



Office of Mayor Kim Lund
City of Bellingham

Advancing Urban Vitality and Economic Opportunity in Bellingham
Executive Order 2026-01

An Executive Order directing City action to expand economic opportunity, strengthen the City Center, support businesses and entrepreneurs, and build the partnerships needed to make Bellingham more prosperous and affordable for all.

WHEREAS, Bellingham is an exceptionally livable city, celebrated for its natural beauty, vibrant arts and cultural life, strong sense of place, and downtown that serves as the social and economic heart of the community; and

WHEREAS, many of the qualities that make Bellingham so desirable also contribute to its status among the least affordable small cities in the country, with housing prices dramatically outpacing resident incomes; and

WHEREAS, in November 2024, Mayor Kim Lund issued Executive Order 2024-02, Expanding Housing Options in Bellingham, directing bold action to reduce barriers to housing construction, remove parking minimums, and expand middle housing citywide; -and in 2025, the City issued building permits for 40 percent more units than the prior year, reflecting early positive momentum from that work; and

WHEREAS, expanding the supply of housing addresses only one side of the affordability challenge: In 2024, the median household income in Bellingham stood in the bottom twentieth percentile statewide at \$66,755, and raising incomes and expanding economic opportunity is equally essential to building a city where residents can afford to live and thrive; and

WHEREAS, Bellingham is home to many innovative and resilient local businesses, and the same qualities that make this city a wonderful place to live make it a compelling place to start, grow, and invest in a business; and

WHEREAS, a strong local economy is critical not only to provide living-wage jobs and fulfilling employment opportunities, but it also drives revenue to support the government services our community expects and deserves; and

WHEREAS, the City's comprehensive plan, the Bellingham Plan, identifies three primary roles for the City in economic development: creating a positive physical and social environment to support business activity, ensuring there is proper zoning and infrastructure for commercial and industrial development, and providing excellent services that foster business growth and retention while minimizing expense; and

WHEREAS, since 2011, the City has partnered with Whatcom County and the Port of Bellingham to support countywide economic development, and the Port serves as the region's lead economic development agency as identified by the Washington State Department of Commerce, with a strong record of supporting local businesses and attracting new investment to the region; and

WHEREAS, the Port of Bellingham is leading an update to the countywide Comprehensive Economic Development Strategy (CEDS), which will analyze strengths, weaknesses, opportunities, and threats across Whatcom County's regions and industries and provide a strategic roadmap to guide the City and its partners in growing the local economy; and

WHEREAS, the partnership with the County and the Port also funds the Whatcom Small Business Development Center, providing no-cost, confidential advising to local business owners and entrepreneurs, in 2025 advising more than 533 business clients; and

WHEREAS, the City has a distinct and important role to play in the vitality of Bellingham’s economy, particularly in the retail, commercial, arts, and placemaking arenas, and the time has come to invest in dedicated leadership to drive that work with greater focus and urgency; and

WHEREAS, in 2024, Mayor Kim Lund issued Executive Order 2024-01, Addressing the Fentanyl Crisis in Downtown Bellingham, which initiated a comprehensive downtown strategies effort that produced the Downtown Forward initiative, a shared vision for downtown Bellingham as a safe and welcoming neighborhood for everyone, with active public spaces and thriving arts and culture— a top location to work, shop, and invest and a desirable and affordable place to live; and

WHEREAS, the Downtown Forward initiative has produced meaningful early results, including the return of the Bellingham Police bicycle patrol, public art installations, storefront beautification projects, and a focused Downtown Vacancy Strategy to bring empty commercial spaces back to life; and

WHEREAS, downtown Bellingham encompasses 204 acres and approximately 2 million square feet of ground-floor commercial space, with approximately 10 percent of that space vacant today, and vacancy in the pedestrian core exceeding 14 percent, including properties that have been empty for years or even decades; and

WHEREAS, the vitality of Bellingham’s City Center, including the Downtown, Old Town, and Waterfront districts, is essential to the long-term prosperity and quality of life of all residents, and a thriving commercial core generates the tax revenues that fund the municipal services and affordability programs the community depends on; and

WHEREAS, adaptive reuse of existing buildings activates vacant spaces, brings vitality to our urban spaces, provides direct environmental benefit by preserving embodied carbon, and makes efficient use of established infrastructure; and

WHEREAS, the artists, musicians, makers, and creative entrepreneurs who choose to live and work here are among some of Bellingham’s greatest assets: they animate our streets, define our identity, attract visitors and investment, and make this a place people want to call home; and

WHEREAS, the City’s arts and cultural institutions, including the Whatcom Museum, the Mount Baker Theatre, a growing constellation of galleries and creative businesses, and a designated arts district, are economic engines as well as community treasures: A 2026 study found that the Whatcom Museum generated \$11.38 million in economic output in 2024, and in 2025 the Mount Baker Theatre estimated that attendees directly spent over \$3.4 million in the local economy beyond the cost of admission; and

WHEREAS, the Bellingham-Whatcom Public Facilities District recently secured an additional 20 years of state sales tax rebate funding, unlocking an estimated \$30 million to \$40 million for capital improvements to the Whatcom Museum, the Mount Baker Theatre, and the broader arts district; and

WHEREAS, the Waterfront District, 237 acres of former industrial land along Bellingham Bay, represents one of the most significant urban redevelopment opportunities in the Pacific Northwest: With the Port of Bellingham now in full control of the site for the first time in nearly 20 years, the moment is right to accelerate planning and investment in a mixed-use, publicly accessible, economically vibrant waterfront; and

WHEREAS, Bellingham is home to three institutions of higher learning: Western Washington University, Bellingham Technical College, and Whatcom Community College, along with nearby Northwest Indian College, whose students and graduates represent a deep well of talent, entrepreneurship, and innovation that the City is committed to retaining and connecting to local economic opportunity; and

WHEREAS, bold, visible action is required to realize the full potential of Bellingham’s economy and to establish this city as a model for urban vitality, opportunity, and quality of place in the Pacific Northwest; and

NOW, THEREFORE, I, Kimberley Lund, Mayor of the City of Bellingham, hereby order the following actions to advance economic vitality and opportunity in Bellingham.

Section 1. Bellingham is Open for Business

The City of Bellingham is committed to being an active, accessible, and enthusiastic partner to businesses, entrepreneurs, and investors who choose to put their confidence in this community. The City will work to remove unnecessary barriers and make it easier to start, grow, and invest here.

- A. Establish a position of Urban Transformation Strategist within the Mayor’s Office to be a dedicated, concierge-style resource for businesses, developers, creatives, and investors seeking to engage with the City; helping navigate City processes, connecting stakeholders with the right staff, programs, and incentives; and actively supporting priority projects from first conversation through completion.
- B. Conduct a review of the City’s permitting, licensing, and regulatory processes affecting businesses to find opportunities to make it easier and more welcoming to do business in Bellingham.
- C. Convene an annual Business Roundtable with industry associations, small business owners, developers, and employers to hear directly about challenges to operating and growing in Bellingham and to ensure those voices inform City policy decisions.
- D. Advance policies that support small-scale commercial activity in residential neighborhoods, enabling home-based businesses, neighborhood-serving retail, and corner-store uses that encourage entrepreneurship, walkability, and economic life close to home.
- E. Prioritize permit review for existing buildings that have been vacant for more than 36 months to activate long-empty storefronts that undermine the vitality of neighborhoods throughout Bellingham.
- F. Promote, evaluate, and enhance, where possible, the full range of incentives and programs available to businesses and developers, including Business and Occupation tax reductions, Multi-Family Tax Exemptions, Historic Preservation tax credits, and other available programs.
- G. Advance opportunities to streamline environmental review processes and develop a unified, easily understandable land-use code that reduces complexity and makes it easier to build in Bellingham.
- H. Act on the findings of the industrial lands study, advancing strategies that protect and strengthen Bellingham’s industrial economy and preserve the land base that industrial employers depend on.
- I. Engage Whatcom County, the Economic Development Investment Board, and the Whatcom County Council in developing a strategic investment plan for putting the county’s rural sales tax dollars to work on public infrastructure that expands economic opportunity across the region.
- J. Continue to support Whatcom County’s actions to expand access to affordable, high quality, professional, and accessible early learning and childcare.

Section 2. Downtown Forward: Activating the City Center

Downtown Bellingham is the heart of this community and filling its empty storefronts, activating its public spaces, and building on its extraordinary cultural assets is among the City’s most important economic development work.

- A. Implement the Downtown Vacancy Strategy to bring long-empty storefronts back into productive use and enhance street level activity. The City will be a proactive partner in filling downtown—not a passive bystander.

- B. Prioritize permitting, including tenant improvements, within the downtown pedestrian core bounded generally by State Street, Champion Street, Bay Street, and Chestnut Street.
- C. Propose, for City Council consideration, a 7-year Business and Occupation Tax exemption for businesses that start a new location in the downtown pedestrian core.
- D. Support the Downtown Bellingham Partnership’s 2026–2028 Strategic Plan, aligning Downtown Forward investments and programming with the Partnership’s goals ensuring City resources and actions advance shared priorities.
- E. Launch the Downtown Connections Plan to enhance infrastructure that improves circulation, access, and overall functionality of the downtown environment for residents, workers, and visitors navigating within, to, and from the City Center using all modes of transportation.
- F. Work with the Public Facilities District (PFD) to advance meaningful capital improvements to the Whatcom Museum, the Mount Baker Theatre, and the broader arts district, making full use of the PFD’s renewed state sales tax rebate funding to deliver improvements that benefit residents and draw visitors to Bellingham.
- G. Evaluate opportunities to strengthen and expand Bellingham’s arts district – including creative district designation, cultural facility incentives, and programming to attract and retain the creative businesses and institutions that define the character of the City Center.
- H. Continue to collaborate with tourism partners to create and enhance opportunities that reflect the character and identity of Bellingham and draw visitors to the City Center.

Section 3. Waterfront District

The Waterfront District is a generational opportunity that builds on the deep maritime heritage of the City of Bellingham and Whatcom County. Two hundred and thirty-seven acres of former industrial land along Bellingham Bay represent a significant canvas for urban transformation, economic activity and the continued evolution of the working waterfront.

- A. Partner with the Port of Bellingham on Waterfront District redevelopment—advancing the shared vision for a mixed-use, publicly accessible, economically vibrant waterfront that is seamlessly connected to downtown.
- B. Prioritize marine trades in the areas of the waterfront uniquely suited for that purpose, while advancing diverse development in the balance of the district that creates family-wage jobs, generates activity, and builds Bellingham’s tax base.
- C. Pursue state and federal funding, public-private partnerships, and other financing tools to accelerate waterfront development and the infrastructure that connects it to the rest of the City Center.
- D. Explore creative strategies to unite the waterfront to the downtown core through essential infrastructure, pedestrian and bicycle connections, wayfinding, programming, and public space so that a thriving waterfront reflective of its maritime history raises all boats across the City Center.

Section 4. Higher Education and Talent

Bellingham's colleges and universities are among its greatest economic assets. Western Washington University, Bellingham Technical College, and Whatcom Community College produce thousands of graduates each year. Keeping that talent in Bellingham, and connecting it to local businesses and entrepreneurs, is a priority for this administration.

- A. Establish active partnerships with Bellingham's higher education institutions, identifying opportunities to collaborate on workforce development, entrepreneurship support, business incubation and other actions that help keep graduates in the community and connect academic resources to local economic needs.
- B. Evaluate creating internship opportunities across City departments for students from Bellingham's colleges and universities, investing in the next generation of civic and business leaders and demonstrating that a career in Bellingham is worth pursuing.

This Executive Order is issued under the Mayor's inherent powers as the chief executive and administrative officer of the City of Bellingham and not using the Mayor's emergency powers under Bellingham Municipal Code 2.57.060. Questions regarding this Executive Order should be directed to the Mayor's Office at (360) 778-8100 or mayorsoffice@cob.org.

Dated this 15th day of June, 2026



Kimberley Lund,
Mayor, City of Bellingham