Council to decide which, if any, of these projects move forward and how financing of the projects is to be structured.

Most projects recommended in Appendix B have considerable additional funding identified in addition to the necessary G.O. Bond financing requested.

The CIAC also clearly recognizes the need to gather much more detailed information about the recommendations. The cost estimates are not accurate because detailed program development, schematic design and professional cost estimating have not been done. It could be useful to fund the Architectural/Engineering work prior to funding the Construction phase.

The CIAC recommends that funds be made available to gather better project information such as how would a project work, who would be involved with the project, where would the project be constructed, what would it look like and how much would it cost?

Once this more detailed information is made available the Mayor, City Council and community can better decide what should go forward for voter approval and when.

It is suggested by the CIAC that the nine- (9) projects proposed for G.O. Bond funding be submitted to voters first, possibly in the spring/summer of next year. The four maintenance/upgrade projects submitted for levy support should be presented to the voters in the 2004 time frame and then the ongoing parks projects would pick up the beyond greenways levy after 2006.

The CIAC, during the course of its work, talked with several community organizations that might be willing to lead a community education process about their recommendations. These organizations could become the advocates of these improvements.

To further the work of the capital needs implementation process the CIAC is recommending that the Downtown Renaissance Network, the Bellingham Farmers Market, Allied Arts, Whatcom Film Association, Whatcom Museum of History and Art, the Bellingham National Antique Radio Museum, Mind Port, the Mt. Baker Theater Group, Bellingham Public Library, the Old Town Merchants Association, Downtown Neighbors and the Railroad Avenue Merchants Association be invited to join a coalition of groups to inform the public about the merits of these recommendations.

The CIAC was also tasked with proposing a method for ongoing Committee review of community needs on an annual basis.

The CIAC recommends that the City Council set up a review committee to examine the work of the CIAC, solicit comment from all participants and work with CIAC members, City Council members, and staff to further the design and evaluation of the CIAC's work.

CONCLUSIONS –

Over the course of human history a principle of community development has become clear and generally accepted. That principle -

As individuals we may only be able to envision our future, but as a community, working together, we can achieve that future.

The primary purpose of capital improvement planning is to identify these "community needs", whether they be a fire station, new street, park or library, and develop strategies for their realization. This was the task under taken by the Capital Improvements Advisory Committee. The CIAC gathered information, heard from citizens and organizations, evaluated and prioritized capital improvement needs.

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

Keeping clearly in mind that these needs were community originated the CIAC strove to develop community-based solutions. In Washington State, as in most other states, communities form legal municipal corporations to develop and manage community-identified needs. The state constitution grants municipal corporations the right to assess its members a share of the cost of providing and maintaining these needs.

Financing methods are identified in Appendix B. These methods are “extra ordinary” in that the community must approve their use by vote.

The community has painted a picture of Bellingham’s future through numerous visioning, planning and strategy meetings. These ideas are well documented in many adopted plans such as the Comprehensive Plan, Visions for Bellingham, the Whatcom Creek Waterfront Action Plan, the City Center Master Plan, the Parks and Open Space Plan, and the Mt. Baker Theater Master Plan. The CIAC attempted to move these ideas closer to implementation. Their recommendations found in Appendices C – D are intended to reflect the community’s desires as outlined in these plans.

The next step is for the community to review the committee’s recommendations and to determine a timeline and method for development of better cost estimates. Taking these steps will help bring these visions for Bellingham one-step closer to becoming reality.

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

- APPENDIX A – List of Capital Projects Submitted for Consideration

DEPARTMENT	PROJECT TITLE	TOTAL COST
Executive		
Ex. –1	<i>Old Town Special Projects Area –</i> Projects identified in the Whatcom Creek Waterfront Action Plan and the City Center Master Plan.	<i>\$8,900,000</i>
- a.	Sash n’ Door/Creek Estuary Cleanup	\$2,100,000
- b.	Old Town Property Acquisition	\$6,000,000
- c.	Old Town Property cleanup	\$ 800,000
Ex-6	<i>Heart of the City – Housing/Farmers Mkt./ Public Space –</i> Projects identified in the City Center Master Plan.	<i>\$2,900,000</i>
- a.	S. RR Ave. Housing Site	\$250,000
- b.	Farmer’s Mkt./Parking Improvements	\$2,000,000
- c.	RR Ave./Holly Street Mixed Use	\$350,000
- d.	Public Space	\$300,000
Ex-7	<i>Heart of the City – Connections-</i> Projects identified in the City Center Master Plan – Wayfinding system, improvements to Holly Street from Lakeway Avenue to F Street.	<i>\$3,500,000</i>
Ex-8	<i>Heart of the City – Cultural Resources –</i> Projects identified in the City Center Master Plan and Cultural District Development Strategy. Includes the completion of the Mt. Baker Theater capital plan.	<i>\$15,550,000</i>
- a.	MBT Master Plan Implementation	\$7,000,000
- b.	Streetscape/pedestrian improvements	\$1,000,000
- c.	Parking/Mixed-use	\$7,000,000
- d.	Old Town Joint Parking	\$ 300,000
- e.	Upper Central Improvements	\$ 250,000
Ex-9	<i>Waterfront Restoration Fund –</i> Creates a revolving fund to acquire waterfront property for reuse by the public or resale to private interests	<i>\$5,000,000</i>

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

DEPARTMENT	PROJECT TITLE	TOTAL COST
Public Works		
<i>PW-1</i>	<i>City Hall Basement Repair –</i> Seismic upgrades to City Hall and repair of basement for reuse.	<i>\$4,000,000</i>
<i>PW-2</i>	<i>City Hall Annex Demolition –</i> Clears unused buildings on city property near the Municipal Court Building.	<i>\$ 250,000</i>
<i>PW-3</i>	<i>City Hall Annex ITSD Accommodation –</i> Creates additional space in the Municipal Court Building for Information Services Department displaced by City Hall basement problems.	<i>\$ 400,000</i>
Police		
<i>Po-1</i>	<i>Phase II Police Facility</i> New addition is planned as a training and media center, evidence area for vehicle and large-item processing and expanded space for the Records Bureau.	<i>\$5,454,000</i>
Finance		
<i>Fin-1</i>	<i>Finance and Human Resource Information System</i> This project would upgrade and/or replace existing Financial software system and add an integrated HRIS system, which the City does not currently have.	<i>\$1,500,000</i>

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DEPARTMENT	PROJECT TITLE	TOTAL COST
Museum		
<i>Mu-1</i>	<i>Museum Expansion</i> Expand the present exhibition and gallery space to attract major gifts and loans and allow for popular exhibitions, attract a wider audience and permit the Museum to show its own collections.	<i>\$3,300,000</i>
<i>Mu-2</i>	<i>Exterior Repairs & Seismic Upgrades</i> The structure is seriously in need of repairs and maintenance to prevent damage to both the structure and the building's contents as well as to reduce risks to human lives.	<i>\$2,721,430</i>
<i>Mu-3</i>	<i>HVAC and Fire Suppression system for Main and Syre Buildings</i> Present HVAC systems do not provide for building humidity control, and they do not provide proper cooling. There is currently no automatic fire protection system other than in the smoke detectors and alarms in either building.	<i>\$2,190,000</i>
Library		
<i>Li-1</i>	<i>New Main Library</i> An expanded library function is required to provide adequate display space for existing collection, provide for heavier use, and provide for new information technologies.	<i>\$15,929,000</i>
Parks		
<i>Pa-1</i>	<i>General Maintenance –</i> Repairs to existing Park Department assets	<i>\$1,418,000</i>
-a.	Bloedel parking lot	\$ 300,000
-b.	Blvd. Park shoreline restoration	\$ 218,000
-c.	Donner Field and Lk. Padden ballfield drainage	\$ 900,000
<i>Pa-2</i>	<i>Consolidated Administration/Operations Space –</i> Development of a Consolidated Parks Administration and Operations Facility to replace cramped facilities a Cornwall Park	<i>\$2,000,000</i>

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DEPARTMENT	PROJECT TITLE	TOTAL COST
<i>Pa-3</i>	<i>Taylor Ave. Dock Renovation</i> Renovate Taylor Dock and construct over water connection to Boulevard Park as part of the South Bay Trail	<i>\$3,300,000</i>
<i>Pa-4</i>	<i>Civic Stadium Renovations –</i> A series of major repairs and improvements to Civic Field. The projects listed are in Parks Department order of priority.	<i>\$8,562,960</i>
-a.	Light Replacement	\$479,600
-b.	N. Grandstand Roof Replacement	\$731,390
-c.	Sound System Replacement	\$131,000
-d.	Game Management Center	\$359,700
-e.	ADA Upgrades	\$650,450
-f.	Parking Lot Repave	\$1,858,450
-g.	Road Realignment/Traffic Circle	\$599,500
-h.	Locker Room Renovation	\$479,600
-i.	Additional Seating	\$635,470
-j.	Expanded concessions	\$239,800
-k.	Events Building	\$1,199,000
-l.	Landscaping	\$1,199,000
<i>Pa-5</i>	<i>Waterfront Access Development –</i> Acquire property, construct docks and other facilities at Bellingham waterfront locations, including Central Waterway	<i>\$4,000,000</i>
<i>Pa-6</i>	<i>Athletic Field Complex –</i> Develop a new complex in the growing Northeast section of Bellingham.	<i>\$3,084,000</i>
<i>Pa-7</i>	<i>Athletic Field Development</i> Develop 10-12 new softball, baseball, and soccer fields.	<i>\$4,000,000</i>

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DEPARTMENT	PROJECT TITLE	TOTAL COST
<i>Pa-8</i>	<i>Community Center</i> Construct a multi-purpose community recreation facility to include gymnasium, fitness facilities, classrooms, program areas, and community meeting rooms.	<i>\$7,000,000</i>
<i>Pa-9</i>	<i>Neighborhood Park Renovations –</i> Replacement of outdated playgrounds, play-courts, walkways, and recreation facilities	<i>\$500,000</i>
<i>Pa-10</i>	<i>Northridge Park Development –</i> Development of a new community park in the rapidly growing northwest area of the city.	<i>\$3,500,000</i>
<i>Pa-11</i>	<i>Park Acquisitions –</i> Funding for neighborhood and community parkland not being met through subdivision dedication and Greenways Program acquisitions.	<i>\$6,000,000</i>
<i>Pa-12</i>	<i>Urban Trails –</i> Acquisition and development to fill gaps in the city trail system not funded by the Greenway Levies.	<i>\$4,000,000</i>
<i>Pa-13</i>	<i>Cemetery Development and Renovations</i> Numerous improvements are required to the city's children's cemetery.	<i>\$245,000</i>
-a.	Irrigation system renovations	\$120,000
-b.	Renovate existing Lakeway entry	\$20,000
-c.	Develop new Children's section	\$20,000
-d.	New Cremation feature	\$65,000
-e.	New urn garden	\$20,000

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

DEPARTMENT	PROJECT TITLE	TOTAL COST
<i>Fire</i>		
<i>F-1</i>	<i>Northwest Fire Station –</i> Additional annexation on north end within five years may require the relocation of the existing N.W. Fire Station to better serve the airport area. A combination station with a Crash Fire Rescue and Structural Fire/EMS response with the Fire Dist. And Port is possible.	<i>\$2,000,000</i>
<i>F-2</i>	<i>Classroom/Meeting rooms –</i> -Purchase of property adjacent to the Broadway Station to build a new classroom/meeting room for training purposes.	<i>\$400,000</i>
<i>F-3</i>	<i>Training/Drill Facilities –</i> Training/drill facilities will be needed if the joint use of Fire District #4 facilities on Britton Road doesn't work out.	<i>\$2,400,000</i>
<i>F-4</i>	<i>Britton Loop Fire Station –</i> If annexation occurs in the northeast quadrant within five years it may be necessary to buy or share the costs of the Britton Road Fire Station belonging to Fire Dist. #4.	<i>\$2,000,000</i>
<i>F-5</i>	<i>Geneva Fire Station –</i> At some point beyond five years it may become necessary to purchase the Geneva Five Station from Fire District #2 if the city annex's in that direction.	<i>\$2,000,000</i>
<i>Community</i>		
<i>DRN-1</i>	<i>Wayfinding –</i> Complete Phase II of the city center wayfinding system.	<i>\$200,000</i>
<i>DRN-2</i>	<i>Restore Two Way Traffic –</i> Restore two way traffic circulation on Holly, Chestnut, Magnolia, Champion and State Streets. Cost would cover re-signalization and restriping.	<i>\$4,500,000</i>

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report

DEPARTMENT	PROJECT TITLE	TOTAL COST
<i>DRN-3</i>	<i>Parking Structure –</i> Construct a new parking structure at the intersection of Holly Street and Railroad Avenue.	<i>\$5,000,000</i>
<i>UNC</i>	<i>Pocket Park –</i> Convert a small parking lot located at Prospect Street, Holly Street and Bay Street into a neighborhood “pocket park.”	<i>\$200,000</i>
<i>UNC</i>	<i>Mt. Baker Theater Capital Plan –</i> Completion of the master plan of the city-owned and privately operated theater. New lobby, concessions, dressing area, backstage and gathering space are key elements. The acquisition of private space in the building and surrounding areas is required as well.	<i>\$10,000,000</i>

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE – Final Report



Bellingham's City Center **An Investment in Bellingham's Future**

Downtown at a Crossroads

The revitalization of Bellingham's downtown is at a crossroads. After years of carefully laying the groundwork, community leaders and citizens are poised to make decisions on significant downtown investments.

The benefits of revitalizing downtown will be substantial. We expect public sector investments downtown to result in:

- \$76 million in private development during the next 5-10 years;
- 2,300 new jobs;
- \$78 million in new sales annually;
- \$664,000 in additional annual sales tax revenue;
- \$2.5 million in annual property tax revenue.

Before these benefits can be realized, however, we must make a commitment to invest in Bellingham's future.



Downtown Bellingham

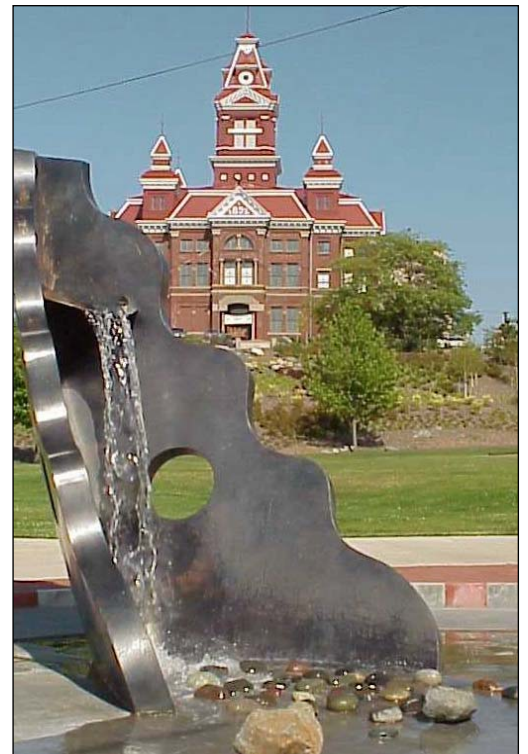
The crossroads we face in many ways reflects our changing community. Our population is growing at a consistent rate. Our increasingly diverse community provides new opportunities, ideas and expectations. Bellingham's economy no longer relies on resource-based industries, such as fishing, timber, agriculture and mining. Technology, education and services are becoming the backbone of our new economy.

Bellingham's location, natural beauty and interested, active citizens provide us with great advantages as we look to our future. In the past we have enhanced these amenities by the financial investments we've made as a community, such as building sound public infrastructure, providing clean, reliable water, developing excellent parks and supporting first-class education.

These public investments helped create a community nationally recognized as one in which people want to live, work and play. New investments in revitalizing downtown can be seen in the same light: Essential investments in our community, creating a vibrant city center where people will live, work and play for the next century.

November 2001

The Bellingham City Council recently approved next steps in revitalizing downtown by authorizing additional research. *See page 3*



Maritime Heritage Park

Capital Improvement Advisory Committee

Downtown improvements ranked as high priority

During the past 10 years, community members have painted a picture of Bellingham's future through numerous visioning, planning and strategy processes. (see box at right). In June 2001, an advisory committee recommended a strategy for moving forward on capital needs that are critical for realizing those ideas.

The 13-member Capital Improvement Advisory Committee, working together for more than a year, ranked by priority the city's most pressing capital needs and recommended financing methods for meeting those needs.

Among the top priorities the committee recommended addressing immediately are many improvements downtown, in three distinct areas:

1. Railroad Avenue housing, Farmers Market and public space improvements:

Enhance public spaces along Railroad from Holly Street to Maple Street. Cooperate in the development of a major housing project at the Morse Hardware site. Work with the Farmers Market to solve long-term space needs.

2. Cultural District Enhancements:

Major cultural resources need replacement or expansion to meet the needs of a growing community and serve as a catalyst for other development. A new library, and expanded and improved museum and theater space, were committee priorities.

3. Waterfront restoration

Waterfront access is identified as a major priority by the community. Changing uses on the waterfront, the need to clean up contaminated areas and increasing demand for public access make the acquisition of waterfront property a top priority.

For more information or the committee's full report, visit the City of Bellingham's website at www.cob.org or contact the Office of Neighborhoods and Community Development at 676-6880.

Recapping the vision

The city during the past ten years has involved hundreds of residents in community-based planning processes that combine to describe a vision for Bellingham's future:

Visions for Bellingham (1992)

Comprehensive Plan Neighborhood Updates (1994 – present)

Rural/Urban Design Action Team (1992)

Whatcom Creek Waterfront Action Plan (1996)

Downtown Development Workshop (1998)

City Center Master Plan (1999)

Capital Improvement Advisory Committee (2001)

Themes woven throughout

Three themes emerged repeatedly throughout those processes:

"Livability"

We must enhance employment opportunities, family-wage jobs and affordable housing with careful stewardship of our environment and natural surroundings.

Recreation opportunities

Bellingham residents consistently rate recreational opportunities, such as parks, trails, bicycle and pedestrian areas, waterfront access and open spaces, as among the most highly valued of Bellingham's present and future amenities.

Cultural resources

Cultural activities and places to share them also are important to Bellingham residents.

Next step for downtown:

Determine costs and feasibility of recommendations

The next step in realizing our community's vision for downtown is to gather more detailed and accurate cost and feasibility information concerning the downtown-related recommendations of the Capital Improvement Advisory Committee. The cost of this research is estimated to be approximately \$150,000. This work is expected to be complete and presented to Bellingham City Council during the first quarter of 2002, preparing members for discussions and decisions about whether to move forward on downtown improvements.

The \$150,000 will produce the following results:

Cultural District Enhancements Project Development

A vibrant cultural district continues to be identified as critical to a successful downtown and our community as a whole. Capital improvements to the Bellingham Public Library, Whatcom Museum of History and Art, and the Mount Baker Theater were identified as needs by their respective boards and ranked as priorities by the Capital Improvement Advisory Committee. Recent research by the Office of Neighborhoods and Community Development highlighted community and financial benefits that could be realized by developing shared facilities among these organizations.

Additional research is needed to explore in more detail the needs of each organization and the idea of a joint cultural facility. This work would include determining if a joint facility is a viable approach and if the affected entities would support a joint project, as well as what it would cost, where it could be located and how it could be operated. Expected outcomes of this next step would include detailed descriptions of each proposed project and their costs, identified ways to share space, equipment and costs, and conceptual drawings.

Railroad Avenue Improvement Design Work

The Railroad Avenue corridor from Holly Street to Maple Street provides opportunities to attract new development downtown. Enhancements to this corridor, such as trails, public spaces, Farmers Market facilities and landscaping, are important to both the private development at the Holly/Railroad intersection and the Morse Hardware site.

Immediate next steps include preparing design and cost estimates on public improvements in the Railroad Avenue corridor, including improvements to the Railroad/Holly intersection.

Morse Hardware Site Master Planning

The Morse Hardware site offers a tremendous opportunity for a large project in downtown that could include a variety of housing types plus office and commercial space. An agreement between the City and property owner will ensure the timely and appropriate development of this site.

The next steps include developing a master plan and reaching an agreement on the best way to facilitate and implement the plan.

Improvements draw development around Maritime Heritage Park

Public investment in the Maritime Heritage Park and Old Town area since 1997 has drawn private investment at a nearly three-to-one ratio.

The public investment in these areas has totaled \$2,932,000 since 1997, funded by state and federal grants and Greenways levies. The corresponding private investment during that time has totaled \$7,592,000, with several additional private projects currently in the planning stages.

Maritime Heritage Park



Vibrant downtowns key to economic development

The health of downtown is frequently seen as an indicator of the health of a community. A vibrant downtown can be an economic engine for the entire community.

Successes across the country tell this story over and over, and we expect similar results for investments made in Bellingham's downtown. Examples compiled by the National Main Street Center show that public investment in downtown can result in many times that investment by the private sector:

- Eau Claire, Wisconsin (population 62,700) has invested \$4,200,000 in public funding in its downtown since 1988 and has seen a corresponding investment of \$20,900,000 private dollars.
- Denton, Texas (population 79,385) has seen a \$5,200,000 public dollar investment draw \$18,000,000 in new development by the private sector since 1989.

Look at our downtown today, imagine tomorrow's potential

- A door-to-door survey of downtown Bellingham in fall 1999 identified more than 900 businesses employing more than 6,000 workers (did not include Georgia-Pacific).
- The same survey identified 147,000 square feet of vacant building space and 741,000 square feet of undeveloped building sites.
- Downtown businesses reported \$157,890,000 in taxable retail sales in 1999.

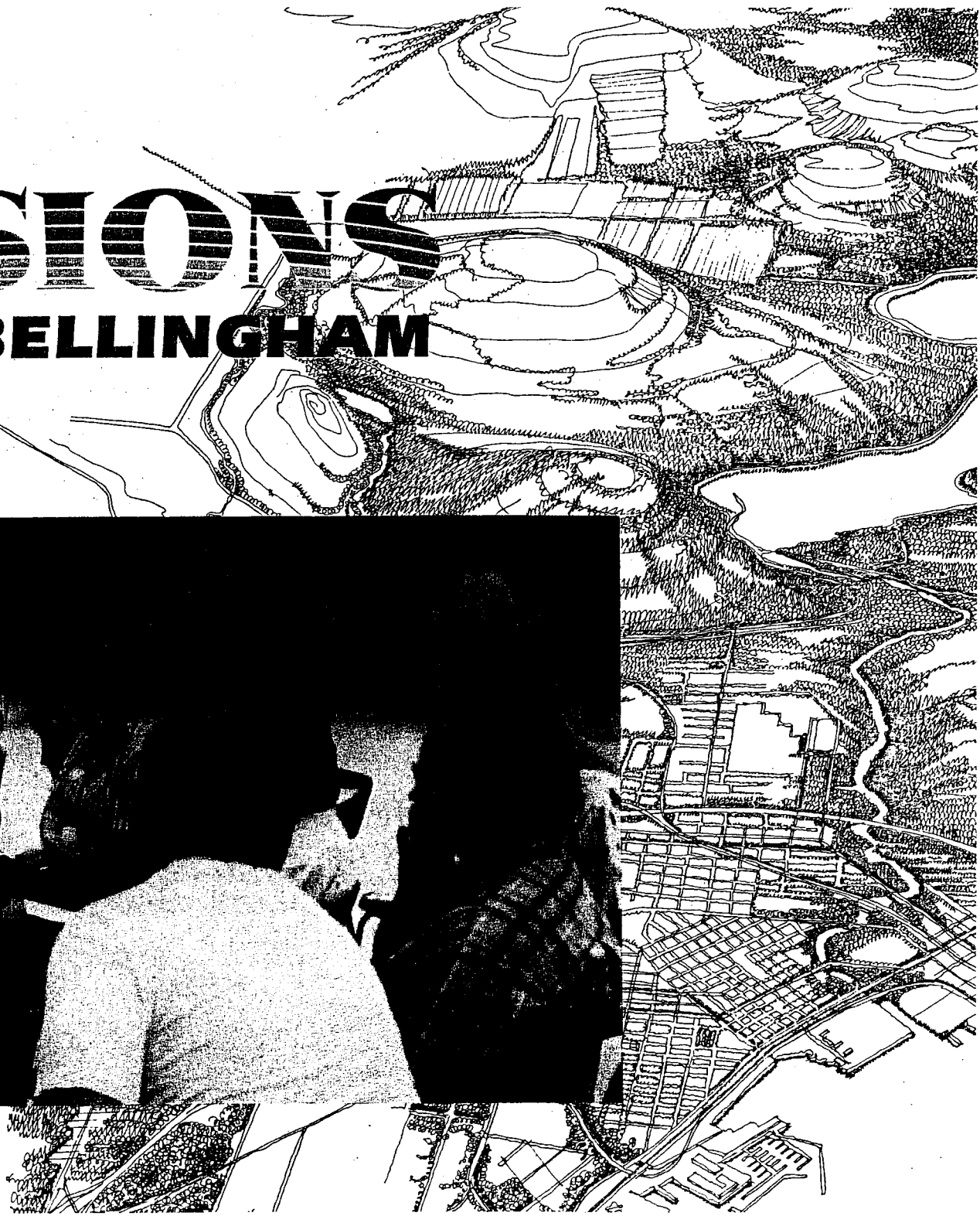
Holly Street



For more information:

Steve Price, Manager, City of Bellingham Office of Neighborhoods and Community Development
114 W. Magnolia Street, Suite 501, Bellingham, WA 98225 360-676-6880

VISIONS *for* BELLINGHAM



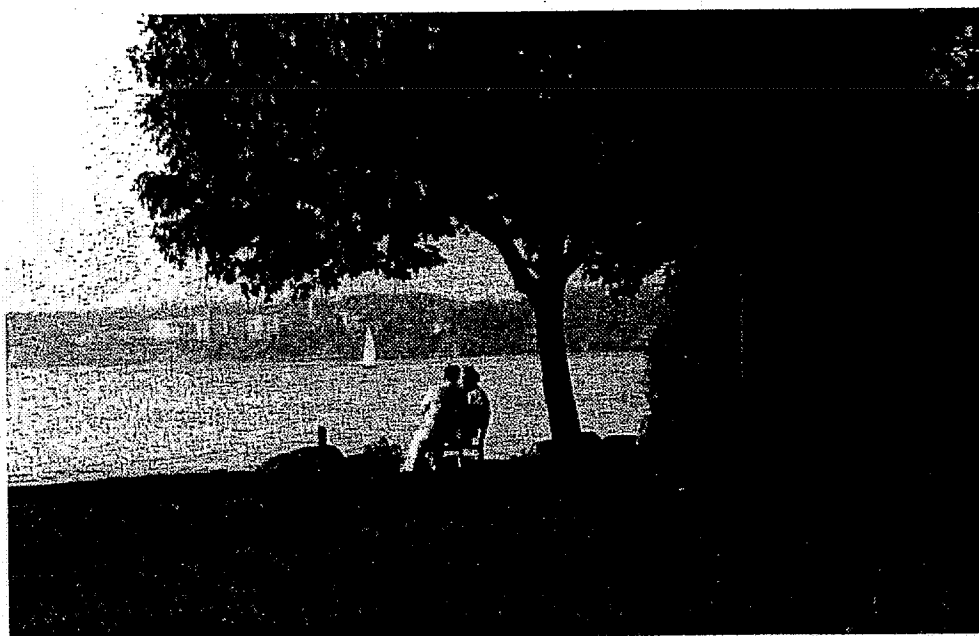
WHY CREATE VISIONS FOR BELLINGHAM?

In the year 2010, what will it be like to live and work in Bellingham? That's the question our community is tackling through the "Visions for Bellingham" process and the subsequent update of our Comprehensive Plan. The answers will shape our city for years to come.

Times of change are both invigorating and unsettling. We are in such a time. When Bellingham's Comprehensive Plan was updated 12 years ago, it was assumed that Downtown would be the region's commercial and cultural core. Efficiencies in land use were not a major issue. Open space was abundant. Booming growth had not yet shaken the Puget Sound region, and Vancouver's Expo '86 was still on paper only. Global economic competition had not shifted so much manufacturing abroad nor increased so dramatically the proportion of U. S. jobs in retailing and service. Circumstances have changed since 1980, and we have to come to grips with those changes.

"Visions for Bellingham" establishes goals for our city, which have been adopted by the City Council. The strategies for achieving these goals is the challenge now. Resources are finite, so setting priorities is imperative. We must adopt an achievable Capital Facilities Plan incorporating those priorities. Neighborhood elements within the Comprehensive Plan must be consistent with Visions goals.

While so many communities across the country despair at their future, we have reason for optimism. Bellingham will become largely what we make it. The keys are to maintain active citizen involvement and to keep always before us broader perspectives on our environment, economy, education, recreation and transportation.

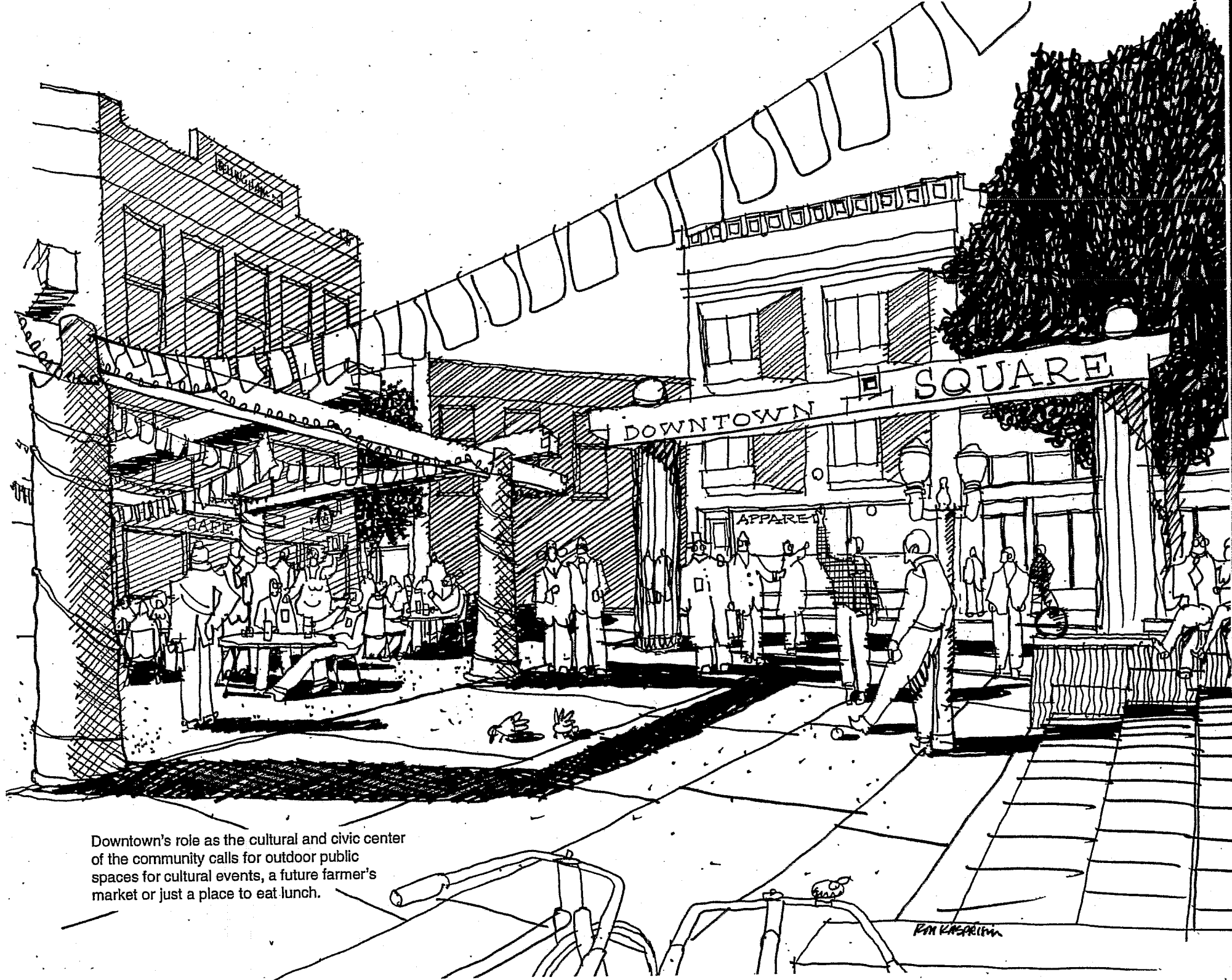


Tim Douglas, Mayor
City of Bellingham



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Downtown's role as the cultural and civic center of the community calls for outdoor public spaces for cultural events, a future farmer's market or just a place to eat lunch.



DEVELOPMENT PATTERNS & COMMUNITY CHARACTER

GOAL 1

Bellingham relies on distinctive neighborhoods, a vital downtown area and the community's respect for its natural setting to retain its unique identity in the 21st century.

GOAL 2

Bellingham's way of accommodating growth while retaining a compact form is to emphasize infill. Private and public development decisions continue to reinforce a clear distinction and separation between urban and rural areas. Bellingham retains and strengthens its well-defined compact form and allows sufficient sites to accommodate projected growth, including some growth to the north.

GOAL 3

Bellingham continues to retain its natural, green setting by protecting unique natural features and public open spaces, creating greenbelts and preserving wooded hillsides in and around the City. New development is encouraged to incorporate existing mature vegetation and additional trees

and native vegetation. Open space corridors along creeks include connections from the Bay to Whatcom and Padden lakes as well as along the Squalicum and Chuckanut Creek

GOAL 4

Because infill is a major growth strategy, Bellingham devotes considerable energy to determining how to

history for existing and future citizens. Incentives assist in retaining and restoring historic structures and encouraging new development which is complementary in terms of architectural style and scale. These incentives may include property tax breaks, zoning and building code flexibility for adaptive uses, and density or other bonuses that encourage good design.

GOAL 6

The character of individual neighborhoods is enhanced through flexible design standards and incentives that ensure compatibility as existing neighborhoods receive infill development and new neighborhoods are formed.

corridors heading to the mountains. In order to preserve or create these green corridors and open spaces, the community employs a variety of techniques, including incentives and regulations for the design and siting of new development, as well as public acquisition.

accommodate growth in existing neighborhoods in a manner that complements neighborhood character and builds on the pattern of planned park and open space systems.

GOAL 5

A large number of historic structures remain, providing a sense of place and

GOAL 7

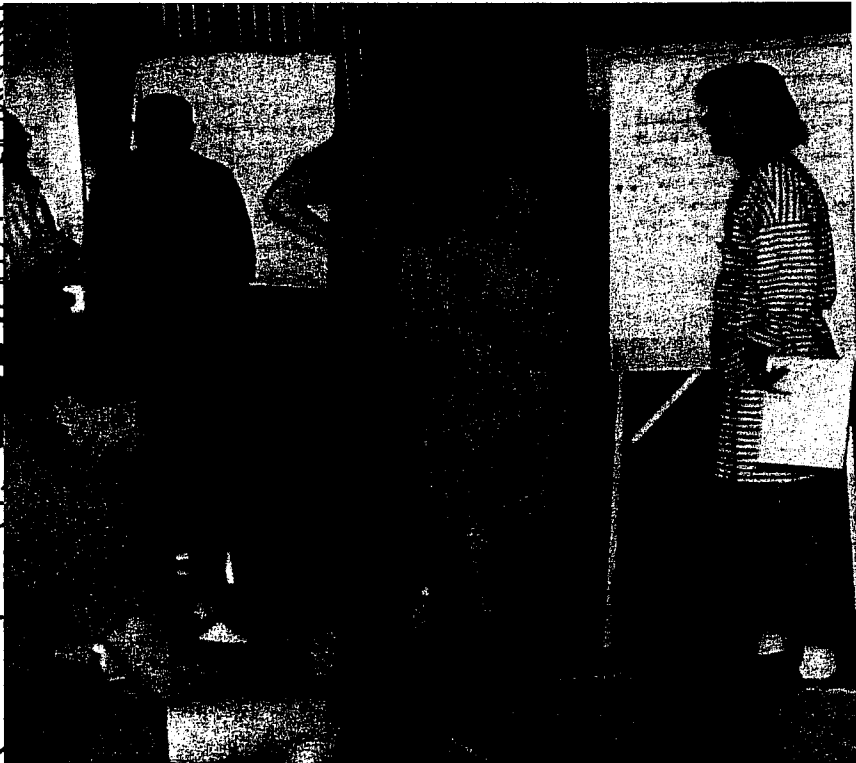
Where entire new neighborhoods are formed, development incorporates a system of connected park and open space corridors and human-scale arrangements of mixed housing types.



**DEVELOPMENT
PATTERNS &
COMMUNITY
CHARACTER
CONTINUED**

GOAL 8

The community recognizes Bellingham Bay as a finite and valued resource. All new waterfront uses emphasize water related activities, provide access to and along the waterfront, and respect views from other parts of the community to the water. The waterfront remains a working waterfront, reflecting its industrial heritage, including fishing, forest products and its role as an operating port.



GOAL 9

Downtown Bellingham retains its role as the community's center through preservation and increased use of its fine historic buildings. Professional offices, government services, cultural, art and entertainment facilities, support services, retail uses and higher density housing combine to create the complex mix that is downtown. Access to these features is supported by an integrated parking and alternative transportation system that is responsive to its users. New development adds to the existing building stock, complementing it in scale and quality. Public buildings set a standard of design quality that positively contributes to the community.

GOAL 10

Bellingham retains a regional retail center in the vicinity of the intersection of the Guide Meridian and I-5 corridors, complemented by increasingly diverse speciality retail in downtown and Fairhaven and community and neighborhood commercial services in dispersed locations.

GOAL 11

Bellingham maximizes the contributions of Western Washington University to the community. City coordination with University representatives ensures that the impacts of the University's ongoing programs and development are consistent with the goals of the community as a whole.

GOAL 12

Development patterns in Bellingham's urban fringe reflect the cooperation of the city, and county and public to assure an orderly and compatible transition from rural to urban uses in the fringe areas surrounding Bellingham. The impacts of increased urbanization on existing residential areas are mitigated through the use of vegetative buffers, adequate open space, and design/performance standards.

GOAL 13

Bellingham's increasingly diverse citizenry continues to take an active part in and are aware of land use and other decision making processes through a variety of means, including effective notification procedures, neighborhood meetings with developers prior to project review, and actively involved neighborhood and community groups.

TRANSPORTATION

GOAL 1

Whatcom Transit Authority's route enhancements reflect Bellingham's commitment to adjust to changing transportation needs, utilizing public transportation to improve air quality, to decrease parking demand and to reduce reliance on the use of the automobile. Route enhancements may include enhanced service hours, shuttles from outlying areas to downtown and Bellis Fair, a downtown area bus providing both internal circulation and access to parking, and the use of innovative or historic vehicles in downtown and Fairhaven.

GOAL 2

Both pedestrian and bicycle facilities connect living, working and recreational areas throughout the town. New development is designed to be pedestrian friendly. Walking is made easier by requirements for street trees and separated sidewalks on all new or reconstructed arterials except where existing mature vegetation or terrain suggest otherwise. Bicycling as a form of recreation and bicycling as a form of transportation flourishes, using facilities that are well lit and are built

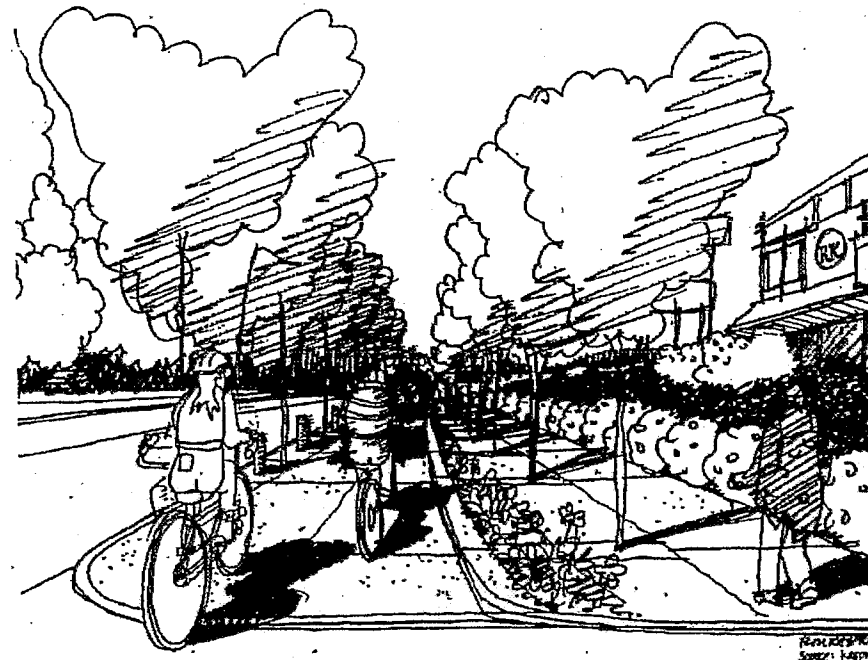
and maintained to allow year-round, all-weather use, and allow safe on and off-street travel.

GOAL 3

Bellingham continues to recognize the need for an efficient arterial system which minimizes through traffic on local residential streets. Transportation grant applications and local transportation funding priorities address capacities on arterials, the I-5 overpasses, and the Interstate between Bill McDonald Parkway and West Bakerview.

GOAL 4

Development patterns that encourage walking, biking and transit use are fostered through incentives and zoning regulations, including provisions for developments which allow people to live within walking distance of shopping and employment. These provisions may encourage small scale neighborhood centers as well as cottage industry or home occupations.



Alternate forms of transportation become more accessible and attractive in this vision of separated bike lanes and sidewalks.

GOAL 5

Bellingham's transportation network is consistent with its position as a cultural and economic center, with particular emphasis on fixed or light rail access connecting Seattle, Bellingham and Vancouver, ferry service to the San Juan Islands, British Columbia and Alaska, and continued use of our waterfront for water transportation.

ECONOMIC VITALITY & EMPLOYMENT

GOAL 1

Bellingham's employment base combines public and private resources to increase economic diversity emphasizing renewable resources, clean and quiet industry, higher paying family wage jobs, small business and home-based cottage industries.

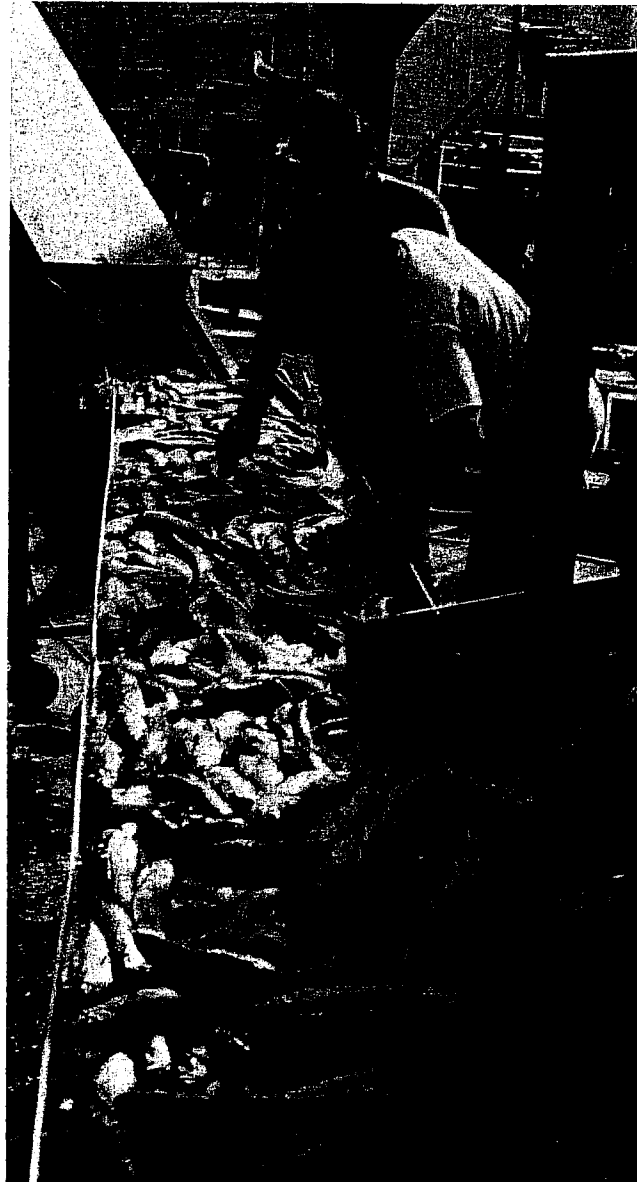
GOAL 2

Bellingham's economy builds on the educational research, teaching facilities and technical resources provided by Western Washington University, as well as building on the community and technical college resources.

GOAL 3

Bellingham's port and its marine and water-related industries reflect the City's

commitment to a working waterfront that retains space for public access and recreation.



GOAL 4

Bellingham's Northwest Center for Art thrives, serving as an incubator facility for the arts and contributing to the city's attraction as a cultural center.

GOAL 5

The community recognizes that economic vitality and employment for all its citizens requires an increased commitment to education and training and a service support system that stresses affordable, quality child care.

GOAL 6

Bellingham's private and public sectors work together to build on its locational advantage, resulting in improved trade with Canada and the Pacific Rim. While retail sales to southern B.C. continue at a healthy rate, they are outstripped by growth in other economic sectors more conducive to family wage jobs.

HOUSING

GOAL 1

Bellingham's regulations encourage and provide incentives for innovative housing and mixtures of housing types that preserve natural resources and consolidate open space.

GOAL 2

Increased housing density and infill exists in the downtown area and in other parts of the community which are appropriate for small lots or higher density housing, reflecting a variety of housing costs.

GOAL 3

Density bonuses for well-designed housing that complements existing neighborhood integrity supplement new opportunities for mother-in-law apartments and duplex or triplex options, subject to design review standards and neighborhood input.

GOAL 4

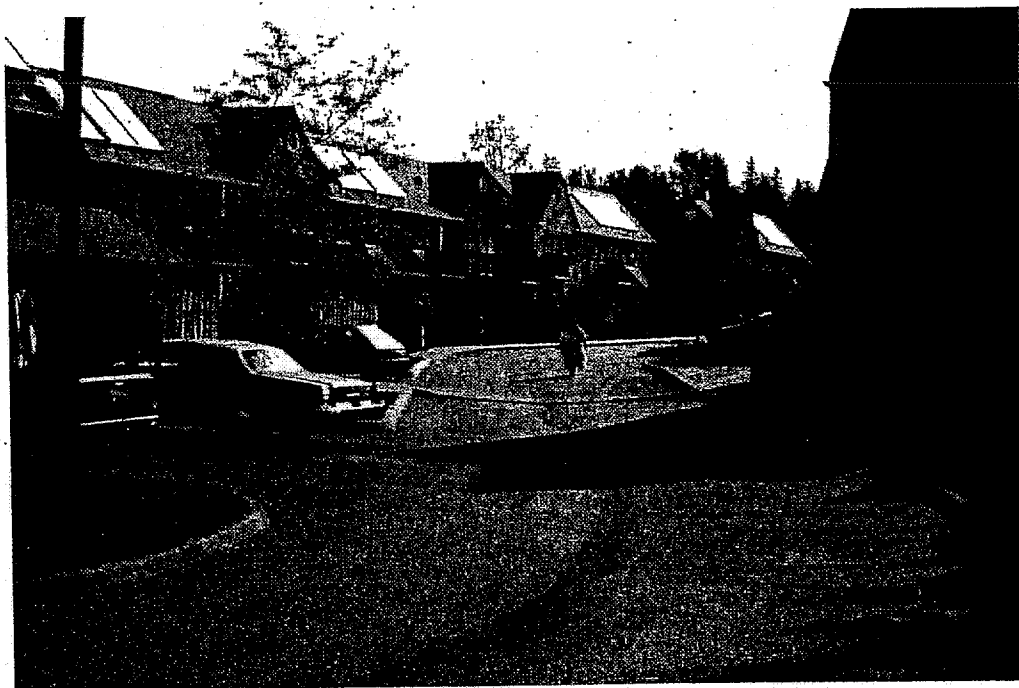
Rehabilitation and housing financing programs support the maintenance of older/historic housing, including programs to assist low income households to stay in their homes.

GOAL 5

Increases in the supply of housing for low income households result from assistance and support to private non-profit groups and other organizations

GOAL 6

On-going efforts to address housing affordability for all citizens include continued streamlining of the regulatory review and building permit pro-



like the Housing Authority and Opportunity Council and from inclusionary provisions that require a range of housing prices in new developments.

cess and reviewing costs of infrastructure improvements and their impact on housing costs.

SCHOOLS, EDUCATION & CULTURAL RESOURCES

GOAL 1

Bellingham emphasizes ongoing interaction and exchange between citizens, educational institutions and students, including community use of school facilities and information sharing and communication among educational institutions, government and business.

GOAL 2

To promote economic diversification and achieve full employment, Bellingham's educational institutions increase opportunities for adult education and job training and the community assists in this process through internships and other on-the-job training opportunities.

GOAL 3

The community supports the highest possible educational quality for our children, including a curriculum that fosters innovative ways of learning and preparation for life in the 21st century.

GOAL 4

The City and school district obtain a significant contribution from the private sector for new residential development to augment the school district's financial resources and meet new enrollment demands.

GOAL 5

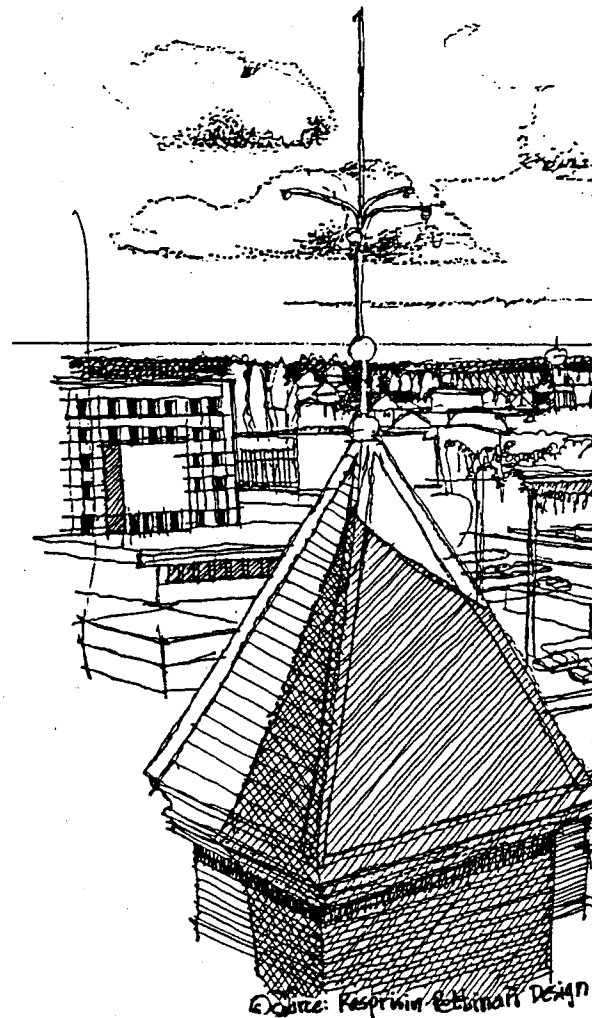
Neighborhood schools in developed areas are retained and new schools are located consistent with the city's commitment to infill and compact growth.

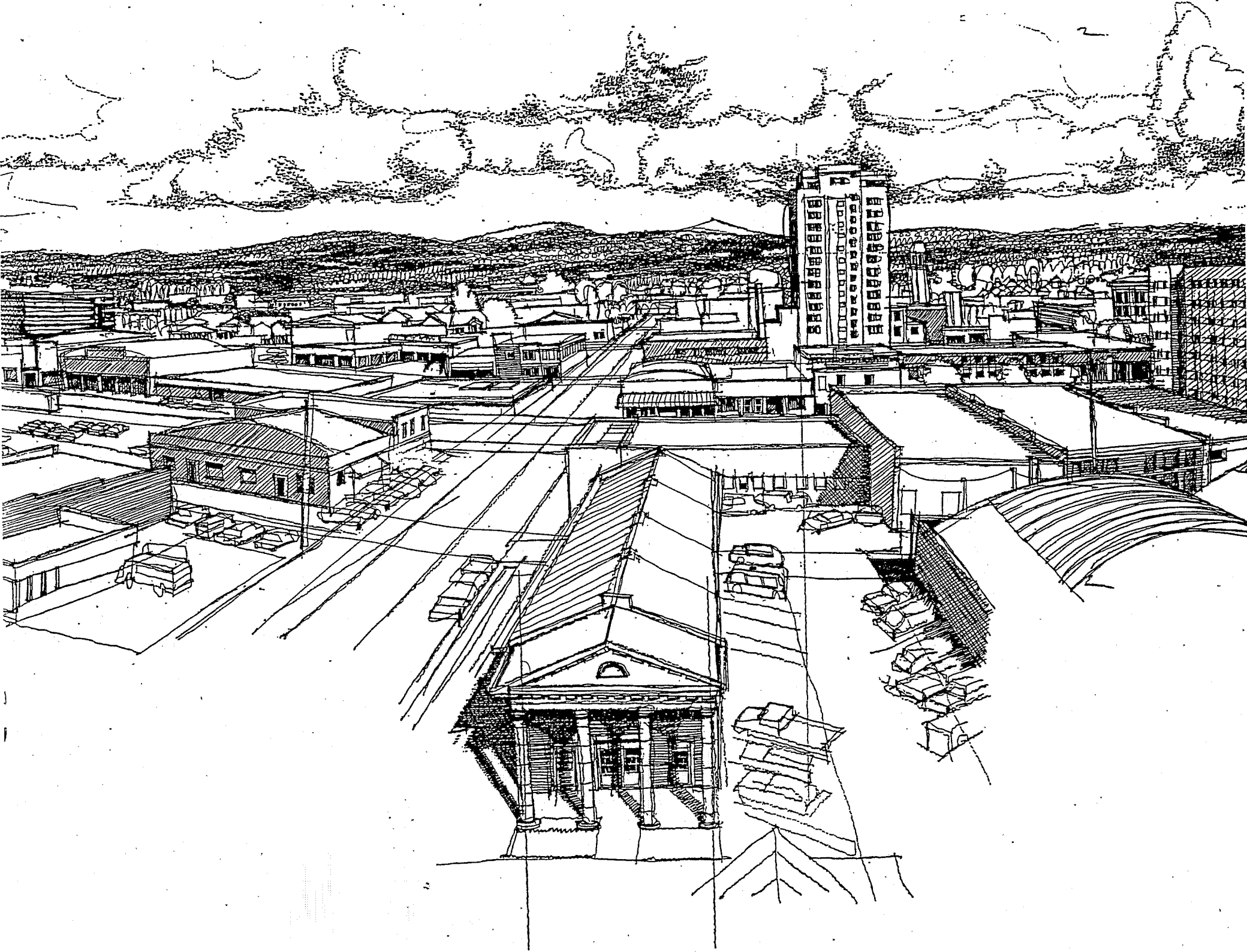
GOAL 6

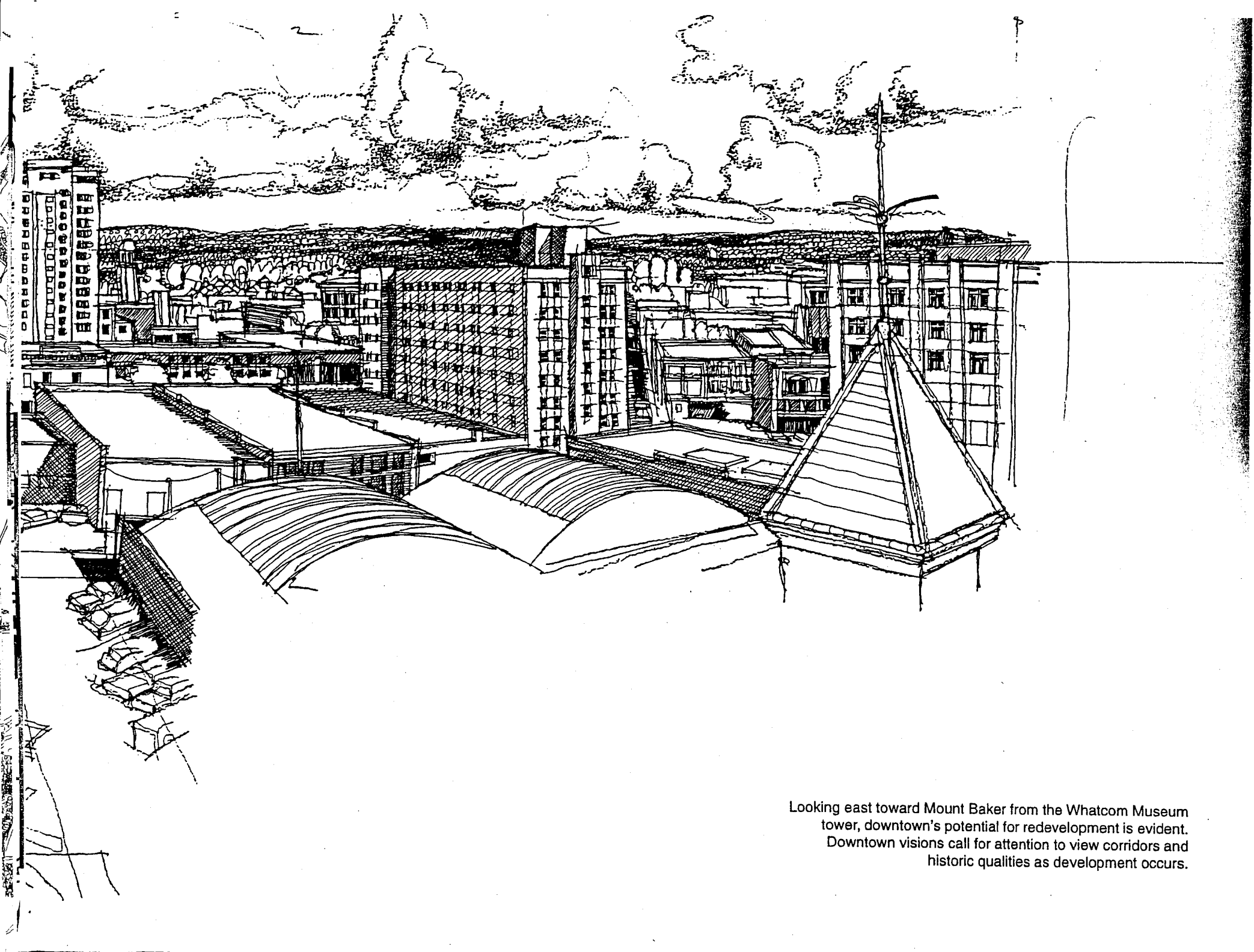
Bellingham honors and supports ethnic and cultural diversity through community education, expanded cultural events and opportunities to participate for all segments of the population.

GOAL 7

The community is enriched by support of a thriving Northwest Center for Art, a fully restored and maintained Mt. Baker Theater, an expanded museum and library serving contemporary needs and a full range of cultural events.







Looking east toward Mount Baker from the Whatcom Museum tower, downtown's potential for redevelopment is evident. Downtown visions call for attention to view corridors and historic qualities as development occurs.

COMMUNITY HEALTH, WELFARE & SAFETY

GOAL 1

Bellingham's commitment to trained professionals in both police and fire departments contributes to an ongoing sense of security and safety in the community.

GOAL 2

Transit riders enjoy an increased sense of security and safety on the enhanced transit system.

GOAL 3

Bellingham students and the community continue to benefit from programs aimed at drug and gang intervention.

GOAL 4

City officials and Georgia Pacific officers have eliminated the threat of chlorine and other toxic chemical spills in the community.

GOAL 5

Residents benefit from access to quality health and child care through programs supported by public and private resources and keyed to households' economic resources.



GOAL 6

Citizens who require social services that address homelessness, abuse and a range of disabilities can find the services they need in Bellingham.

GOAL 7

Bellingham is characterized by clean air and water and low levels of noise pollution. Particular attention is paid to noise pollution from the I-5 corridor, the airport noise impact area, and the waterfront industrial area.

GOAL 8

Bellingham reduces noise pollution and increases air quality by reducing its reliance on the automobile and promoting walking, bicycling and other modes of transportation.

GOAL 9

Bellingham's water quality is improved through the pursuit of goals expressed in the Joint Lake Whatcom Watershed Agreement with the County and Water District #10 and through continued efforts to control stormwater quantity and quality.

DOWNTOWN & WATERFRONT

GOAL 1

Downtown, including the Central Business District, Civic Center and Cultural District, is the heart of the community as evidenced by new development in the form of major new office uses, higher density housing that is well-designed and reflects a variety of housing costs, and related goods and services to support those uses.

GOAL 2

Downtown's role as a cultural center has expanded due to the influence of the new Northwest Center for Art and the resulting expansion of the arts community in the downtown area.

GOAL 3

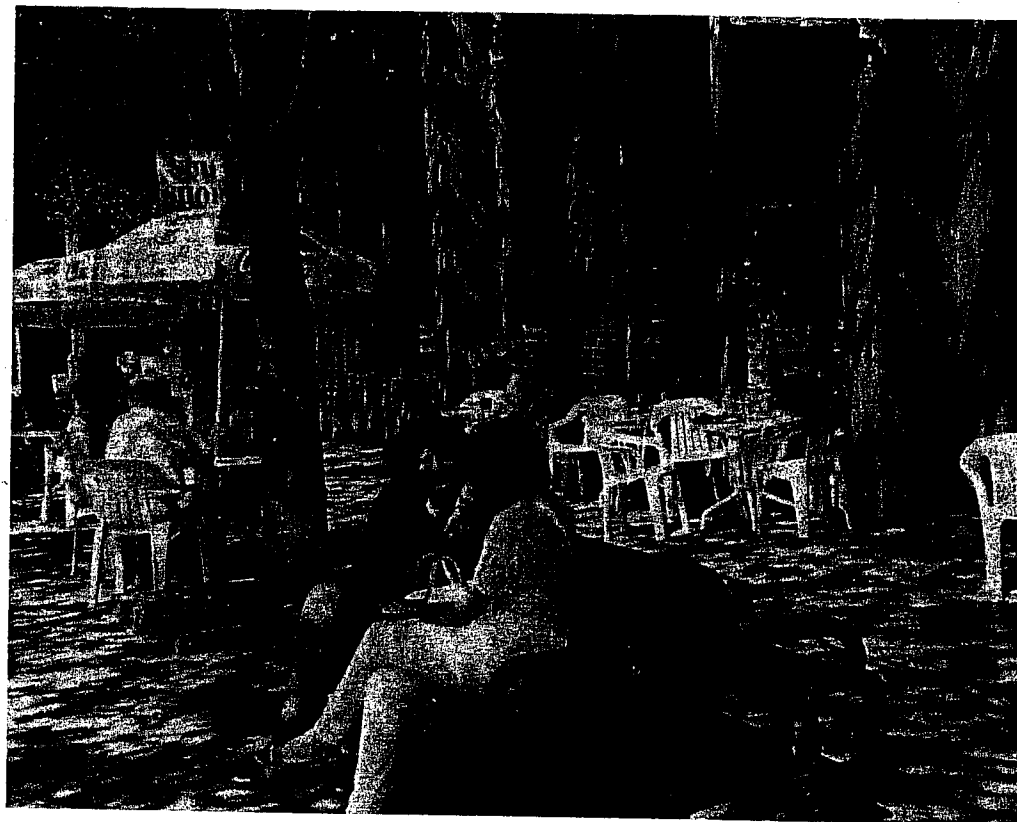
Height restrictions for downtown address the relationship of new development to historic structures and to retaining view corridors.

GOAL 4

Pedestrians enjoy improvements downtown that reduce or eliminate

cars on some streets or alleys and provide space for public gatherings, such as a public square.

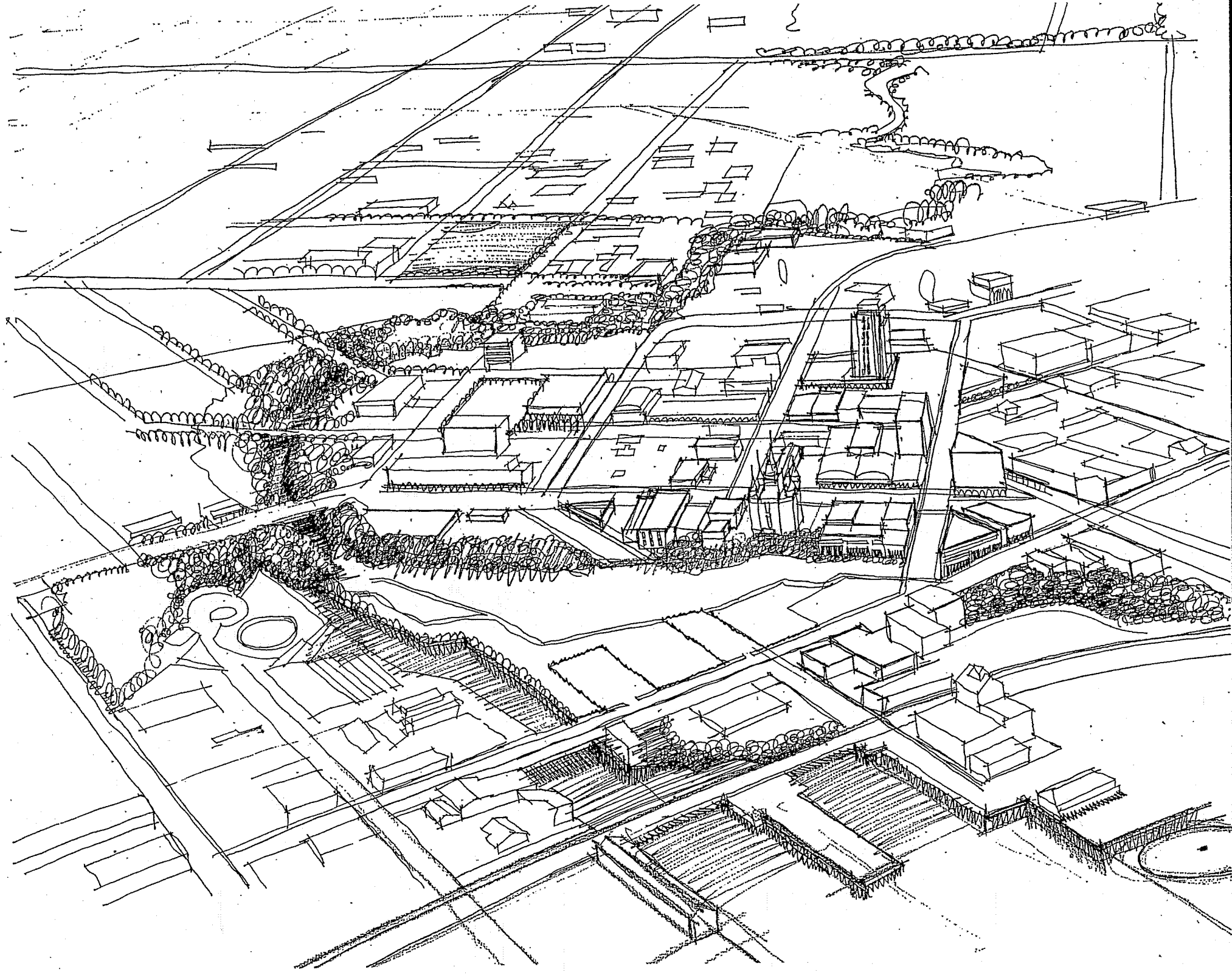
with shuttles in and around downtown, pedestrian corridors and parking structures that include or could be converted to other uses.

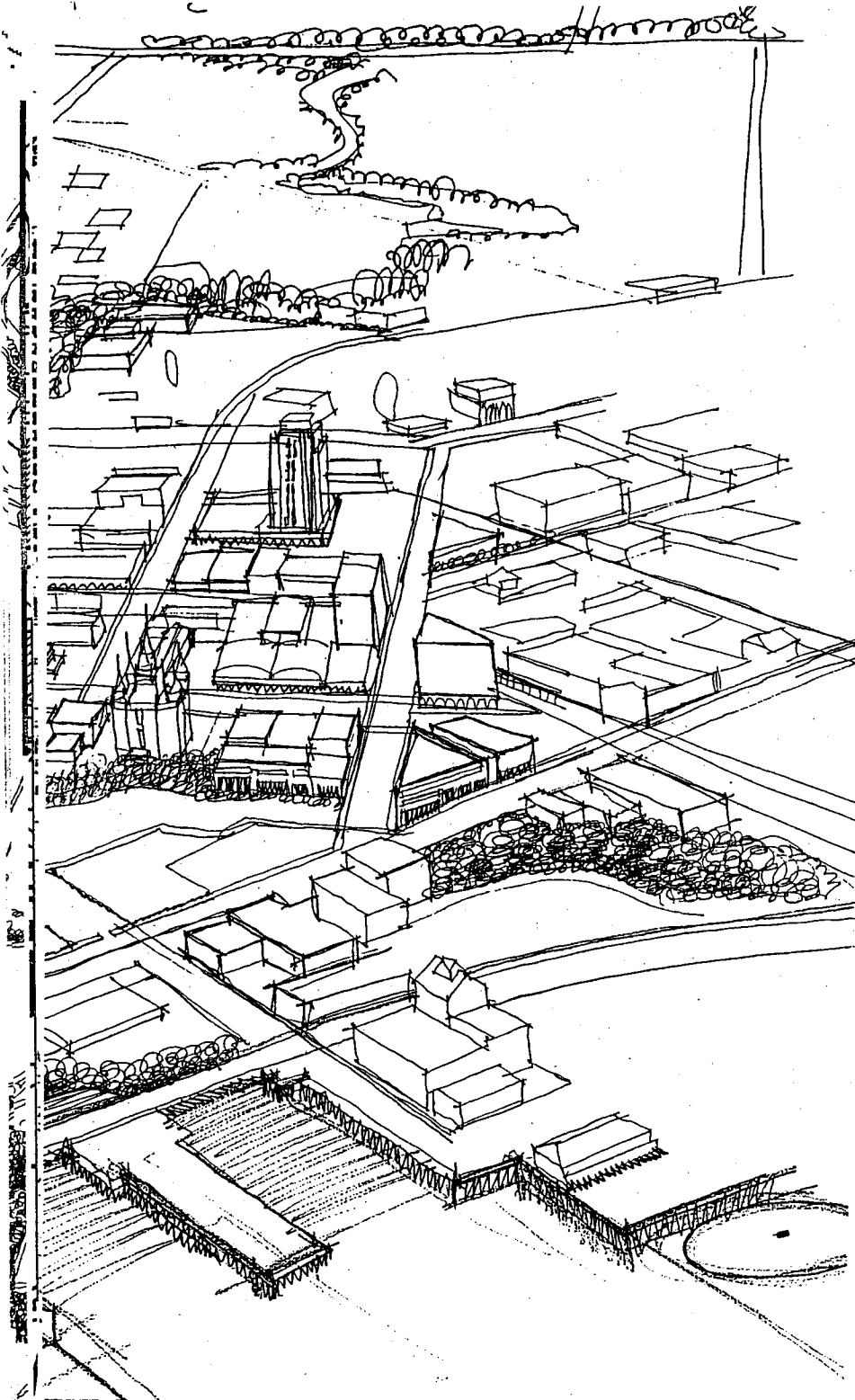


GOAL 5

Parking improvements downtown emphasize support for downtown redevelopment, are pedestrian friendly, flexible, and adaptive to changing regional transportation technologies and patterns. Improvements may include satellite parking

The meandering Whatcom Creek corridor winds its way around the northern end of downtown to the waterfront. A unique natural amenity deserving attention and enhancement.





GOAL 6

Public access to downtown and to and along the waterfront and creek corridors are a strong component in Bellingham. Access points connect to the Bay at strategic points stretching from Fairhaven to Squalicum Beach. Public docks and former railroad trestles are key elements in this public access system, as is preservation of all remaining natural shorelines and beaches.

GOAL 7

Linkages between downtown and the waterfront connect the Central Business District with the Bay and provide a safe walkway along Whatcom Creek between the Bay and Lake Whatcom.

GOAL 8

Mixed use development on the waterfront has allowed for a mix of water-dependent uses and residential, recreational, professional, commercial and industrial uses. This marks a change from the previous pattern of primarily heavy industrial uses, though Bellingham Bay remains a working waterfront, both in Fairhaven and in the downtown area.

GOAL 9

City and Georgia Pacific officials have found ways to improve access to the waterfront from the downtown area and to provide for public access along the waterfront without jeopardizing the safe operation of the Georgia Pacific site.

GOAL 10

A significant increase in the number of bicycle commutes into the central downtown area reduces the need for new parking spaces while decreasing the congestion, noise and pollution caused by motorized traffic. Lower levels of motor-driven traffic (and a lessened need for parking) frees up street areas for open green spaces, creative commercial activities and cultural events that are increasingly attracting people to the downtown and waterfront area.

ENVIRONMENT & NATURAL RESOURCES

GOAL 1

Citizens and property owners join forces to protect the quality of Lake Whatcom, its watershed, the city's other lakes and creeks and Bellingham Bay. Through community education, regulation, performance based development standards and public and private cooperation, the community as a whole supports protection of these natural resources as a priority.

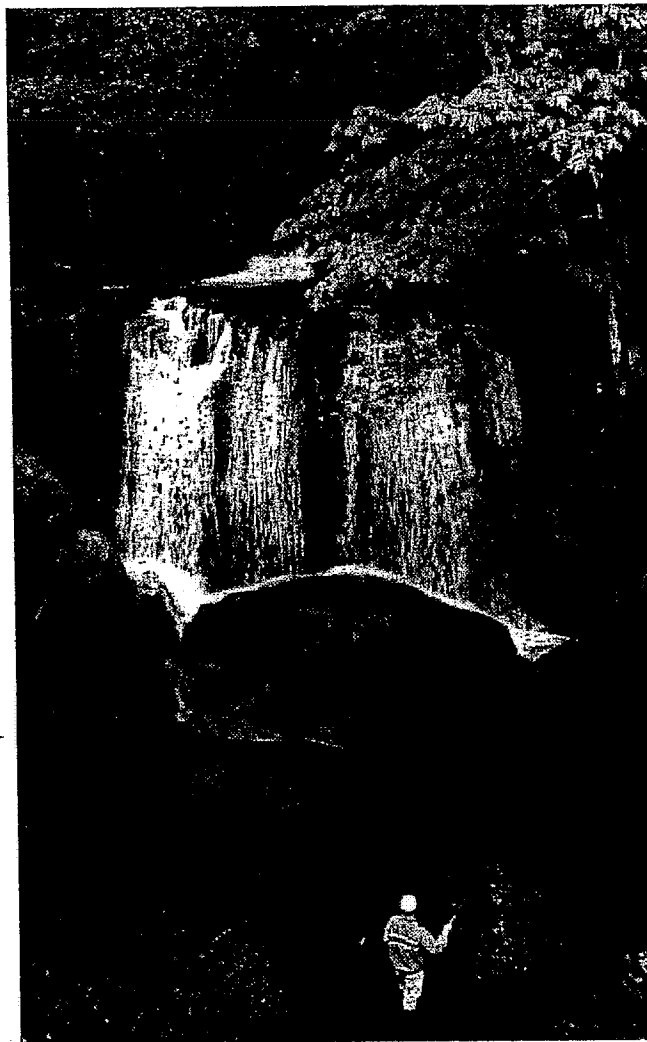
GOAL 2

Tree preservation and replanting efforts have been combined with interests in preserving views. Greenery is retained on the hillsides and throughout the city while creating "windows" and view corridors for area residents.

GOAL 3

Undisturbed natural areas allow habitat for fish and wildlife, provide connections within greenway corridors and protect steep slopes and sensitive areas. Greenways in Bellingham connect with similar corridors in the urban fringe. Mecha-

nisms to retain these open areas range from public acquisition to clustering development on adjacent portions of sites, and from regulatory requirements to regulatory incentives.



PARKS & RECREATION

GOAL 1

Developed parks and trails are integrated into the city's open space system. Acquisition and development of park sites that adequately serve both existing and newly developing neighborhoods are accomplished in part through developer contributions.

GOAL 2

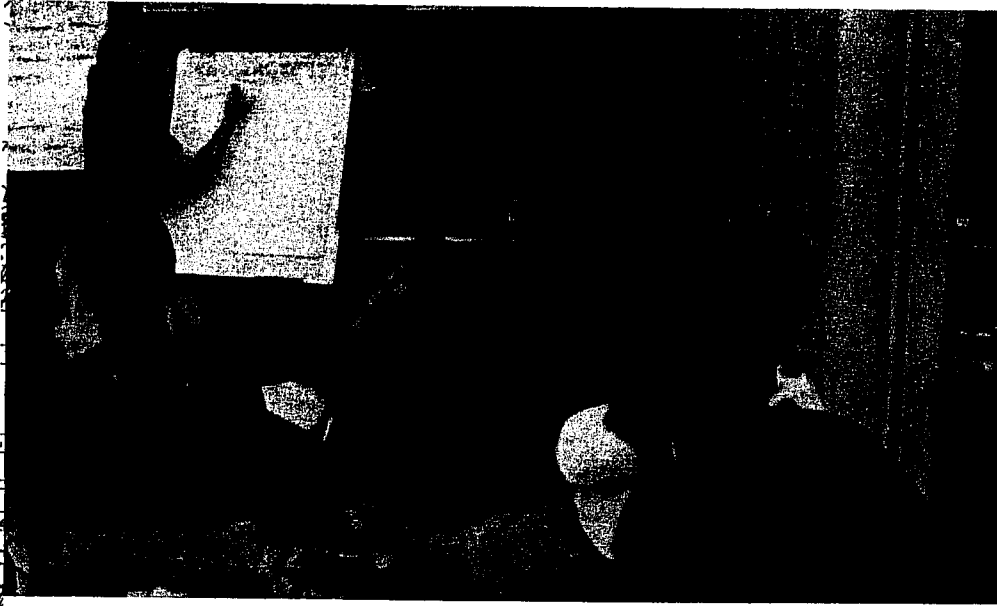
Design and location of parks and recreation facilities recognize the demand for indoor as well as outdoor activities and the need for facilities that serve teenagers as well as younger children, including a possible indoor swimming pool. Parks are safe and well-maintained, and where appropriate, include lighting for evening recreation. Playgrounds and parks are available in all neighborhoods.

**DOWNTOWN
& WATERFRONT
CONTINUED**

**ENVIRONMENT
& NATURAL
RESOURCES**

**PARKS &
RECREATION**

VISIONS FOR BELLINGHAM DELEGATES



Brian Abbott
 Patricia Alan
 Fritz Anderson
 Stuart Andrews
 Aaron Baker
 Gage Barbo
 Marsha Barnhill
 Susan Barrett
 Mike Bates
 Joan Beardsley
 Hue Beattie
 Cathy Beaty
 Stephanie Becker
 Lloyd Benjamin
 David Berens
 Douglas Bestle
 John Blethen
 Scott Blume
 Terry Bornemann
 Tim Boyer
 Zetta Bracher
 Mike Brennan
 Imogene Brown
 Pat Brown
 Kimberly Brunelle
 Judy Buchanan
 Don Burgess
 Roderick Burton
 Douglas Campbell
 Lisa Cardarelli
 Art Castle
 Thom Cathcart
 Ann Chaikin
 George Collins
 Pete Coy
 Sharron Crawford
 Andrea Crow
 Isabel Crowe
 Margaret Curtis
 Jack Curtis
 Jeff Daffron
 Dion Daggett
 Michael Darden
 Curt Davidson
 David Davis
 Ruth Dawson
 Thomas DeRose
 Lew Denney

Rick Dubrow
 Wally Dunn
 Greg Dunphy
 Michael Durbin
 Merlin Ecker
 Carol Eckloff
 Kathleen Elsner
 Rudolph Erchinger
 Dave Ernst
 Dudley Evenson
 Deborah Fletcher
 Roger Franco
 Karen Frederick
 Kristopher Freeberg
 Tony Freeland
 David Fuchs
 Terry Garrett
 Orville Garrett
 Kelly Gates
 Paul George
 Randy German
 Bill Geyer
 Rick Gilbert
 Margie Goetz
 Dunham Gooding
 Jean Gorton
 James Griffin
 Roger Griffith
 Bill Hager
 Julia Hansen
 Linda Hardy
 John Harmon
 Greg Hart
 Richard Hayes
 Elsie Heinrich
 Tim Henkle
 Bill Henshaw
 Bibi Herrera
 Don Higginson
 Bob Hitchcock
 Jory Hockett
 Ruth Holbrook
 Claudia Hollod
 Brad Hubbard
 Barbara Hudson
 Fred Ienna
 Roy Ingham
 Tom Jones

Mike Kaufman
 Don Keenan
 Vincent Kelley
 Keith Kemplin
 Lynda Kimball
 Arnie Klaus
 Maggi Kriger
 Joseph Lallas
 Robert Landon
 Angela Larsh
 Neil LeMoine
 Michael Lesoing
 Fred Lewis
 Julie Lockhart
 Marjorie Lorant
 Sue Lorentz
 Del Lowery
 Jacqui MacConnell
 Michael Maier
 John Manifold
 Deborah Manley
 Maurice Marchal
 Eileen Martin
 Dan Mather
 Vickie Matheson
 Kaylene McCaw
 Darla McGovern
 Mary McIntyre
 James McRandle
 Ruth Meacham
 Rebecca Meloy
 Charles Melton
 John Miller
 Martin Minkoff
 Bryte Moa-Anderson
 David Moody
 Tim Moore
 Geof Morgan
 John Morgan
 Jane Moudry
 Jack Mulhern
 Heidi Munkres
 Merwyn Murk
 Dale Nachreiner
 Janet Nagel
 David New
 Bill Nicholas
 Carol Noice
 Ginger Oppenheimer

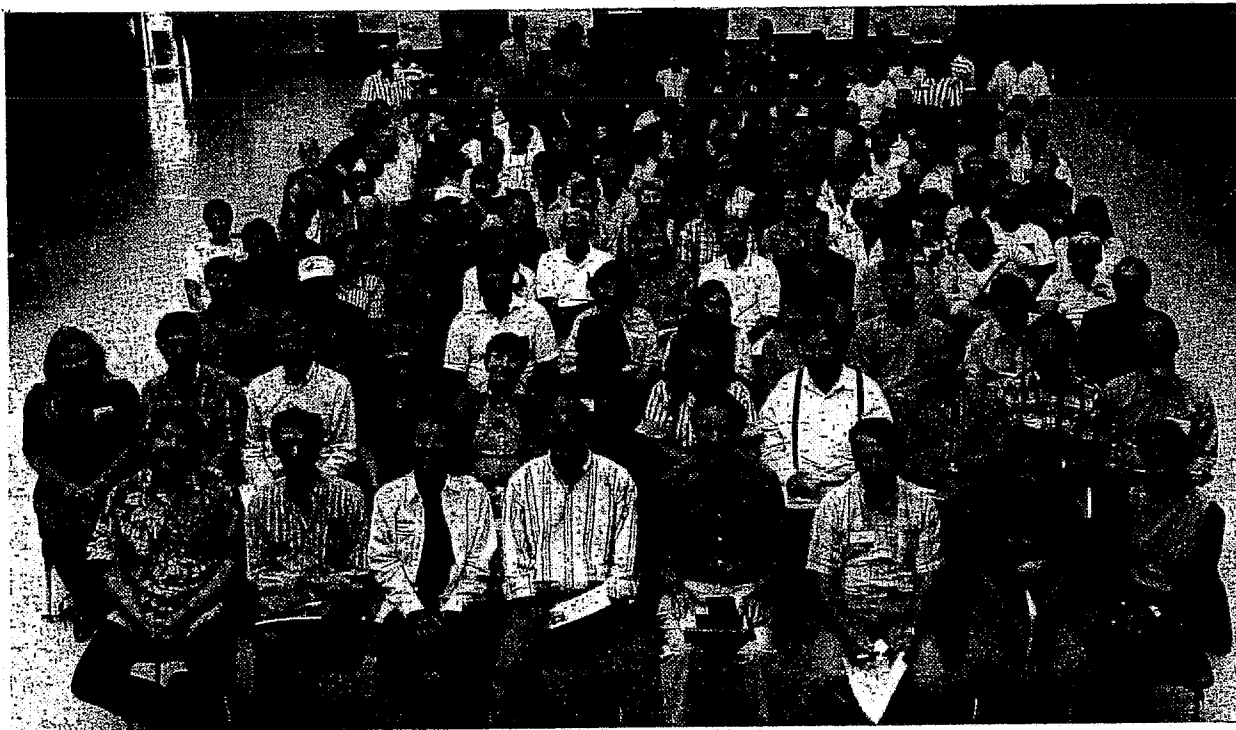
Bill Palmer
 Rodd Pemble
 Jackie Peyton
 George Pierce
 Rick Pike
 Juleah Price

John Ruth
 Kenneth Schims
 Richard Scholtz
 Phil Serka
 Jon Sitkin
 William Smith

Curtis Smith
 Ryan Smith
 Jon Soine
 Harriet Spanel
 Rob Sprague
 Ridley Starks

David Stephenson
 Pat Stevenson
 Kitty Stimpson
 Ethel Stockton
 Dan Sturtz
 Jay Taber

Chris Thomas
 Loch Trimmingham
 Jo Ann Tripp
 Allain Van Laanen
 Douglas Vavrick
 John Vidmore
 Joe Vincent
 Garey Vodopich
 Marjery Voigt
 Ruth Voigt
 Jane Wade
 Fred Wagner
 Scott Walker
 Marc Walker
 Doug Ward
 Sherilyn Wells
 Richard Wheeler
 John Wilbanks
 Suzetta Williams
 LeVoun Williams
 Sue Willis
 Marjori Willits
 Laura Witter
 Donald Wolf
 Bob Worley
 Cynthia Wright
 Cynthia Zaferatos
 Otto Zylstra



Allison Priebe
 Rebecca Reich
 Janice Reijnaert
 Adena Reser
 Skip Richards
 Leslie Richardson
 Beth Roberson
 Peter Roberts
 Sharon Robinson
 Chuck Robinson
 Carol Rondello
 Dotty Ross

VISIONS FOR BELLINGHAM STEERING COMMITTEE
 Tim Douglas, Mayor
 Louise Bjornson, City Council
 Joy Keenan, City Council
 David Edelstein, Planning Commission
 Mary Chaney, Planning Commission
 Nick Zaferatos, Board of Adjustment
 Patricia R. Decker, Director, Planning & Comm. Dev. Dept.

STAFF
 Joann R. Smith, Planning Manager
 Greg Aucutt, AICP, Senior Planner
 Susan Young, Administrative Assistant

PLANNING COMMISSION
 David Edelstein
 Mary Chaney
 Deborra Garrett
 Judith Wiseman
 Denis Cleary
 Kelli Linville
 Wayne Terry

OVERALL GRAPHICS & DESIGN CONSULTANTS:
 Kasprisin/Pettinari Design - Ron Kasprisin & Jim Pettinari
 Roderick C. Burton Graphic Design - Roderick C. Burton

CITY COUNCIL
 Don Gischer
 Foster Rose
 Louise Bjornson
 Arne Hanna
 Mark Asmundson
 Joy Keenan
 Tip Johnson

THE VISIONS PROCESS

January to April 1992

DELEGATE SELECTION AND VISION CONFERENCE DESIGN

The seven member Visions Steering Committee designed a five session conference process for about 200 delegates. A letter and survey were sent to all registered voters in the city (over 14,000) inviting people to participate. Surveys returned from 500 citizens identified their issues and city qualities they value. Following their commitment to attend the conference sessions, 225 delegates were selected (half at random) representing a cross section of the community.

April 28 to June 6, 1992

VISIONS DRAFTED DURING FIVE CONFERENCE SESSIONS

Consultant Ron Kasprisin, architect and urban designer, worked with staff and the Steering Committee to design the five conference sessions. The sessions were held at Sehome High School as follows:

SESSION 1 - THE REGIONAL AND HISTORICAL SETTING

Richard Vanderway (Whatcom Museum) presented a slide show and talk on Bellingham's history. Ron Kasprisin presented a slide show and talk on the city's physical setting in relation to the region and its unique physical features. Delegates received homework assignments. (2-1/2 hour evening session)

SESSION 2 - HOW DOES THE TOWN WORK

Small group discussions on homework assignments (likes/dislikes for city and one district). Results from earlier survey provided nine functional categories (housing, transportation, etc.). Priorities from small group discussions were voted on and recorded. (4 hour Saturday session)

SESSION 3 - GENERATING POSSIBLE FUTURES

A slide show illustrated possible approaches to growth management, infill housing, alternative transportation, downtown revitalization and waterfront development from other communities. Small group discussions focused on the nine categories and addressed the statement, "In the next 20 years, Bellingham should be a community that..." (2-1/2 hour evening session)

SESSION 4 - EVALUATING POSSIBLE FUTURES

Delegates were mailed a 74-page summary of all ideas from Session 3 and received at Session 4 draft goal statements drawn from that work. With the help of graphics to visualize possible futures, delegates reviewed and voted on draft goals and used small groups to identify what policy directions, themes or ideas were missing. (2-1/2 hour evening session)

SESSION 5 - AGREEING ON THE VISION

Delegates viewed additional slide/graphic material and reviewed revised goal statements. Small group discussions identified additional goals statements. Top priorities for additions were reported, voted on and results displayed. The conference closed with next steps outlined by Mayor Tim Douglas and Planning and Community Development Director Patricia Decker. (4 hour Saturday session)

July to December 1992

DRAFT PUBLICATION, REVIEW AND ADOPTION

Graphics and goal statements were combined into a 12-page newspaper insert and sent to all Bellingham Herald subscribers in September. Following two open houses, a joint public hearing was held on September 30 by the Planning Commission and City Council at the Best Western Lakeway Inn. Commissioners developed recommendations, incorporating changes from the oral and written public testimony. City Council members held an additional public hearing in November. Following their deliberations and incorporating changes from the Planning Commission and public testimony, the Council adopted the final version of the goal statements on December 14, 1992.

It is interesting to note that only six goal statements out of the original 54 from the conference were changed significantly and only seven new statements were added as a result of the Planning Commission and City Council review and adoption process.

RESOLUTION NO. 67-92

A RESOLUTION ADOPTING VISIONS FOR BELLINGHAM AS A FRAMEWORK FOR THE UPDATE TO
THE BELLINGHAM COMPREHENSIVE PLAN

WHEREAS, 225 citizens of the city met in five conference sessions during the spring and summer of 1992 to develop visions for Bellingham, and the goal statements contained in the Visions for Bellingham document reflect the express desires of these citizens for the future of Bellingham for the next twenty years; and,

WHEREAS, Visions for Bellingham is a preliminary step to the comprehensive plan update process, that the goals stated in the document will serve as a framework for amendments to the comprehensive plan and development regulations, and it is anticipated that the Vision statement will become an element of the revised comprehensive plan, subject to further review and possible amendment pursuant to the State Environmental Policy Act; and,

WHEREAS, a public hearing was held before the City Council and the Planning Commission on September 30, 1992, and continued before the Planning Commission on October 15, 1992, and the Planning Commission has reviewed the goals contained in Visions for Bellingham and made its recommendation to the Council that the document be adopted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLINGHAM that the Visions For Bellingham document, a copy of which is attached hereto as Exhibit A, is hereby adopted to be used as a framework for the comprehensive plan update process.

PASSED BY COUNCIL THIS 14 DAY OF DECEMBER, 1992

James B. Gordon
Council President

APPROVED BY ME THIS 28th DAY OF DECEMBER, 1992

Jim Douglas
Mayor

ATTEST *James Carpenter*
Finance Director

APPROVED AS TO FORM
James Carpenter
Office of the City Attorney

City of Bellingham
CITY ATTORNEY
210 Lottie Street
Bellingham, Washington 98225
Telephone (206) 676-6903

- APPENDIX E -
PROJECTS RECOMMENDED FOR ONGOING LEVY FUNDING IN 2006

PROJECTS -	Total	Possible Funding	Gap	PFD	G.O. Bond	Rev. Bonds	C'manic	Levy	LID	Grants	Private

The current Beyond Greenways Levy is retired at the end of 2006. The item levies a \$.57 per thousand of assessed valuation assessment that generates \$2,368,000 annually. This levy would be presented to the voters for a further 10 year period in 2006. These proceeds would be used annually to fund the acquisition of additional park land, develop these properties and maintain existing facilities.

- Projects to be addressed could include:
- Northridge Development
 - Civic Field Events Building
 - Civic Field Landscaping
 - Waterfront Access
 - Athletic Field Complex

- APPENDIX D -
HIGH PRIORITY MAINTENANCE/UPGRADE PROJECTS RECOMMENDED FOR LEVY FUNDING IN 2004

PROJECTS -		Total	Possible Funding	Gap	PFD	G.O.Bond	Rev. Bonds	C'manic	Levy	LID	Grants	Private
A. Earthquake Protection (Museum, City Hall)		\$ 4,750,000		\$ 4,750,000					YES			
B. Museum HVAC/Fire Suppression		\$ 2,200,000		\$ 2,200,000					YES			
C. Civic Field Upgrades (incl. Urgent items from Parks)		\$ 2,352,140		\$ 2,352,140					YES		YES	
D. Parks Upgrades*(incl. PA1, PA9 & PA13)		\$ 2,225,000		\$ 2,225,000					YES		YES	
Total		\$ 11,527,140		\$ 11,527,140								
Levy Needed				\$ 11,527,140								

PW1	City Hall Basement Repair		4,000,000		4,000,000	No	Yes	No	YES	Yes	Yes	No	No
PA4	Civic Field - Phase I		4,800,000		4,800,000	No	Yes	No	Yes	YES	No	YES	YES
PA1	Capital Maintenance		1,417,000		1,417,000	No	Yes	No	Yes	YES	No	YES	YES
MU3	HVAC s Main and Syre & fire suppression system		2,190,000		2,190,000	No	Yes	No	Yes	Yes	No	YES	YES
MU2	Exterior Repairs & Seismic Upgrades		2,721,430		2,721,430	No	Yes	No	Yes	Yes	No	YES	YES
PA9	Neighborhood Park Renovations		500,000		500,000	No	Yes	No	Yes	YES	No	YES	Yes
PA13	Cemetery Development and Renovations		245,000		245,000	No	Yes	No	YES	Yes	No	No	Yes

- APPENDIX C -
HIGH PRIORITY PROJECTS RECOMMENDED FOR G.O. BOND FUNDING IN 2002

PROJECTS -			Total	Possible Funding	Gap	PFD	G.O. Bond	Rev. Bonds	C'manic	Levy	LID	Grants	Private
Housing/Public Space													
Streetscape/Public Space (Railroad Avenue)			\$ 1,500,000		\$ 1,500,000		YES					YES	
Public Market Improvements			\$ 1,500,000		\$ 1,500,000		YES					YES	
Parking - 300 car garage (mixed use)			\$ 4,500,000	\$ 4,500,000				YES			YES		
(This project would be a part of an intergrated multi-modal transportation plan)			Total \$ 7,500,000	\$ 4,500,000	\$ 3,000,000								
Bond Needed					\$ 3,000,000								
EX6	Heart of the City - Housing/Mkt./Public Space		2,600,000	500,000	2,100,000	No	YES	YES	YES	YES	YES	YES	YES
EX4/7	Heart of the City - Connections (Wayfinding))		2,850,000	-	2,850,000	No	YES	YES	Yes	Yes	Yes	YES	Yes
Cultural District Improvements													
Cultural District Streetscape/Public Space			\$ 2,000,000		\$ 2,000,000		YES					YES	
New Library			\$ 16,000,000		\$ 16,000,000		YES					YES	
Museum Improvements			\$ 4,000,000		\$ 4,000,000								
Theater Master Plan			\$ 10,000,000	\$ 8,500,000	\$ 1,500,000	YES						YES	YES
(Mt. Baker Theater upgrades, new small theater)													
Parking - 500 car garage (mixed use)			\$ 7,500,000	\$ 7,500,000		YES		YES					
(This project would be a part of an intergrated multi-modal transportation plan)			Total \$ 39,500,000	\$ 16,000,000	\$ 23,500,000								
Bond Needed					\$ 23,500,000								
UNC2	Cultural Arts (not part of Heart of the City)		10,000,000	8,000,000	2,000,000	YES	YES			Yes	No	YES	YES
MU1	Museum Expansion		3,300,000	-	3,300,000	?	Yes	No	Yes	Yes	No	Yes	Yes
LI1	New Public Library		15,920,000	-	15,920,000	No	Yes	No	Yes	Yes	No	Yes	Yes
EX2/3/8	Heart of the City - Cultural (upper Central)		11,000,000	7,000,000	4,000,000	Yes	Yes	YES	No	Yes	Yes	Yes	Yes
Waterfront Enhancements													
Waterfront Acquisition and Development			\$ 6,500,000		\$ 6,500,000		YES					YES	YES
(Primarily Blvd. Park to Little Squalicum)													
(Taylor 2mm/other 4.5mm)			Total \$ 6,500,000		\$ 6,500,000								
Bond Needed					\$ 6,500,000								
EX9	Waterfront Restoration Fund		5,000,000		5,000,000	No	YES	No	Yes	yes	No	YES	Yes
EX1	Redevelop Old Town Special Projects Area		6,000,000		6,000,000	No	Yes	No	Yes	YES	Yes	YES	YES
PA3	Taylor Dock Renovation		3,000,000	1,000,000	2,000,000	No	YES	No	yes	yes	No	YES	YES
Total			\$ 53,500,000	\$ 20,500,000									
G.O. Bond Required					\$ 33,000,000								
Financial & HR Systems (Council to fund now Councilmanic bonds)					\$ 1,500,000				YES				
F11	Financial & HR Systems				1,500,000	No	Yes	No	YES	Yes	No	Yes	Yes

- APPENDIX C -
HIGH PRIORITY PROJECTS RECOMMENDED FOR G.O. BOND FUNDING IN 2002

Appendix B

Municipal Funding Options and Background

Limited Tax General

Obligation Bonds (LTGO)

The City Council approves a bond that is paid out of existing general revenues. Referred to as "Councilmanic" bonds.

Unlimited Tax General

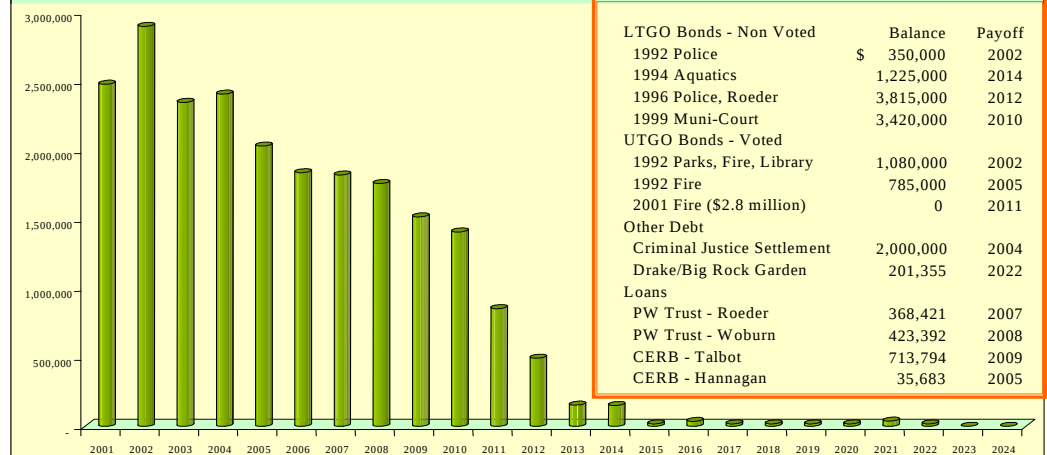
Obligation Bonds (UTGO)

The voters authorize an increase in taxes to repay the bond. This issue may authorize the city to exceed levy limits on taxation (excess levy.)

Revenue Bonds

The City Council approves bonds to be paid from revenues (not taxes) of a specific enterprise. Customers of these activities pay a fee for services (i.e. utilities, golf course, parking).

City of Bellingham - General Governmental Debt Annual Cost of Principal & Interest Payments As of December 31, 2000



Local Improvement District Bonds – Special assessments are levied on property owners benefiting from the improvement being financed. LID's finance streets, sewers, water and other capital projects.

Debt Capacity in 2001

Type of Bonding Debt

Outstanding – less Legal Capacity Cash in Reserve Available

Without a Vote	\$10.2 million	\$ 52.9 million
With a Vote–includes new \$2.8 m. issue	\$ 3.9 million	\$101.4 million
Total General	\$14.1 million	\$ 91.2 million
Total Debt Capacity		\$301.7 million

Practical Debt Capacity –The bond market's perception of the City's ability to repay bonds sets a limit on the ability to market bonds.

Legal Debt Limitations – State statutes limit non-voted indebtedness to 1.5% of the value of taxable property. The indebtedness limit for voted and non-voted combined is 2.5% of taxable property. The City is also authorized to incur general obligation indebtedness (with voter approval) for open space/park facilities and capital projects associated with economic development. Total debt for all purposes cannot exceed 7.5% of the City's assessed valuation of approximately \$4.2 billion.

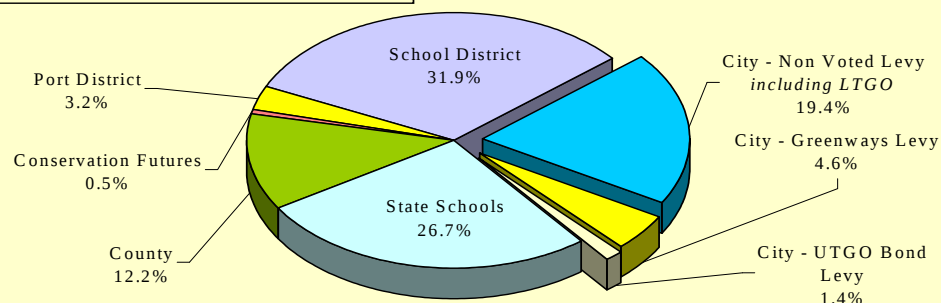
Municipal Bonds are rated by Moody's and Standard & Poors. The City's most recent UTGO rating was an increase from A1 to Aa3. Aa bonds are judged to be of high quality by all standards. Together with the Aaa group they comprise what are known as high-grade bonds. Bonds rated A possess many favorable investment attributes and are considered upper-medium-grade obligations. The City's rating of Aa3 reflects the highest municipal rating in Whatcom or Skagit Counties.

Cost to the City of Borrowing \$1,000,000 for 10, 15 or 20 Years, with Levy Rate and Yearly Property Tax on a \$150,000 Home

Est. Interest Rate	Annual Cost	10 Years Rate	Annual Tax	Annual Cost	15 Years Rate	Annual Tax	Annual Cost	20 Years Rate	Annual Tax
4%	\$ 126,200	0.03155	\$4.73	\$ 90,400	0.02260	\$3.39	\$ 72,650	0.01816	\$2.72
5%	132,750	0.03319	4.98	96,333	0.02408	3.61	78,312	0.01958	2.94
6%	139,300	0.03483	5.22	102,266	0.02557	3.84	83,975	0.02099	3.15
7%	145,850	0.03646	5.47	108,200	0.02705	4.06	89,637	0.02241	3.36

Citywide Property Tax 2001

Total Tax on \$150,000 Home - \$1,842
City of Bellingham Portion - \$470



Property Tax – Levied by all local taxing districts: counties, cities, schools and a variety of special purpose districts. The statutory levy limit for cities is \$3.60 per \$1,000 of assessed valuation. Our current regular levy rate is \$2.96 and the total levy rate is \$3.13. This represents 25.5% of the total tax assessed to City residents.

Report of the Bellingham-Whatcom Public Facilities District **Fourth Quarter, 2002**

Introduction

The Bellingham City Council and Whatcom County Council, pursuant to state law, approved the formation of the Public Facilities District (PFD) in July 2002. A PFD is a separate municipal corporation that has authority to undertake the design, construction, operation, promotion and financing of a Regional Center in the city. The Public Facilities District board consists of seven members approved by the City and County Councils. Board members are: Jerry Chambers, Dunham Gooding, Robin Halliday, Charles Self, Phil Sharpe, Manca Valum, and David Warren.

The Regional Center

At its board meeting on December 18, 2002, the Public Facilities District approved the concept of a regional center project to include, but not be limited to, any or all of the following elements:

- The partial renovation of the Mount Baker Theatre;
- The acquisition of land adjacent to the Mount Baker Theatre to allow for the Theatre's expansion;
- The purchase of several properties in the City Center area for future regional center construction;
- The partial renovation of the Whatcom Museum, including, by way of example, seismic renovation;
- The future conversion of the existing Bellingham Library building for Museum uses, such as for the Children's Museum and exhibit space; provided, that the Bellingham Library vacates the building; and
- The land acquisition and development of related parking facilities.

Significant Activities Since September 2002

- September 24, 2002 – The PFD Board approved its Bylaws and Charter.
- November 2002 – The PFD received its first monthly distribution of state sales tax.
- December 2002 – The PFD Board approved the concept of the regional center.

Property Acquisition

- December 31, 2002 – The PFD closed on the purchase of real estate at Unit 5 of the Mount Baker Theatre building. The purchase price was \$365,000. The property will be used as additional space for the Mount Baker Theatre.

Financial Report – attached

Report of the Bellingham-Whatcom Public Facilities District

May 2003

Introduction

The Bellingham City Council and Whatcom County Council, pursuant to state law, approved the formation of the Public Facilities District (PFD) in July 2002. A PFD is a separate municipal corporation that has authority to undertake the design, construction, operation, promotion and financing of a Regional Center in the city. The Public Facilities District board consists of seven members approved by the City and County Councils. Board members are: Jerry Chambers, Dunham Gooding, Robin Halliday, Charles Self, Phil Sharpe, Manca Valum, and David Warren.

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- The partial renovation of the Whatcom Museum, including, by way of example, seismic renovation;
- The future conversion of the existing Bellingham Library building for Museum uses, such as for the Children's Museum and exhibit space; provided, that the Bellingham Library vacates the building; and
- The land acquisition and development of related parking facilities.

Significant Activities Since January 2003

- April 2003 – The PFD hired LMN Architects of Seattle to provide a scope of work and initial cost estimates for renovation of the Mount Baker Theatre
- April 2003 – The PFD Board approved the Interlocal Operating Agreement between the City of Bellingham and the Bellingham-Whatcom Public Facilities District.
- May 2003 – The PFD hired The Alford Group to conduct a fundraising feasibility study.

Property Acquisition

- March 26, 2003 – The PFD entered into purchase and sale agreements for the purchase of Units 4 and 8 of the Mount Baker Theatre building. The purchase price for Unit 4 is \$340,000 and Unit 8 is \$90,000. Closing is due to take place on or before August 1, 2003. The property will be used as additional space for the Mount Baker Theatre.

Financial Report – attached

Bellingham-Whatcom Public Facilities District

Definition of Regional Center

At its November and December 2003 meetings, the PFD Board reaffirmed the concept of using its funding authority to support a regional center project located in the downtown civic center area, to include, but not be limited to, any or all of the following elements:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Significant Activities Since July 2002

- July 2002 – The City of Bellingham and Whatcom County jointly formed the Bellingham-Whatcom Public Facilities District and appointed a board.
- September 24, 2002 – The PFD Board approved its Bylaws and Charter.
- November 2002 – The PFD received its first monthly distribution of state sales tax.
- December 2002 – The PFD Board approved the concept of the regional center.
- April 2003 – The PFD hired LMN Architects of Seattle to provide a scope of work and initial cost estimates for renovation of the Mount Baker Theatre.
- April 2003 – The PFD Board approved the Interlocal Operating Agreement between the City of Bellingham and the Bellingham-Whatcom Public Facilities District.
- May 2003 – The PFD hired The Alford Group to conduct a fundraising feasibility study.
- May 2003 – The PFD entered into an interlocal operating agreement with the City of Bellingham specifying that the Regional Center would be located in the downtown civic center.
- July 2003 – The PFD hired LMN Architects to provide professional consulting services from schematic design through construction of Phase I of the Mount Baker Theatre renovations. Phase I of the project includes a multi-purpose room, dressing rooms and other stage support spaces. LMN also provided schematic design services for Phase II (mechanical and electrical upgrades) and Phase III (stage house expansion).
- July 2003 – Whatcom Environmental Services, Inc. completed an asbestos and lead paint inspection of the area of the Mount Baker Theatre that is to be remodeled.

- November 2003 – Contract for construction of Phase I of Mount Baker Theatre renovation awarded to Ebenal General. Bid was 20% below architects' low estimate.
- November 2003 – Results of The Alford Group's Fundraising Feasibility Study presented to the PFD Study Committee and Board.
- November 2003 – PFD Board passes a resolution describing the components of the Regional Center.
- December 8, 2003 – Construction begins on Phase I of Mount Baker Theatre renovations.
- December 10, 2003 – Official "wallbreaking" ceremony for Phase I construction at Mount Baker Theatre.
- January 16, 2004 – PFD Board extends The Alford Group contract to explore developing a private fundraising effort.

Property Acquisition

- December 31, 2002 – The PFD closed on the purchase of real estate at Unit 5 of the Mount Baker Theatre building. The purchase price was \$365,000. The property will be used as additional space for the Mount Baker
- March 26, 2003 – The PFD entered into purchase and sale agreements for the purchase of Units 4 and 8 of the Mount Baker Theatre building. The purchase price for Unit 4 is \$340,000 and Unit 8 is \$90,000. The property will be used as additional space for the Mount Baker Theatre.
- July 10, 2003 – The PFD purchased the Green Touch Massage property, which is Unit 8 of the Mount Baker Theatre building.
- August 12, 2003 – The PFD purchased the parking lot at the northwest corner of Unity and Flora Streets, for \$144,000.
- September 2003 – The PFD purchased the Donette Studio property, which is Unit 4 of the Mount Baker Theatre building.
- November 2003 – Exchange of parking lots with First Baptist Church, so the PFD would own the parking lot just north of the Mount Baker Theatre.

Bellingham-Whatcom Public Facilities District

First Quarter 2004

Definition of Regional Center

At its November and December 2003 meetings, the PFD Board reaffirmed the concept of using its funding authority to support a regional center project located in the downtown civic center area, to include, but not be limited to, any or all of the following elements:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Significant Activities Since January 2004

- January – March 2004 – Ongoing renovation of newly acquired Mount Baker Theatre properties, along with related Theatre improvements. Substantial completion of the project is scheduled for early August 2004.
- January 16, 2004 – PFD Board extends The Alford Group contract to explore developing a private fundraising effort.
- February 25, 2004 – PFD Board approves a motion to move forward with the design of a new art and children's museum building.
- March 24, 2004 – PFD Board approves a two-stage design competition for the design of the proposed teaching gallery and children's museum, including the hiring of a design competition advisor.

Property Acquisition

- December 31, 2002 – The PFD closed on the purchase of Northwest Keyboards and Piper Music, Unit 5 of the Mount Baker Theatre building, for \$365,000.
- July 10, 2003 – The PFD purchased the Green Touch Massage property, which is Unit 8 of the Mount Baker Theatre building, for \$90,000.
- August 12, 2003 – The PFD purchased the parking lot at the northwest corner of Unity and Flora Streets, for \$144,000.
- September 2003 – The PFD purchased the Donette Studio property, which is Unit 4 of the Mount Baker Theatre building, for \$340,000.
- November 2003 – Exchange of parking lots with First Baptist Church, so the PFD would own the parking lot just north of the Mount Baker Theatre.

Bellingham-Whatcom Public Facilities District

Second Quarter 2004

Definition of Regional Center

At its November and December 2003 meetings, the PFD Board reaffirmed the concept of using its funding authority to support a regional center project located in the downtown civic center area, to include, but not be limited to, any or all of the following elements:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Significant Activities Since January 2004

- January – March 2004 – Ongoing renovation of newly acquired Mount Baker Theatre properties, along with related Theatre improvements. Substantial completion of the project is scheduled for early August 2004.
- January 16, 2004 – PFD Board extends The Alford Group contract to explore developing a private fundraising effort.
- February 25, 2004 – PFD Board approves a motion to move forward with the design of a new art and children's museum building.
- March 24, 2004 – PFD Board approves a two-stage design competition for the design of the proposed teaching gallery and children's museum, including the hiring of a design competition advisor.
- June 14, 2004 – PFD Board approves hiring a design competition advisor for the proposed art gallery and children's museum.

Property Acquisition

- December 31, 2002 – The PFD closed on the purchase of Northwest Keyboards and Piper Music, Unit 5 of the Mount Baker Theatre building, for \$365,000.
- July 10, 2003 – The PFD purchased the Green Touch Massage property, which is Unit 8 of the Mount Baker Theatre building, for \$90,000.
- August 12, 2003 – The PFD purchased the parking lot at the northwest corner of Unity and Flora Streets, for \$144,000.
- September 2003 – The PFD purchased the Donette Studio property, which is Unit 4 of the Mount Baker Theatre building, for \$340,000.
- November 2003 – Exchange of parking lots with First Baptist Church, so the PFD would own the parking lot just north of the Mount Baker Theatre.
- July 13, 2004 – The PFD purchased real property at 216 Grand Avenue, Bellingham, as the future site of the proposed art gallery and children's museum.

Third Quarter Report, 2004

The Bellingham-Whatcom Public Facilities District (PFD) was created in 2002 as a joint effort between the City of Bellingham and Whatcom County. The PFD's mission is to fund a Regional Center located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Progress on Regional Center Components since July 2004

Mount Baker Theatre Renovations

On September 10, 2004, the PFD and the Mount Baker Theatre welcomed the public to a grand opening and tour of new facilities. The PFD completed Phase One of an anticipated three-phase process. Phase One work involved expanding into former commercial storefronts, building a new studio theatre, expanding and improving backstage support areas and reconstructing the façade to resemble the original building. The new 3,000 square foot Studio Theatre includes state-of-the-art sound and lighting systems, and accommodates up to 190 people. It will be used for small-scale musical and theater productions, seminars and other events.

Children Museum and Art Museum Design Competition

On July 13, 2004, the PFD purchased real property at 216 Grand Avenue, Bellingham, as the future site of the proposed children's museum and art museum. As part of the Museum Design Competition, a public workshop was held on September 22, 2004. The meeting provided time for the public to offer comments on program needs, image, design elements, and space needs for a new Children's Museum and Art Museum.

After reviewing submittals from forty national and international firms, three teams were chosen as finalists. The PFD announced the three finalists on October 7, 2004 as:

- 1) Olson Sundberg Kundig Allen Architects and Charles Anderson Landscape Architecture;
- 2) Arthur Erickson and Nick Milkovich Architects, Inc.; and
- 3) Cambridge Seven Associates, Inc. and Donnally Architects.

Submissions will be exhibited for public view at the Whatcom Museum from January 12-28, 2005. On January 29, each team will present their concept and design to the Competition Jury and the public can also attend the presentations. A design process with local elementary schools will be going on concurrently and their ideas for the Children's Museum will also be on display.

Bond Sale

A bond sale for PFD Regional Center projects occurred on October 25, 2004. The net bond proceeds after payment of bond costs for the PFD Project Fund are \$9,504,057, which the PFD received on November 9. The PFD will use about \$6.5 million of the bond proceeds to reimburse itself for capital costs to date including repayment to the City for interfund loans, leaving a balance of about \$3 million for future capital projects. All bond proceeds must be spent on eligible projects within three years.

Report covering activities from October 2004 through March 2005

The Bellingham-Whatcom Public Facilities District (BWPFD) was created in 2002 as a joint effort between the City of Bellingham and Whatcom County. The BWPFD's mission is to fund a Regional Center and Cultural District located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The initial component of the Regional Center project, Phase I renovations to the Mount Baker Theatre, is complete. In addition, the Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Progress on Regional Center Components since October 2004

Art & Children's Museum

On July 13, 2004, the BWPFD purchased real property at 216 Grand Avenue, Bellingham, as the future site of the proposed art museum and children's museum. Since the beginning of last quarter, a national design competition has been conducted. The jury recommended selection of Olson Sundberg Kundig Allen Architects. (Please see the attached History of Museum Design Competition). Since then, the PFD has:

- Worked with Olson Sundberg Kundig Allen Architects for Architectural Program refinement, including community involvement through an appointed Program Committee; and
- Engaged in contract negotiations for architectural services for design and construction.

Communications and Media Relations

The BWPFD is committed to improving communication with its stakeholders and the public. The Communications Committee for the BWPFD met several times last year and this year. Its recommendations to the BWPFD board have resulted in new initiatives approved by board members:

- The BWPFD website is in the process of being moved from the City of Bellingham-supported website to a privately hosted site. A contract for private hosting and maintenance is in place; and

- Production of a 10-minute video for expanded marketing and community information is authorized with completion expected later this year.

Fundraising and Grants

BWPFD revenues for the Regional Center come primarily from state sales tax rebates, estimated at \$17 million over 25 years. Plans for the Regional Center identify a funding gap of \$8 to \$10 million. Revenues from local, state and federal grants and donations are being pursued. The combined efforts of a local fundraising group and other Regional Center stakeholders are underway. Progress includes:

- An appropriation of \$200,000 in the 2005-2007 State Capital Budget for improvements to the Mount Baker Theatre;
- Local fundraisers have organized, conducted initial phases of their campaign, and are funding administrative and consultant support;
- Private fundraisers have taken the Regional Center concept to a more inclusive Arts and Cultural District concept and funded architectural services to illustrate and communicate the concept.

Mount Baker Theatre/City of Bellingham/Bellingham-Whatcom Public Facilities District Agreements

Three new agreements were needed to acknowledge the changed relationships between the City of Bellingham (COB), Bellingham-Whatcom Public Facilities District (BWPFD) and Mount Baker Theatre (MBT). Agreements were developed, presented and approved by the three parties to address:

1. Designation of the Regional Center, including the Mount Baker Theatre;
2. Anticipated revenues of \$17 million; and
3. Required local match of 33% or \$5.7 million to recognize and address:
 - Issuance of tax-exempt bonds by COB to pay back loaned funds, fund ongoing work; and
 - Formalizing roles to clarify fiscal and legal relationships and responsibilities related to theatre operation and maintenance.

Capital Project Financing

In addition to the \$200,000 State grant noted above, the BWPFD worked with legal and financial representatives and advisors to issue \$9 million in bonds in September 2004. These funds will reimburse the City of Bellingham for initial funding of capital projects, including property acquisition and Phase I renovations to the Mount Baker Theatre through interfund loans of \$6.5 million.

Parking Management

The BWPFD acquired the parking located at 104 N. Commercial Street in November 2003 and the parking lot at 216 Grand Avenue in July 2004. In order to minimize liability and assume professional operation and management of the parking lots, the BWPFD approved contracts with Diamond Parking in February 2005.

Progress Summary

In summary, significant progress and results over the last quarter of 2004 and the first quarter of 2005 include:

- A \$9 million bond issue for Regional Center capital projects;
- A successful national design competition resulting in a preliminary design for the Art & Children's Museum;
- The City of Bellingham providing part of the 33% required match to the PFD by agreeing to transfer to the BWPFD its ownership interest in the Mount Baker Theatre; and
- Professional management of the two BWPFD-owned parking lots.

Report covering activities from April through September 2005
Released December 7, 2005

The Bellingham-Whatcom Public Facilities District (BWPFDD) was created in 2002 as a joint effort between the City of Bellingham and Whatcom County. The BWPFDD's mission is to fund a Regional Center and Cultural District located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The initial component of the Regional Center project, Phase I renovations to the Mount Baker Theatre, is complete. In addition, the Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

Progress on Regional Center Components since March 2005

Art & Children's Museum

On July 13, 2004, the BWPFDD purchased real property at 216 Grand Avenue, Bellingham, as the future site of the proposed art museum and children's museum. A national design competition was conducted during the fall of 2004 and early 2005. The jury recommended selection of Olson Sundberg Kundig Allen Architects. Since then, the BWPFDD has:

- Worked with Olson Sundberg Kundig Allen Architects (OSKA) to complete the Architectural Program phase, including community involvement through an appointed Program Committee;
- Completed contract negotiations with the City of Bellingham and OSKA for architectural services for design and construction; and
- Appointed a Building Committee to work through the Schematic Design phase.

Communications and Media Relations

The BWPFDD is committed to improving communication with its stakeholders and the public. The Communications Committee's recommendations to the BWPFDD board have resulted in new initiatives approved by board members:

- The BWPFDD website has moved from the City of Bellingham-supported website to a privately hosted site. A contract for private hosting and maintenance is in place; and

- Production of a 10-minute video for expanded marketing and community information is authorized with completion expected later this year.

Fundraising and Grants

BWPFD revenues for the Regional Center come primarily from state sales tax rebates, estimated at \$17 million over 25 years. Plans for the Regional Center identify a funding gap of \$8 to \$10 million. Revenues from local, state and federal grants and donations are being pursued. The combined efforts of a local fundraising group and other Regional Center stakeholders are underway. Progress includes:

- An appropriation of \$200,000 in the 2005-2007 State Capital Budget for improvements to the Mount Baker Theatre;
- Local fundraisers have organized, conducted initial phases of their campaign, and raised \$600,000 to support administrative and consultant services during the fundraising campaign;
- Private fundraisers have taken the Regional Center concept to a more inclusive Arts and Cultural District concept and funded architectural services to illustrate and communicate the concept; and
- At its board meeting on May 25, 2005, the Bellingham-Whatcom Public Facilities District challenged the private fundraising group to raise \$3 million in endowment funds by February 28, 2006. These endowment funds will be used to operate the Mount Baker Theatre and the Museums.

Mount Baker Theatre/City of Bellingham/Bellingham-Whatcom Public Facilities District Agreements

Three new agreements were needed to acknowledge the changed relationships between the City of Bellingham (COB), Bellingham-Whatcom Public Facilities District (BWPFD) and Mount Baker Theatre (MBT). Agreements were finalized as of August 1, 2005 by the three parties to address:

1. Designation of the Regional Center, including the Mount Baker Theatre;
2. Anticipated revenues of \$17 million; and
3. Required local match of 33% or \$5.7 million to recognize and address:
 - Issuance of tax-exempt bonds by COB to pay back loaned funds, fund ongoing work; and
 - Formalizing roles to clarify fiscal and legal relationships and responsibilities related to theatre operation and maintenance.

Capital Project Financing

In addition to the \$200,000 State grant noted above, the BWPFD worked with legal and financial representatives and advisors to issue \$9 million in bonds in September 2004. These funds will reimburse the City of Bellingham for initial funding of capital projects, including property acquisition and Phase I renovations to the Mount Baker Theatre through interfund loans of \$6.5 million.

Parking Management

The BWPFD acquired the parking located at 104 N. Commercial Street in November 2003 and the parking lot at 216 Grand Avenue in July 2004. In order to minimize

liability and assume professional operation and management of the parking lots, the BWPFD approved contracts with Diamond Parking in February 2005.

Other News

The annual election of BWPFD officers and hiring of new special counsel to the BWPFD took place in August 2005.

Progress Summary

In summary, significant progress and results over the second and third quarters of 2005 include:

- Completion of the Architectural Program Phase of the Art & Children's Museum capital project;
- Initiation of the Schematic Design Phase of the Art & Children's Museum capital project;
- Finalizing the contract between the City of Bellingham and Olson Sundberg Kundig Allen Architects for architectural design services for the Art & Children's Museum, including a basement; and
- The creation and development of a new website for the Bellingham-Whatcom Public Facilities District.

BELLINGHAM-WHATCOM PUBLIC FACILITIES DISTRICT REPORT (BWPFDD)
COVERING ACTIVITIES FROM OCTOBER THROUGH DECEMBER 2005

Progress on Regional Center Components since September 2005

Art & Children's Museum

Since September 2005, the BWPFDD has:

- Worked with Olson Sundberg Kundig Allen Architects (OSKA) and completed the Schematic Design phase, including input from representatives on the Art & Children's Museum Building Committee; and
- Continued work by the Core Team in the Design Development phase.

Mount Baker Theatre

In December, BWPFDD and City staff began working with the State to prepare for the use of a State grant in the amount of \$197,000 to conduct lighting improvements to the auditorium and lobby of the Mount Baker Theatre. This work is expected to take place in the summer of 2006.

Phase Two renovations are planned for design in 2007 and construction in 2008.

Streetscape

The City's capital budget includes funds for streetscape design in 2006 and construction in 2007.

Fundraising and Grants

BWPFDD revenues for the Regional Center come primarily from state sales tax rebates, currently estimated at \$17 million over 25 years. Plans for the Regional Center identify an additional \$8 to \$10 million to be raised through fund-raising efforts and revenues from local, state and federal grants.

Since September 2005, the private fundraising group has organized events and met with potential donors in order to meet a \$3 million benchmark established by the BWPFDD. The deadline for raising this amount is February 28, 2006. These funds will be used primarily as endowment funds to operate the Mount Baker Theatre and Museum.

Communications and Media Relations

The BWPFDD is committed to improving communication with its stakeholders and the public. During the fourth quarter of 2005, recommendations of the Communications Committee resulted in:

A video of the Art & Children's Museum Building Committee meeting of November 15, 2005, recording the presentation of updated images and floor plans of the Art & Children's Museum. This video has been broadcast several times on the City of Bellingham's television channel BTV10; and

The installation on the outside of the building at 216 Grand Avenue of informational and marketing signs about the new Art & Children's Museum and its connection to the Whatcom Museum of History & Art.

Parking Management

The BWPFD continues to contract with Diamond Parking for professional operation and management of the parking lots located at 104 N. Commercial Street and at 216 Grand Avenue.

Other News

Representatives from each of the public facilities districts in Washington attended the first state-wide Public Facilities District Conference in Lynnwood on October 24 and 25, 2005. Representatives of the BWPFD and City of Bellingham attended the conference and made a presentation on the Regional Center concept. Public facilities districts across the state recently developed a report to the legislature, thanking legislators for creating the enabling legislation for public facilities districts. Attached is the BWPFD's portion of that report, Major Capital Components of the Regional Center.

Progress Summary

In summary, significant progress and results over the fourth quarter of 2005 include:

- Completion of the Schematic Design Phase of the Art & Children's Museum capital project; and
- Plans for use of a state grant in 2006 for lighting improvements at the Mount Baker Theatre.

Background

The Bellingham-Whatcom Public Facilities District (BWPFD) was created in 2002 as a joint effort between the City of Bellingham and Whatcom County. The BWPFD's mission is to fund a Regional Center and Cultural District located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The initial component of the Regional Center project, Phase I renovations to the Mount Baker Theatre, is complete. In addition, the Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

BELLINGHAM-WHATCOM PUBLIC FACILITIES DISTRICT (BWPF) REPORT
COVERING ACTIVITIES FROM JANUARY THROUGH MARCH 2006

Progress on Regional Center Components since December 2005

Art & Children's Museum

Since December 2005, the BWPF has:

- Worked with Olson Sundberg Kundig Allen Architects (OSKA) and completed the Design Development phase;
- Approved adding the amount of \$107,674 to OSKA'S architectural contract for Leadership in Energy and Environmental Design (LEED) related items and design fees, including a 10.5% energy performance improvement, a 14.5% energy improvement, a mechanical system efficiency/LCC upgrade, a rainwater harvesting system, LEED certification coordination and local LEED consultation;
- Approved design fees in the amount of \$6,650 for three "add alternate" items to be included in the bid process. The three items are: a daylight monitor and control system, specialty lighting for the Light Catcher, and the addition of a knotty fir ceiling in the exhibition spaces; and
- Approved the commencement of the Construction Drawings phase of the Art & Children's Museum subject to a signed agreement being in place between the Museum and the Whatcom Community Foundation.

Mount Baker Theatre

Since December 2005, the BWPF has:

- Directed staff to work with the City and the Washington State Department of Community, Trade and Economic Development on a grant contract to pay for Mount Baker Theatre lighting improvements including electrical engineering and lighting design services, development of bid ready documents, bidding process assistance, construction and construction administration and management. The grant from the State is for \$197,000 and work is expected to take place in the summer of 2006; and
- Directed staff to proceed with the Request for Qualifications process for the Design Development phase of Phase Two Mount Baker Theatre renovations. This action may change the previous schedule of design in 2007 and construction in 2008.

Streetscape

The City's capital budget includes funds for streetscape design in 2006 and construction in 2007. BWPF board members, BWPF staff, and stakeholders have been working with City staff on the RFQ process for streetscape design and in April will be selecting a design team for the project.

Fundraising and Grants

BWPFD revenues for the Regional Center come primarily from state sales tax rebates, currently estimated at \$20 million over 25 years. Plans for the Regional Center identify an additional \$8 to \$10 million to be raised through fund-raising efforts and revenues from local, state and federal grants.

Campaign for the Arts (CFA) is a private fundraising group working on raising \$8.6 million, including endowment funds of \$3 million each for the Mount Baker Theatre and the Whatcom Museum of History and Art, an additional \$2 million for capital needs related to the two cultural facilities and a minimum of \$600,000 to cover fundraising costs and provide additional funding for other district improvements. The CFA reported to the BWPFD board that it met a fundraising benchmark established by the BWPFD, raising \$3 million by February 28, 2006.

Communications and Media Relations

The BWPFD is committed to improving communication with its stakeholders and the public. This quarter, presentations about BWPFD and its projects have been made to the Mt. Baker Chapter of the Project Management Institute and Whatcom North Rotary.

Parking Management

The BWPFD continues to contract with Diamond Parking for professional operation and management of the parking lots located at 104 N. Commercial Street and at 216 Grand Avenue.

Other News

At its March meeting, the BWPFD heard from Carol Oberton, Community Art Studio Coordinator, about a request to use the BWPFD-owned facility at 216 Grand Avenue from April 3 through May 13, 2006 in conjunction with the annual City-sponsored Procession of the Species Parade. The Community Art Studio, run by volunteers, will be open for six weeks prior to the parade, as a location for making costumes. A teacher at Squalicum High School received a grant for 150 students to participate in the Community Art Studio and to mentor younger children. Given that this use is consistent with the BWPFD's mission and considering the benefit to the community, the BWPFD approved the request.

Progress Summary

In summary, significant progress and results over the fourth quarter of 2005 include:

- Completion of the Design Development Phase of the Art & Children's Museum capital project;
- Inclusion of LEED items and LEED certification in the contract for the Art & Children's Museum;
- Commencement of the RFQ process for the Design Development phase of Phase II Mount Baker Theatre renovations; and
- Commencement of the RFQ process for the streetscape project.

Background

The Bellingham-Whatcom Public Facilities District (BWPFDD) was created in 2002 as a joint effort between the City of Bellingham and Whatcom County. The BWPFDD's mission is to fund a Regional Center and Cultural District located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The initial component of the Regional Center project, Phase I renovations to the Mount Baker Theatre, is complete. In addition, the Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;
- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.

BELLINGHAM-WHATCOM PUBLIC FACILITIES DISTRICT (BWPFD) REPORT
COVERING ACTIVITIES FROM APRIL THROUGH JUNE 2006

Progress on Regional Center Components since March 2006

Art & Children's Museum

Since March 2006, the BWPFD has:

- Worked with Olson Sundberg Kundig Allen Architects (OSKA) and completed 50% of the Construction Documents phase.

Mount Baker Theatre

Since March 2006, the BWPFD has:

- Issued the Request for Qualifications for the Design Development phase of Phase Two Mount Baker Theatre renovations. Representatives from the BWPFD, Mount Baker Theatre Building Committee, and City of Bellingham will participate in the interview and selection process.
- Issued a bid solicitation for the Mount Baker Theatre Historical Lighting Renovation Project.

Streetscape

The City's capital budget includes funds for streetscape design in 2006 and construction in 2007. BWPFD board members, BWPFD staff, and stakeholders have been working with City staff on the RFQ process for streetscape design and have selected a design team for the project headed by Nakano Associates LLC, Landscape Architects of Seattle, WA.

Fundraising and Grants

BWPFD revenues for the Regional Center come primarily from state sales tax rebates, currently estimated at \$20 million over 25 years. Plans for the Regional Center identify revenues of an additional \$8 to \$10 million from local fund-raising efforts through the Campaign for the Arts and from local, state and federal grants.

The BWPFD assisted the Whatcom Museum Society in their application for funds from a competitive grant program of the State of Washington's Department of Community, Trade & Economic Development. The Building for the Arts grant request is for up to \$2 million, as a 20% match for the more than \$10 million cost of the new Art & Children's Museum facility. As the BWPFD is the owner of the future museum site, the BWPFD entered into a Lease Agreement with the Whatcom Museum Society, thereby demonstrating the Society's control of the site and consistency with that requirement for grant eligibility. If grant funds are not obtained or if the Art & Children's Museum isn't

built, the Lease Agreement will be terminated. A more detailed, long-term lease will be negotiated before the Museum occupies the new building.

At its May meeting, the BWPFD acknowledged its commitment to fund at least \$10 million towards the construction of the Art & Children's Museum, including funds spent or obligated to date.

Also at the May BWPFD meeting, the Campaign for the Arts announced that the Whatcom Museum, Mount Baker Theatre, and Campaign for the Arts have completed their agreements with the Whatcom Community Foundation regarding management of endowment funds and other funds raised for Arts District facilities and improvements.

Communications and Media Relations

The BWPFD is committed to improving communication with its stakeholders and the public. During this quarter, a presentation about BWPFD and its projects was made to the Bellingham Tourism Commission.

Parking Management

The BWPFD continues to contract with Diamond Parking for professional operation and management of the parking lots located at 104 N. Commercial Street and at 216 Grand Avenue.

Other News

At its April meeting, the BWPFD heard from board member Dean Brett, who reported that Bob Goodwin has entered into a purchase and sale agreement to buy the Cascade Laundry building at 205 Prospect Street.

Progress Summary

In summary, significant progress and results over the second quarter of 2006 include:

- Close to fifty percent (50%) completion of the Construction Documents Phase of the Art & Children's Museum capital project;
- Initiation of the RFQ process for the Design Development phase of Phase II Mount Baker Theatre renovations; and
- Selection of the design team for the streetscape project.

Background

The Bellingham-Whatcom Public Facilities District (BWPFD) was created in 2002 as a joint effort of the City of Bellingham and Whatcom County. The BWPFD's mission is to fund a Regional Center and Cultural District located in downtown Bellingham that will increase economic prosperity and lay a foundation for further public and private investment in our community. The initial component of the Regional Center project, Phase I renovations to the Mount Baker Theatre, is complete. In addition, the Regional Center includes, but is not limited to:

- Construction of all or a portion of the streetscape;
- Design and renovation of existing space for Museum purposes;
- Design and construction of new Museum facilities;

- Acquisition of additional property for other components of the Regional Center;
- Construction of Phases II and/or III of the Theatre;
- Design and construction of one or more performing arts facilities and
- Related parking facilities.