

Bellingham Plan – Appendix A

Introduction

The Bellingham Plan includes new and updated goals and policies addressing housing needs for our community. The process that led to those policies was informed by a variety of technical studies, reports, and plans. This appendix to the plan includes those documents and provides the background and detail documenting the City's analysis of housing capacity and housing need by income range; existing housing programs resources and actions; funding and resource gaps; displacement risk analysis; and evaluation of policies and practices with racially disparate impacts. The documents included are listed below in the order presented. Each document is preceded by explanatory narrative that highlights key findings and the contextual relationship between the documents themselves and the goals and policies in the plan.

- I. Land Capacity Analysis Summary
- II. Bellingham's Approach to HB 1220
- III. Consolidated Plan Overview
- IV. Bellingham's Racially Disparate Impacts Analysis Memo
- V. Bellingham Displacement Risk Analysis

Section I - Land Capacity Analysis Summary

The summary of land capacity shows that amendments to residential zoning in alignment with recent state housing legislation open significant capacity in Bellingham for a wider variety of housing types. There is new capacity for incremental middle housing infill in established neighborhoods, continued capacity for multi-story mixed-use development in the areas designated as urban villages, and capacity for new development at urban levels of density in a strategically reconfigured urban growth area.

The land capacity analysis in conjunction with the following documents related to housing needs and affordability provide the necessary factual elements to support development of higher-level goals and policies. These goals and policies in the Land Use, Housing, and other chapters of The Bellingham Plan will guide our community's allocation of resources to help achieve the vision of a future Bellingham for all.

Bellingham UGA Land Capacity Analysis Summary

For the 2025 Periodic Update to the Comprehensive Plan (the Bellingham Plan)



Background and Purpose

An important component of the periodic update to Bellingham's 20-year plan is an evaluation of the supply of buildable land and related land use regulations or zoning. The requirements for this evaluation are laid out in RCW 36.70A.115 and are detailed in the Whatcom County Land Capacity Analysis Methodology developed jointly by the County and cities for the 2025 periodic update. The results of Bellingham's Land Capacity Analysis (LCA) inform policy choices for changes to future zoning and the urban growth boundary which is the area in which Bellingham is allowed to grow. It is critical that this analysis is data-driven and based on a realistic assessment of the regulatory and market conditions to ensure there is enough land to accommodate anticipated growth. This document provides an overview of the general LCA methodology, the unique additional steps included in Bellingham's analysis to account for changes to state law affecting the city, the results of the analysis, and the changes to land use policies and urban growth boundaries informed by these results.

Links to the adopted countywide LCA methodologies for permanent housing, employment, emergency housing, and Bellingham's supplemental steps (Appendix B to the adopted LCA) are available on Whatcom County's website here:

<https://www.whatcomcounty.us/4220/Land-Capacity-Analysis>

Relationship of the LCA to the Buildable Lands Report

The Buildable Land Report (BLR) utilizes a similar process and data but differs from the LCA in some key ways. First, the purpose of the BLR is to function as a report card that is produced five years after the periodic update. This places it mid-way through the lifespan of the comprehensive plan which is on a 10-year update cycle. This allows it to serve as a check-in tool on the performance of our growth strategy. The BLR evaluates construction for housing and employment that has been completed during the five year interval and compares the achieved density and square footage to what was estimated in the last LCA (at plan adoption). The performance metrics from this analysis are then applied to the buildable land estimated to be available for the remainder of the **current** planning period and **existing** land use and zoning regulations to see if there is enough capacity under existing conditions to accommodate anticipated growth. The results of this comparison allow jurisdictions to determine if adjustments to land use policies, regulations, and/or urban growth boundaries will be necessary in the next periodic update.

In contrast, the LCA conducted for the periodic update makes use of **proposed** (future) land use and zoning regulations and boundaries to account for changes in policy and growth strategy informed by the BLR, changed conditions, and new state regulatory requirements. The LCA also looks forward to the **new 20-year planning horizon** and includes the new population, housing, and employment projections.

The LCA Methodology

Bellingham's analysis utilizes the current mapping layers in the City's geographic information system (GIS). These layers are part of a citywide shared enterprise system maintained by a connected network of departmental work groups. The property ownership layer is the base analysis layer upon which subsequent steps interact. For purposes of this analysis, the property layer and all subsequent layers in the analysis were saved in a static (frozen) state as of April 2023. This date also aligns with the forward-looking population, housing, and employment projections extending out to 2045. It is important to establish this consistent baseline data early in the periodic update process to maintain a stable dataset to inform the entire public engagement and policy development process. And to allow adequate time for the work necessary to complete the periodic update by the state mandated December 31, 2025 deadline.

The general analysis steps for the **adopted countywide LCA methodology** are as follows:

1. Classify all property in the city and unincorporated urban growth area (UGA) as developed, vacant, partially-developed, underutilized, public, quasi-public, pending (for properties with issued building permits, etc.), or master planned (for properties with adopted institutional master plans, etc.).
2. For developable land, subtract areas covered by mapped environmental constraints (critical areas), including wetlands (and buffers), streams (and buffers), shorelines (and buffers), floodplains, steep slopes, etc.
3. For the remaining buildable land, subtract enough land to account for future public facilities like parks, trails, fire stations, utility pump stations, etc. (using land needs estimates from adopted capital facility plans).
4. For the remaining buildable land, subtract enough land to account for quasi-public uses like private utilities, churches, and other uses that will likely impact land available for housing.
5. For the remaining buildable land, subtract the area anticipated to be necessary for future road right of ways, stormwater facilities, and similar infrastructure supporting development.
6. For the remaining buildable land, subtract areas where physical challenges or capital funding shortfalls indicate a likely infrastructure gap during the planning period. Examples include areas with challenging terrain or geology where extension of road or utility infrastructure might be cost-prohibitive, or areas where there is a heavy reliance on developer funding of infrastructure due to an anticipated lack of public resources.
7. For the remaining buildable land, subtract a market factor to account for properties unlikely to be developed during the planning period due to owner choices, location or configuration, or market conditions.
8. For the final remaining net developable buildable land, use proposed land use and zoning assumptions to estimate the housing and/or employment capacity likely during the 20-year planning period.

In addition to the steps above common to all jurisdictions in Whatcom County, Bellingham has **added steps to account for local regulations, and specific state-mandated regulations** that currently apply to Bellingham but not other county jurisdictions (applicable to cities in WA State with >75,000 population). These steps include the following:

9. Following Step 2 above, related to Bellingham's Landmark Tree Ordinance, the City subtracts land outside mapped environmental constraints that are covered by tree

canopy for trees taller than 100 feet (using 2022 LiDAR data). This deduction, while imperfect, serves as a reasonable proxy for Landmark Trees and their potential impact on the supply of buildable land.

10. To account for the requirements of WA State House Bill 1337 encouraging accessory dwelling units (ADUs) and WA State House Bill 1110 encouraging middle housing, the properties classified in Step 1 above as “developed”, are anticipated to have additional development capacity. These laws allow up to 2 ADUs for each residential property and allow up to 4 housing units per residential lot (or six with affordability or proximity to high-frequency transit). To account for this additional housing capacity methodology steps were developed to do the following:
 - a. For properties developed with a single detached home, determine lot coverage of existing building footprint plus 50% to account for existing driveways, decks, and other hardscape elements.
 - b. Deduct environmental constraints, buffers, and tall trees using same data sources from Steps 2 and 9 above.
 - c. Using a nominal 1,250 square foot footprint for future housing to account for a 625 square foot building footprint plus 5’ setbacks on all sides determine how many footprints could fit on a lot after subtracting for elements in Steps “a” and “b” above. Round potential units down to nearest whole number. Do not count units that result in more than 70% total lot coverage (including existing home) to meet 30% open space requirement.
 - d. Assume a 10% increase in aggregate citywide capacity for these units based on code allowance for bonus units if existing housing is retained and divided into additional housing (e.g. home converted to a duplex).
 - e. Assume 30% of aggregate citywide capacity for these units is not built due to restrictive covenants.
 - f. Assume 25% of aggregate citywide capacity for these units is built during the planning period and that 75% will not get built due to property owner choice to build less than what is allowed or not build at all, lack of financing, or other related factors.
 - g. Assume 33% of aggregate citywide capacity for these units built during the planning period will be ADUs and that 67% will be built as middle housing forms.

Bellingham’s capacity estimate for **emergency housing beds** follows the methodology developed jointly for Whatcom County and the other cities. As per Commerce guidance the

land estimated for future emergency housing beds overlaps the land for permanent housing. The shelter prototypes utilized for estimating future capacity include:

- The Interfaith Coalition 14-bed facility in a church-site context in Bellingham accommodating an average of 4 beds per acre
- The North King County Enhanced Shelter in Shoreline in a converted 60-bed nursing home accommodating an average 23 beds per acre
- The Whatcom Homeless Service Center in Bellingham in a 31-bed converted motel accommodating an average 30 beds per acre
- The DVSAS Safe Shelter in Bellingham in a converted 21-bed single detached home setting accommodating an average 42 beds per acre
- The Northwest Youth Services shelter in Bellingham in a 14-bed single detached home setting accommodating an average 44 beds per acre

Bellingham's current development regulations (BMC 20.15A) allow emergency housing facilities in buildings up to 40 beds in all zones. Facilities with 41 to 200 beds are allowed in all zones except the residential low zone. The average beds per acre ranges from the prototypes above were applied to Bellingham's future land use categories utilizing the net developable acres identified in the LCA for each category. The values in the model were as follows:

- Residential Low = 5 beds per acre
- Residential Medium, Industrial, and mixed zones = 25 beds per acre
- Residential High, Commercial, Institutional, and Urban Village = 40 beds per acre
- Public, Residential Watershed, and Airport Operations = 0 beds per acre

It should be noted that Bellingham's current development regulations (BMC 20.15) also allow **temporary shelter** housing types like temporary building encampments, temporary tent encampments, temporary safe parking areas, and temporary tiny house encampments. These temporary uses are allowed in industrial zones, industrial and commercial land use areas within urban village zones, commercial zones where hotels and motels are permitted, and public zones. Multiple tiny house encampments permitted under these regulations have been successfully operating since 2018. These encampments have been operated by Homes Now and the Low Income Housing Institute (LIHI). The encampments have been located in public zones on city-owned property, primarily within surface parking lots. It is expected that these encampments will continue to operate in public zones and the capacity for them is anticipated to be in addition to the estimated capacity above for emergency housing (because they have been accommodated on land for parking lots that has not been counted in the LCA as net developable land).

Land Use Policy Changes Incorporated into the LCA

The future land use assumptions incorporated into the LCA include continued emphasis on strategies proven to be successful and sustainable from previous planning cycles based on the results of the Buildable Lands Report. They also include new changes required by recent state housing legislation. These future assumptions include:

- Continued reliance on mixed use urban villages to accommodate about 1/3 of all future housing and employment growth. These areas have been accommodating this portion of growth for the past 10-15 years and are anticipated to continue to do so through the next 20-years. Urban villages represent about 30-40% of Bellingham's growth capacity on about 4% of the city's total land area. They accommodate growth in a sustainable manner near high-frequency transit, with a mix of employment, service options, and housing affordable to a variety of incomes. The 2025 update includes a newly adopted plan for the Barkley Urban Village with a total capacity of about 3,000 housing units.
- Reconfiguration of residential single zones that currently restrict use to single-detached housing. These zones will be renamed "Residential Low" and will allow single-detached housing as well as at least six of the nine middle housing forms identified by HB 1110. These zones will also allow up to four housing units per lot or six with affordability or proximity to high-frequency transit (as per HB 1110). A uniform citywide minimum density (maximum lot size) will also be established to ensure citywide consistency and equity and make the best use of Bellingham's limited supply of buildable land. Each lot allowed by the uniform density will also allow the 4-6 housing units indicated above.
- Reconfiguration of residential multi medium and high zones. These two zones will be renamed "Residential Medium" and "Residential High" dropping the "multi" language in acknowledgement of the city's move away from the binary "single/multi" paradigm. The medium zone will allow limited residential single, and at least six of the nine middle housing forms, and will retain a uniform minimum density. The high zone will allow multi-unit attached housing, and will retain a uniform minimum density. The high zone does not have an upper density limit.
- Changes to residential zoning within the Lake Whatcom Watershed to a new "Residential Watershed" zone. This zone will prioritize limits on development in favor of water quality protection for the watershed which is Bellingham's municipal water supply.

Initial LCA Results for Bellingham

Bellingham's initial LCA results show the following estimated capacity for new housing and jobs within the **existing 2025 city limits and unincorporated UGA**:

Permanent Housing Capacity

Single detached housing units	= 848
Accessory dwelling units	= 1,659
Middle housing units (2-6 units)	= 4,840
Multi-attached housing units (7+ unit)	= 9,943
Group quarters housing units	= 334
Total new housing units	= 17,622

Emergency Housing Capacity (beds)

In Residential Low Zone	= 692
In Residential Medium and High Zones	= 3,147
In Urban Village/Com/Ind/Inst Zones	= 15,656
Total new emergency housing beds	= 19,495

Employment Capacity

Commercial jobs	= 15,973
Industrial jobs	= 6,083
Total new jobs	= 22,056

Comparing Projected Need to Initial Capacity Results

The projected 2045 housing and employment needs for Bellingham are for:

18,390 new permanent housing units

299 emergency housing beds

19,384 new jobs

The initial LCA results show adequate emergency housing beds and employment capacity, but a 700-800 unit shortfall in permanent housing capacity. The analysis results show that more than half (9,977 units) of housing capacity in Bellingham falls in the multi-attached (7+ units) format which given the challenges in the condominium marketplace are likely to be managed as rental housing. Bellingham has an acute shortage of owner-oriented middle-income housing options and is already relying heavily on established neighborhoods to provide about 1/3 of future housing through incremental infill of ADUs

and middle housing. To balance the supply and provide more homeownership options that might come online sooner, a reconfiguration of the UGA to include land likely to develop with a variety of housing forms is warranted.

House Bill 1220 (passed in 2021) requires planning for housing for all incomes. Policy and growth boundary adjustments addressing Bellingham's shortfall for housing capacity should include provision for a variety of housing types likely to be accessible to middle and lower household incomes as well as proximity to employment, services, and convenient multi-modal transportation options.

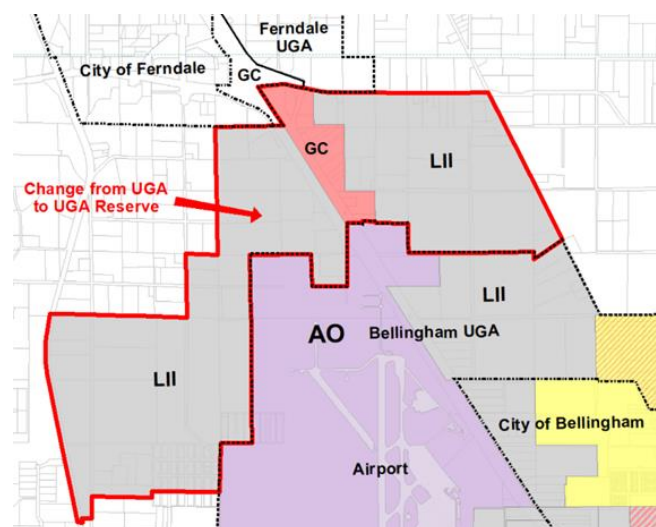
Proposed Changes to the UGA

The changes proposed for Bellingham's UGA constitute a strategic reconfiguration that acknowledges anticipated limitations for funding for urban services, prioritizes protection of the Lake Whatcom Watershed, and includes land with the development potential to provide the needed mix and quantity of housing types in proximity to employment and services, with terrain supporting development of convenient multi-modal transportation options. The proposed changes are as follows.

The light industrial and general commercial zones westerly and northerly of the Bellingham International Airport adjacent to Curtis Road, Kope Road, and Slater Road as outlined in red on the figure below are proposed for removal from the UGA to be placed in UGA Reserve status.

Significant portions of these zones are impacted by mapped wetlands and tributaries of the Silver and Bear creek systems. Portions of these areas are also documented in the City's 2015 Habitat Restoration Technical Assessment and 2021 Wildlife Corridor Analysis Report as having important habitat function. Much of the land in these zones is owned by the State of Washington (DNR), the Lummi Nation, or the Port of Bellingham (as an aviation safety clearance area). If the

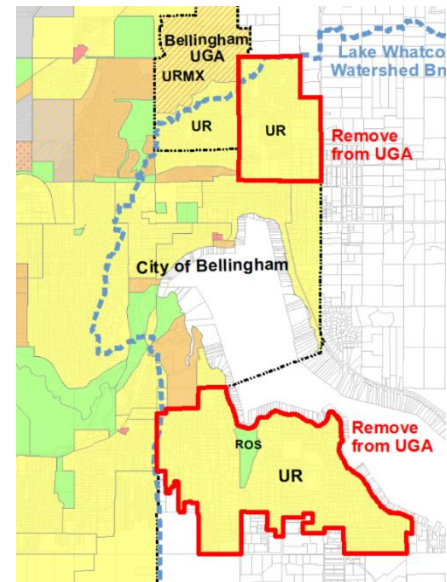
aviation operations area for the airport becomes a priority for annexation, then the reserve status of these areas should be evaluated. The limited buildable areas in these zones that are in close proximity to the BNSF rail and I-5 transportation corridors could be important in



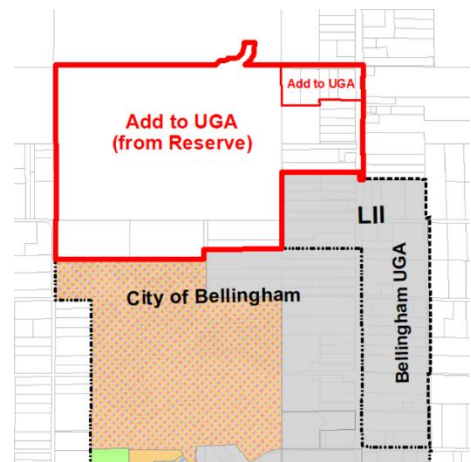
future planning cycles for industrial development of regional significance. As of 2025, the estimated employment capacity for these areas totals about 1,500 jobs and if removed from the UGA, will be subtracted from the City's estimated land capacity for the 2025-2045 planning period.

The urban residential (1 unit per 5 acres density), and recreation open space zones easterly of Britton Road and in the Geneva areas of the Lake Whatcom Watershed as outlined in red on the adjacent figure are proposed for removal from the UGA (not UGA Reserve status).

The City's 2025 capacity analysis does not allocate any future growth to these areas as they have zoning aligned with priorities for protection of Lake Whatcom as the City's municipal water source. With the exception of sewer service in the area easterly of Britton Road, utilities in these areas are provided by Water District 7 and Lake Whatcom Water and Sewer District. Additionally, in a 2018 survey, residents of the Geneva UGA were generally opposed to annexation to Bellingham.

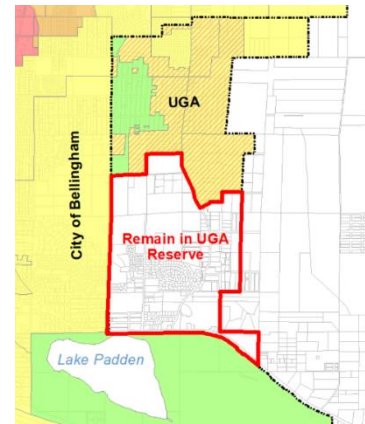


The North Bellingham UGA Reserve and five adjacent tax parcels lying south of West Larson Road as outlined in red on the adjacent figure are proposed to be added to the UGA. These areas have an estimated capacity of about 1,200 housing units and 540 jobs during the 2025-2045 planning period. The majority of the land is attributed to a single owner that has expressed interest in annexation and development of a mixed use community including a substantial variety of middle housing with ownership opportunities and some multi unit housing in a mixed-use urban center. There are a number of significant infrastructure elements necessary for development of this area including but not limited to completion of arterial streets, additional water reservoir capacity on nearby King Mountain, and a fire station. Housing developed in this area would be served by both the Ferndale and Meridian school districts. If this area is added to Bellingham's UGA land use plans should explore options for additional development



capacity in this area (beyond the 1,200 unit estimated capacity) to make the best use of infrastructure investments.

The South Yew Street UGA Reserve area outlined in red on the adjacent figure is proposed to remain in reserve status. Recent City property acquisitions in this area related to the Greenways Open Space program, as well as challenging terrain, and environmental constraints limit the overall development capacity. However, retaining this area in reserve status will provide options for Bellingham as planning work proceeds for infrastructure for roads, water, sewer, and emergency services. These elements, particularly an elevated water reservoir and extension of Governor Road are necessary to realize the full development potential for adjacent areas in the City and North Yew Street UGA.



Overall, the proposed changes to Bellingham’s UGA (city + unincorporated UGA) result in a change in land area from 22,989 acres to 21,717 acres for a decrease of 1,272 acres.

Final LCA Results for Bellingham

Bellingham’s final LCA results reflect the proposed reconfigured UGA areas detailed above. They show the following estimated capacity for new housing and jobs:

Permanent Housing Capacity

Single detached housing units	=	931
Accessory dwelling units	=	1,661
Middle housing units (2-6 units)	=	5,823
Multi-attached housing units (7+ unit)	=	10,143
Group quarters housing units	=	334
Total new housing units	=	18,892 (2.7% surplus over 18,390 need)

Emergency Housing Capacity

In Residential Low Zone	=	692
In Residential Medium and High Zones	=	3,147
In Urban Village/Com/Ind/Inst Zones	=	15,656
Total new emergency housing beds	=	19,495 (6,420% surplus over 299 need)

Employment Capacity

Commercial jobs = 15,580

Industrial jobs = 5,505

Total new jobs = 21,085 (8.8% surplus over 19,384 need)

The LCA summary table and emergency shelter bed capacity by proposed land use category (zone) are shown below:

Bellingham's Estimated Land Capacity 2023-2045

Proposed Zone Description	Total Acres	Percent of Total Land In Inventory	Estimated Net New Single Detached Housing Unit Capacity	Estimated Net New Middle Housing Unit Capacity	Estimated Net New Multi Housing Unit Capacity	Estimated Net New ADU Housing Unit Capacity	Estimated Net New Group Quarters Housing Unit Capacity	Estimated Total Net Housing Unit Capacity	Estimated Net New Commercial Square Feet	Estimated Net New Industrial Square Feet	Estimated Employment Capacity (Jobs) *
Residential Low	7,007	38.1%	641	4,371	32	1,584	-	6,629	29,284	2,010	66
Residential Medium	883	4.8%	121	1,153	530	68	0	1,872	14,469	-	31
Residential High	1,115	6.1%	47	192	1,128	6	32	1,405	19,835	-	43
Residential Watershed	618	3.4%	53	-	300	1	-	354	-	-	-
Urban Village	867	4.7%	68	27	6,311	1	-	6,407	3,670,290	887,439	9,202
Commercial	985	5.3%	-	80	1,294	-	1	1,375	666,967	45,000	1,505
Industrial	2,325	12.6%	-	-	-	-	-	-	824,186	2,770,171	5,767
Commercial / Industrial	73	0.4%	-	-	9	-	-	9	20,398	-	44
Industrial / Residential Medium	13	0.1%	-	-	-	-	-	-	-	-	-
Commercial / Industrial / Residential High	220	1.2%	-	-	535	-	-	535	19,765	8,176	54
Institutional / Residential High	37	0.2%	-	-	-	-	-	-	27,809	-	60
Institutional	385	2.1%	-	-	4	-	300	304	1,282,797	-	2,770
Public / Institutional	8	0.0%	-	-	-	-	-	-	32,968	-	71
Public	2,846	15.5%	1	-	-	-	-	1	368,291	-	795
Airport Operations	1,029	5.6%	-	-	-	-	-	-	238,620	112,240	677
Total	18,412	100.0%	931	5,823	10,143	1,661	334	18,890	7,215,678	3,825,038	21,085

Estimated capacity for **18,890** new housing units and **21,085** new jobs



Emergency Shelter Bed Capacity by Zone				Emergency Shelter Bed Capacity			
Zone	Net Developable Acres	Beds / Acre	Emergency Shelter Bed Capacity	Total Emergency Shelter Need (Beds)	Total Emergency Shelter Capacity (Beds)	Surplus/ Deficit	Acres Needed
Residential Low	138	5	692	299	19,495	19,196	12.04
Residential Medium	72	25	1,812				
Residential High	33	40	1,335				
Commercial	32	40	1,288				
Industrial	370	25	9,242				
Institutional	1	40	51				
Urban Village	123	40	4,902				
Public	0	0	0				
Other mixed zones	7	25	173				
Residential Watershed	7	0	0				
Airport Operations	1	0	0				
Religious Institutions (Gross Acres)	0	4	0				
Subtotal	785	25	19,495				
Pending			0				
TOTAL			19,495				

Section II – Bellingham’s Approach to HB 1220

This section describes the requirements of House Bill 1220 (passed by the WA State Legislature in 2021), Bellingham’s housing need by income range, and the existing programs, resources and land capacity to accommodate housing by income range.

The analysis shows that the future land use map proposed in the Bellingham Plan does include adequate land capacity for the needed housing quantity and housing forms. It also shows that while existing community resources (~\$14M per year) are meeting some of the needs, there is a significant gap in resources (~\$130M+ per year) and in organizational capacity (personnel) to fully satisfy the existing and future needs for affordable housing and supportive services.

Bellingham’s Approach for Meeting the Requirements of House Bill 1220 (planning for housing for all income levels)



Background and Purpose

House Bill 1220 requires comprehensive plans to evaluate land supply and land use regulations to ensure they allow for housing supply and affordability levels that meet the income needs of the community. The housing allocation model developed by the Department of Commerce breaks down housing need by percentage of Area Median Income or AMI. The income categories are broken out at 0-30%, 30-50%, 50-80%, 80-100% 100-120% and > 120% AMI intervals.

The 0-30% AMI category is further broken down into permanent supportive housing (PSH) and non-permanent supportive housing. PSH is housing designed and built with on-site supportive services. These services can meet specific needs based on the intended residents for a particular housing project. Examples include mental health services or services for residents with physical disabilities. An additional allocation for emergency housing needs is also made for each community.

Housing Needs in Bellingham

The Department of Commerce Housing for All Planning Tool (HAPT) shows a projected need for Bellingham for 12,277 housing units affordable to households in the 0-80% AMI income range for the 2023-2045 planning period. The City’s Land Capacity Analysis (LCA) shows that the land use boundary and regulatory changes proposed for the periodic update provide enough estimated capacity to meet that need (12,306 housing units). However, as shown in Figure 1 below, the available existing public and private funding resources and

non-profit organizations to build and provide operational and supportive services mean the housing provided will likely be mostly in the 50-80% AMI category.

Bellingham's Existing Resources and Incentives

Currently, federal HUD Community Development Block Grant and HOME investment partnership funds are leveraged many times over with local housing levy, sales tax, City general fund, Real Estate Excise Taxes (REET), and occasionally one-time federal funds (e.g. ARPA). For 2024 these funds totaled about \$15 million. Bellingham uses these funds for acquisition and production of permanently affordable rental housing, for renter and homebuyer downpayment assistance, for preservation of housing through home rehabilitation loans, and for provision of supportive human services. Bellingham's partnerships with local non-profit developers and public and private service providers are essential to the success of this model. Preliminary funding totals reported for 2024 are shown below:

Federal Community Development Block Grant (2024 authorized amount)	\$797,349
Federal Home Investment Partnership grant (2024 authorized amount)	\$528,736
Bellingham Housing Levy (voter approved "Home Fund" from property taxes)	\$3,400,000
Bellingham Affordable Housing Sales Tax (1/10" of 1% for 2024)	\$5,200,000
Bellingham General Fund (2024)	\$1,180,000
Real Estate Excise Tax (2024)	\$156,000
American Rescue Plan Act (2024 – one time funds)	\$4,000,000
Total	\$15,262,085

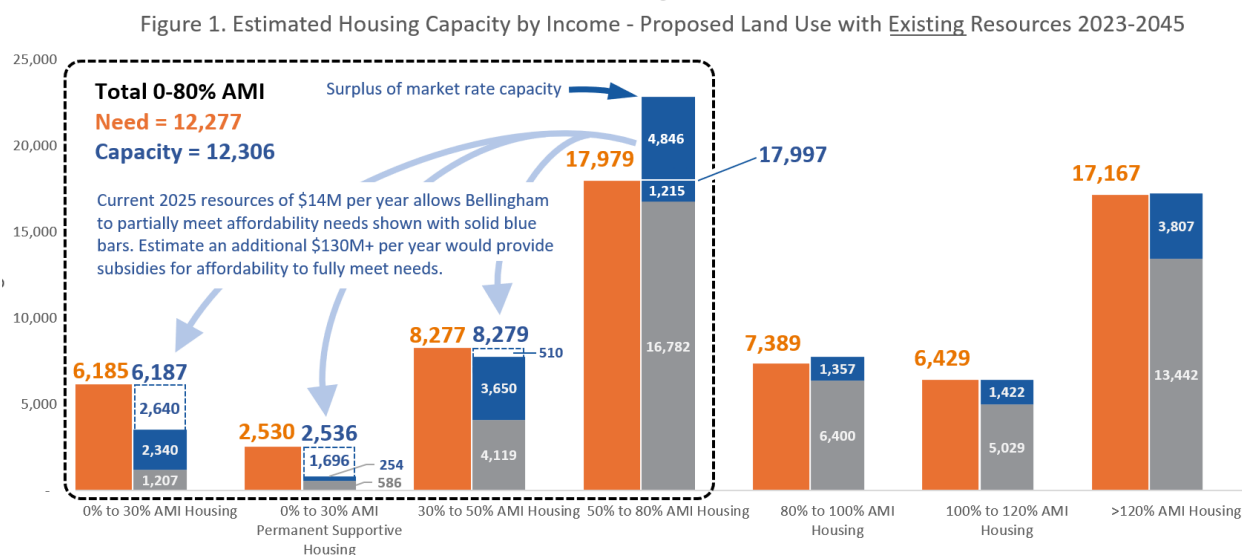
Bellingham also provides a broad range of incentives to developers of affordable housing including density bonuses, reduced impact fees, reduced utility system development charges, the multi-family tax exemption, and expedited project and permit review.

Over the 7-year period 2016-2023 the funding and organizational resources available to Bellingham were used to complete 913 subsidized rental housing units for households with incomes below 80% AMI. It should be noted that state and federal funding for affordable housing has not kept up with inflation. Therefore, the annual production rates seen in the past are unlikely to continue with current funding levels. The table below shows the units completed and average annual production rate by income range.

Bellingham Subsidized Housing Completed 2016 - 2023

Time Period	0-30% AMI PSH	0-30% AMI	30-50% AMI	50-80% AMI	Totals
Completed 2016 to 2023	72	320	334	187	913
Average Annual Production (7 years)	10	46	48	27	130

Figure 1 (below) depicts Bellingham's housing need and estimated capacity by income range. The orange bars show the housing need as derived from the WA Department of Commerce HAPT worksheet. The solid blue bars show the estimated capacity based on available land and zoning designations with existing financial and organizational resources and incentives. And the areas inside the dashed blue lines for income ranges below 50% AMI are the capacity that additional financial and organization resources could shift from the surplus in the 50-80% AMI category.



Estimated Housing Capacity by Income

The **0-30% AMI Housing** category assumes that about 11-12 new ADUs and about 55 new multi-attached housing units are completed and rented as market-rate co-living housing each year. Co-living units in Bellingham currently rent in the \$700-\$800 per unit range which is about 30% AMI. Existing public and non-profit funding levels and organizational resources would support an additional 40 new subsidized rental units and 12 new subsidized permanent supportive housing units. An additional \$98.5M per year (2025 dollars) and additional organizational resources would be needed to complete the 120 new subsidized rental units and 77 new subsidized permanent supportive rental housing units necessary to fully satisfy the 0-30% AMI housing need

The **30-50% AMI Housing** category assumes that about 17 new ADUs, about 49 new middle housing units, and 55 new multi-attached housing units are completed and rented as market-rate co-living housing each year. Existing public and non-profit funding levels and organizational resources would support an additional 45 new subsidized rental units. An additional \$11.5M per year (2025 dollars) and additional organizational resources would

be needed to complete the 23 new subsidized rental units necessary to fully satisfy the 30-50% AMI housing need.

The **50-80% AMI Housing** category assumes that about 21 new ADUs, about 31 new middle housing units, and 3-4 new multi-attached units are completed each year. At this income level the units could be affordable as either co-living or standard rental housing units and the MFTE incentive program would apply to either. This could also result in integrated mixed-income projects. The market rate rental unit sizes in Bellingham that fall within this category include 1-bed units for 60-70% AMI and 2 bed units for 70-80% AMI in 2024. The significant market-rate surplus of about 220 housing units per year shown in Figure 1 above will also likely land in this income range if additional public and non-profit funding and organizational resources are not available to push them to lower income categories.

The **80%-100% AMI Housing** category assumes 23 new ADUs, 11 new middle housing units, and 28 new multi-attached units are completed each year. At this income level most units are assumed to be market rate with some utilization of 12-year or 20-year MFTE programs.

The **100%-120% AMI Housing** category assumes 3 new ADUs, 43 new middle housing units, and 18 new multi-attached units are completed each year. At this income level most units are assumed to be market rate with some utilization of the 20-year MFTE program. The middle housing is assumed to be a mix of for sale units on individual lots, condominium units, and higher-end rentals. The multi-attached units could be rentals or for-sale condominiums.

The **120%+ AMI Housing** category assumes 42 new single detached, and 131 new middle housing units are completed each year. All housing in this category is assumed to be market-rate with the most being for-sale housing on individual lots. Some condominium style ownership is also likely.

What is Needed to Close the Gap

As depicted in Figure 1 (above), with additional funding resources and non-profit partners, much of the housing capacity likely to land in the 50-80% AMI category could be provided in the lower income categories instead. Recent changes to the multi family tax incentive program, and code updates for ADUs, middle housing, and co-living housing also have potential to provide some capacity in these income ranges. However, without substantial increases in available resources it is unlikely these changes will be enough to balance supply with the projected current or future needs.

Totaling the gaps in funding and resources for the 0-50% AMI categories there is a need to fund an additional 220 housing units per year, or 4,840 units by 2045. Specifically, about 4,330 housing units affordable to 0-30% AMI households with about 1,700 of those including on-site supportive services, and about 510 housing units affordable to 30-50% AMI households. Using the WA State Department of Commerce *Housing Guidebook 2*, [“Exhibit 25. Average cost per unit for new construction LIHTC projects completed between 2015 and 2022”](#) table, the 2022 inflation-adjusted cost per unit for Whatcom County is \$475,818. Applying this approximate unit cost across the estimated need and assuming an annual inflation factor of about 2.5% equates to an average shortfall of about \$133 million per year to cover development costs associated with purchase of land, design, construction, permitting, and financing. This figure should be considered a minimum estimate, as affordable housing production in 2025 often costs at or above \$500,000 per unit due to the increased durability required, as well as increased costs associated with the higher standards and labor costs frequently required by public funders.

In addition to the financial resources required for construction, affordable housing development requires capable and experienced housing development agencies with the capacity to move projects forward. It also requires close collaboration between various public funders (predominantly Commerce, the WA State Housing Finance Commission, and local jurisdictions), the development agencies, and any service providers. Leverage of local dollars has decreased in recent years, as state and federal funding sources for affordable housing development have not kept pace with inflation, putting greater pressure on limited local funding.

This shortfall does not include additional ongoing funding and organization resources to provide on-site supportive services. Operational income from the affordable housing development is not adequate to support additional residential services, therefore outside services funding is necessary. This funding is needed to support residential counselors, case managers, and clinicians working on site to various extents depending on the level of supports needed by the residents. In addition, the Permanent Supportive Housing (PSH) model presupposes adequate behavioral health resources are available in the community. These resources are critical for timely referrals and the provision of healthcare services for PSH residents when needed to support their housing stability. An Evaluation of Permanent Supportive Housing Programs in Whatcom County published by VillageReach in August of 2025 concludes that broader behavioral health capacity is lacking in the region. This lack of capacity leads to a rise in safety incidents as providers strive to balance services directed at individual residents, with broader communal safety and protection of the property asset. Estimating the cost of these PSH services and the strengthening of the broader behavioral health system is beyond this scope. However, without adequate funding for existing facilities and community resources that service this low-income, high need population, we have seen and are likely to see more community resistance to development of additional buildings for this purpose.

Beyond financial resources, closing the gap in the housing need will require deep dialogue that goes beyond the NIMBY/YIMBY positioning and works to coordinate across the disciplines of behavioral health, homeless services, housing development, and housing policy to ensure the development we are prioritizing and funding is set up to successfully provide needed services in the long term in a way that promotes broad community success.

Programs, Incentives, Actions and related Barriers to Implementing Housing for All Income Levels

This list documents programs and actions implementing housing affordable to all income levels in Bellingham. It also identifies specific regulatory barriers and remedies to remove those barriers, market-related barriers beyond the City's control, and known gaps related to availability of funding and organizational resources.

City Legislative Actions Encouraging Housing for All Incomes

- 2023 Amendments to Old Town Urban Village regulations increasing floor area bonuses from 0.5 to 1.5 FAR for affordable housing.
- 2023 Amendments to ADU regulations adopting most elements required by HB 1337 including 2 ADUs per lot, allowing units up to 1,000 square feet floor area, and up to 24 feet in height. Retention of owner-occupancy requirement in residential single zones (this requirement to be removed in 2025 to achieve full-compliance with state law)
- 2024 Interim regulations removing parking minimums citywide for one year (interim extended for additional six months in 2025 through July 2026).
- 2024 MFTE Program amended to expand 8-year market-rate program to all 7 urban village areas, expand 12-year affordable program to all zones allowing middle and multi unit housing, adjust affordability requirements for 12-year program to 80% AMI for rental units and 50% AMI for co-living rental units, implement a 20-year affordable homeownership program, allow for program extensions for properties offering affordability, providing displacement protection for tenants, and ensuring affordable units are not built to a lesser standard than market-rate units.

***Barriers** related to this program that remain are market-driven realities of cost of construction materials, labor rates, financing rates, and related factors that make 8-year market-rate projects marginal and most 12-year projects unfeasible. Project viability is estimated to improve significantly with modest changes in market conditions.*

- 2025 Update to Barkely Urban Village plan allowing up to 3,000 housing units at a variety of income levels in a mixed-use environment close to transit, employment, and services.
- 2025 Interim middle housing regulations allowing Infill Toolkit (middle housing) forms in all residential zones (except Lake Whatcom Watershed), and up to 4 homes per lot, or 6 homes if two are affordable, or in proximity to high-frequency transit.
- 2025 Co-living housing regulations to be adopted by end of 2025 allowing co-living housing forms in all residential multi zoned areas. Existing co-living housing in the Bellingham area has average market-rate rents in the 50% AMI income range.
- 2025 Design Review regulations to be adopted by end of 2025 implementing clear and objective standards for all housing types.

- 2025 The 25 neighborhood plans will be retired when the Bellingham Plan (periodic update to Bellingham's Comprehensive Plan) is adopted in December. These 25 legacy land use plans have functioned as land use regulatory documents since 1980.

*These plans have presented **barriers** to housing production and affordability and include a wide variety of goals and policies prioritizing lower-density single-family residential development over other housing forms like middle and multi-family housing. They also represent an overly complex regulatory system with hundreds of individual zoning subareas with unique requirements calling for a high level of expertise to understand and interpret, and to successfully and effectively navigate. The level of detail and complexity in each plan also varies across the city, presenting further inequities.*

- 2026 Final code updates for interim regulations for middle housing, design review, and parking reform to be adopted.
- 2026 Residential zoning amendments replacing existing residential single and residential multi system with residential low, medium, and high zoning designations. The low zone will allow the single-detached and middle housing types, 4 to 6 units per lot, and include a citywide uniform minimum density (maximum lot size) to ensure efficient, sustainable development. The medium and high zones will also allow larger scale multi unit housing forms and carry forward existing minimum density requirements from the residential multi zones. All residential zones will also allow small-scale commercial services.
- 2026/2027 adopt an annexation plan that includes pre-zoning for land use categories in the unincorporated UGA, completes planning for infrastructure for extension of urban services, includes a fiscal impacts analysis, and a phasing plan. This work will allow activation of areas in the UGA for development of housing at urban levels affordable to a variety of incomes.
- 2028 – the voter-approved Bellingham Housing Levy utilizing property taxes for affordable housing and related services will be up for consideration for renewal. This levy first approved in 2008 and renewed in 2018 (\$40M over 10 years) has been a critical element of Bellingham's funding strategy to help meet the needs of the community.

City Programs and Incentives for Affordable Housing

- Since 2015 Bellingham has offered **fee reductions** up to 80% for park, school, and transportation impact fees for development of affordable housing.
- Waivers of up to 80% for city **utility system development charges** and connection fees.
- The **Multi-Family Tax Exemption (MFTE)** program offers two affordable housing options which are allowed in all designated urban villages (Downtown District, Old

Town, Fountain District, Samish Way, Fairhaven, Barkley and Waterfront), and in all zones allowing middle housing or multi-family housing that are located outside of designated urban villages. The 12-year MFTE option requires at least 20% of the units be set aside as affordable at 80% AMI or less for 12 years in exchange for a 12-year property tax exemption. The 20-year MFTE option requires at least 25% of the units be set aside as affordable at 80% AMI or less for 99 years in exchange for a 20-year property tax exemption.

- Bellingham's designated federal **Opportunity Zones** are Downtown, Samish Way, and the Waterfront District. Consider development in these areas to receive favorable tax treatment if you have investors facing capital gain liabilities.
- **Bellingham's Home Rehabilitation Loan** Program provides low-interest loans for the rehabilitation of one- to four-unit family residences; these residences must be owner-occupied by people with incomes at or below 80% of Whatcom County's median income, with some additional eligibility criteria. In addition to funding, this program also offers inspections operational assistance, referrals, and more.
- The City has **ongoing opportunities** for affordable housing projects. Other opportunities include acquisition and opportunity loans, and emergency repairs. These programs are funded by [Bellingham's Housing Levy](#), as well as federal funds received through HUD and the City's General Fund.

City Funded Human Service Programs to Prevent Individuals and Families from Becoming Homeless

- Opportunity Council rental assistance for tenants (\$508,000 in 2023)
- Lydia Place – Family Services Program (\$353,719 in 2023)
- Opportunity Council – Prevention and Diversion for Families and Seniors (\$174,935 in 2023)
- Whatcom Dispute Resolution Center – Housing Stability Program (\$155,645 in 2023)
- Opportunity Council – Housing Lab (\$54,114 in 2023)
- Bellingham Public Schools – Carl Cozier Family Resource Center (\$50,000 in 2023)
- Bellingham Food Bank – Free Grocery Program (\$50,000 in 2023)
- Whatcom Council on Aging – Meals on Wheels (\$50,000 in 2023)
- Brigid Collins – Targeted Intensive Care Mgmt (\$30,000 in 2023)
- Max Higbee Center – Weekday Program (\$30,000 in 2023)

Crisis Response providing outreach, shelter and other basic needs for individuals and families if they do become homeless

- In 2024 Bellingham partnered with community agencies and organizations to provide overnight shelter, motel stays for families with children and other vulnerable households, and 83 tiny homes located in three villages throughout the city.

City work towards Housing Stability – securing long-term housing and support for those left out of the private market

- Over 1,700 affordable units built (333 in 2023). Funding for these projects comes from a variety of federal, and local sources and totaled \$15 million in 2024 (see details in previous section for individual funding sources and authorized totals for 2024).
- Over 1,400 homeowners have been helped to stay in their homes with home rehabilitation loans averaging \$14,600 per loan. Population served is about 35% general low-income, 49% elderly, and 16% disabled.
- Over 123 low-income households have purchased homes in Bellingham with downpayment assistance. Average assistance is \$26,000 per household. City partners with Kulshan Community Land Trust and the WA State Housing Finance Commission to help with down payments and closing costs.

Barriers to the success of the programs listed above include:

- **Insufficient funds** – as described in previous sections of this document, the additional estimated funds necessary to fully satisfy the community needs in Bellingham would be **in excess of \$130 million dollars per year**. Which is about 10x the currently available combined annual funding total. As described above, current funding from federal and state agencies has not kept pace with inflation, further reducing the leveraging ratios and impact local dollars can have.
- **Insufficient organizational** resources – as described in previous sections of this document, there is a need for more non-profit partners and other organizations with the sophistication and experience to successfully move complex affordable housing projects forward.
- **Limited resources for on-site supportive services** – as described in previous sections of this document, there is an acute industry-wide lack of capacity for on-site counselors, case managers, clinicians and other behavioral and physical health professionals.

Section III – Consolidated Plan Overview

Every five years, as a condition of receiving federal grants from the Department of Housing and Urban Development (HUD), the City is required to prepare a Consolidated Plan. This Plan provides an assessment of the City's community development needs and an analysis of the housing market for low-income households. It also presents the proposed goals, strategies, and specific activities that will be implemented to address those needs. The Consolidated Plan is the community's choice, within HUD parameters, for how these funds will be used to support low-income households in the city.

The 2023-2027 Consolidated Plan prioritizes relief for housing cost burden; housing stability for vulnerable households; assistance for basic needs like food, hygiene, childcare, and social connection; increased safety for vulnerable groups; and prevention of discrimination for low-income renters.

Consolidated Plan Overview

JUNE 2023 TO JULY 2027

**Needs
Assessment**

**Market
Analysis**

**Strategic
Plan**

Community Profile

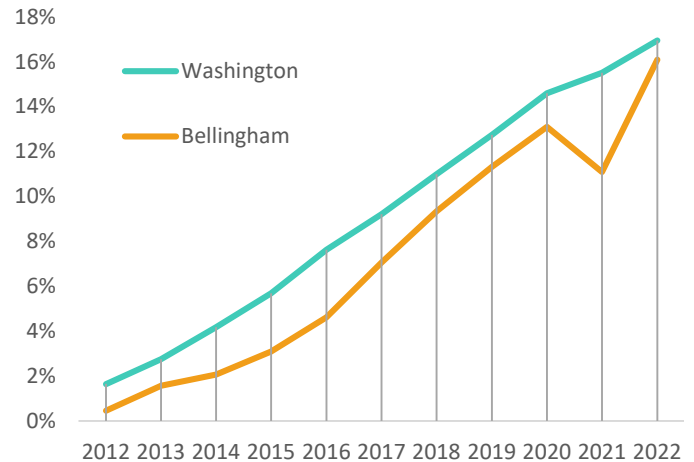
Population growth is steady

Bellingham's population growth has been steady in recent years and has tracked with regional and state growth.

During 2021, colleges went exclusively online and there was a sudden dip in population. The following year, once students returned to in-person learning, the population bounced back. Except for that year, our community's growth pattern is typical for our region.

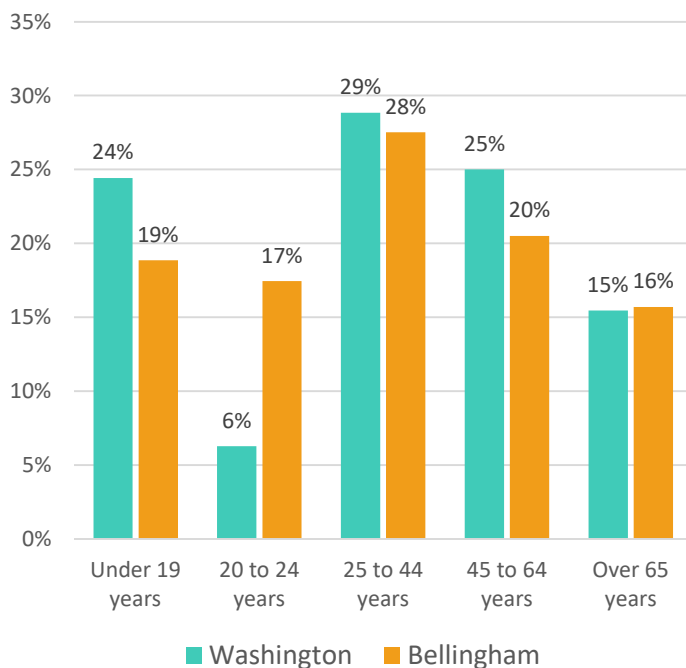
When compared to statewide growth, Bellingham follows statewide population gains. From 2010 to 2022, the population of Washington grew by 17% and the population of Bellingham grew by 16.1%. Bellingham is growing, but not faster than other communities in our region.

% population growth from 2010



How do our demographics compare?

Comparison by age group



Bellingham is a young city. Despite also being a popular retirement destination, the median age of Bellingham residents is 33, compared to the median age in Washington State of 38.

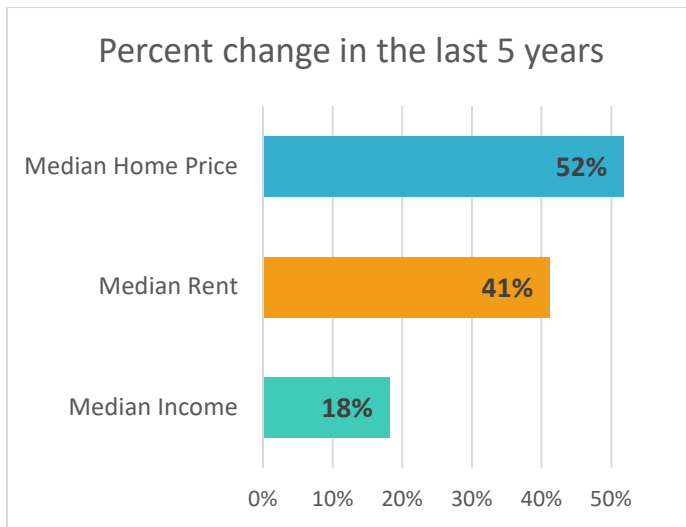
Comparing the proportion of different age groups to the state average, Bellingham has a smaller population of children under 19, but a significantly larger population of those age 20-24. As a college town, this is unsurprising. Despite our aging population, Bellingham does not have a significantly higher proportion of adults over age 65 when compared to the state.

Bellingham's housing is **54% renter-occupied** and **46% owner-occupied**. These percentages have remained consistent for over a decade.

Needs Assessment

Incomes don't stretch as far

People in Bellingham are earning more, but not enough to keep up with the increased cost of housing. Home and rent prices have escalated dramatically, and too many people are paying more than they can afford for housing.



Increasing housing costs mean that residents have fewer dollars to put toward other basic needs. Providers that offer basic needs assistance have seen a dramatic increase in demand. For example, the Bellingham Food Bank recorded its busiest week ever in 2022. Visits to the food bank have *more than doubled* since February 2020, from 17,000 to 35,000 monthly.

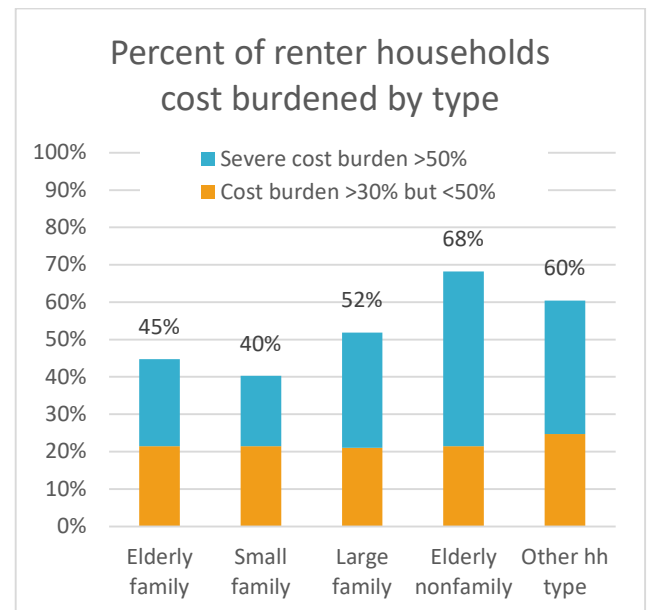
Increasing housing costs, especially rent, put low-income families at higher risk of housing instability when their incomes do not keep up.

The most recent data source was used, which was 2021 for incomes and 2022 for rent and home prices.

Paying too much for housing

Renters are significantly more likely to pay too much of their income for housing than are homeowners. This trend can be observed across all types of renter households – not just young adults or students.

Cost burden is when a household pays more than 30% of their income for housing, and severe cost burden is when they pay over 50%. In Bellingham, 24% of homeowners and 56% of renters are cost burdened. There are nearly three times as many cost-burdened renter households in Bellingham as there are cost-burdened homeowner households. While overall percent of cost burden has increased slightly, cost burden among homeowners has significantly *decreased* in the past five years. Generally, the longer a household has owned their home, the more insulated they are from cost burden.

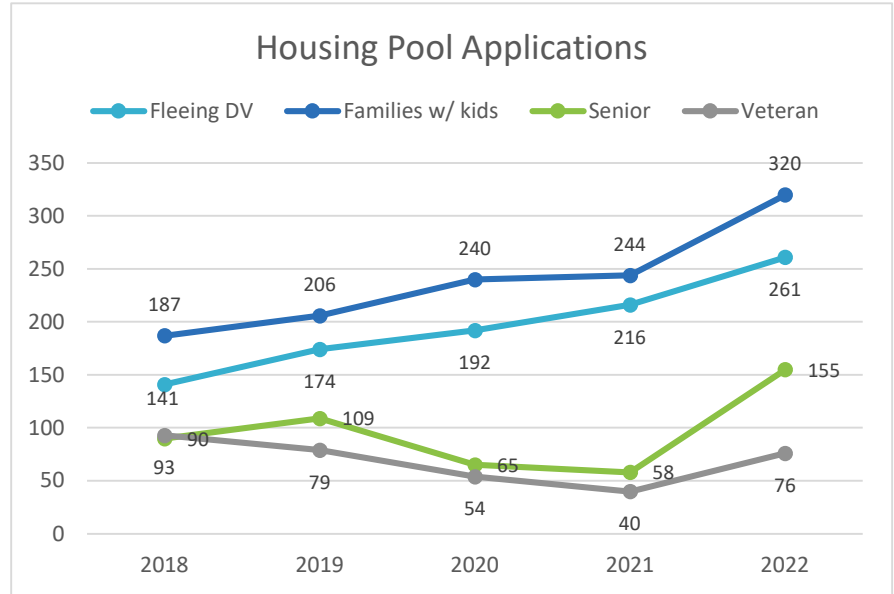


A large family is 5 or more people in the same household; a small family is 4 or fewer people.

As housing costs rise, more people become homeless

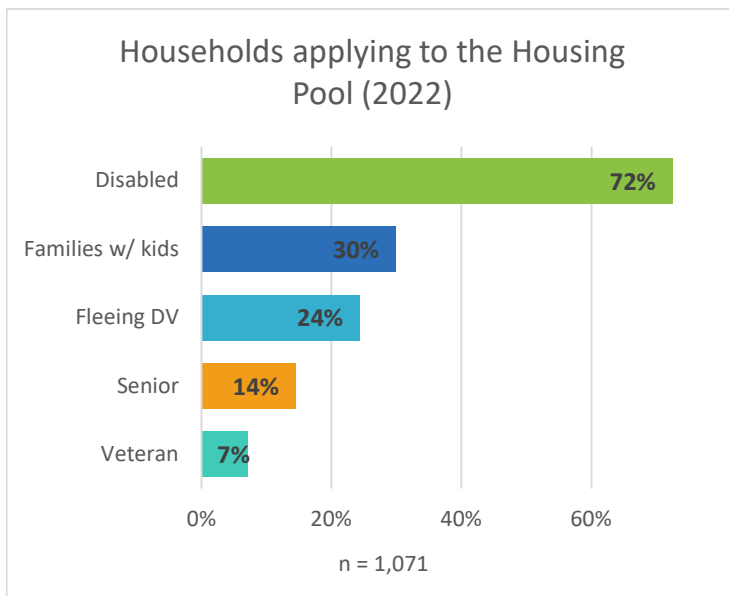
Homelessness is increasing in Bellingham, as it is across our region. More services and emergency shelter beds have been added in our community, but the need is still greater than the available resources.

The Whatcom County Homeless Service Center is the single point of intake for individuals and families who are experiencing homelessness and seeking help. Households who apply for housing assistance through the Homeless Service Center go into a database called the Housing Pool. Households remain on the Housing Pool while they are awaiting an appropriate referral. They are prioritized by vulnerability and matched with a program that best fits their needs. Annual applications to the Housing Pool have increased from 781 households in 2018 to 1,071 households in 2022 (a 37% increase).



Who is homeless in Bellingham?

A high percentage of people who are currently homeless are disabled, single-parent families, and households fleeing domestic violence. Some households may fall in more than one of these groups, as reflected in the graph below.



Last year, 1,071 households applied for assistance through the Housing Pool. It is important to recognize that the total number of people experiencing homelessness is much higher, but not all seek assistance or consent to being entered into a database. The Base Camp emergency shelter, for example, usually serves around 1,200 unique individuals per year, and our annual homeless census counted 823 individuals in Whatcom County sleeping outdoors or in shelters on just one night in 2022. Many do not apply for housing or other housing services.

The emergency shelters currently available are generally not sufficient to meet the specific needs of vulnerable populations like medically fragile seniors or families with children.

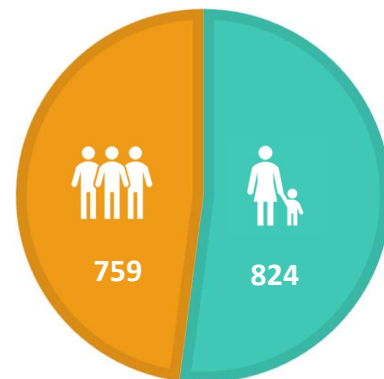
Homelessness among families with children is on the rise

Of serious concern is the trend over the past five years of increased family homelessness. Assisting homeless families with children has long been a top priority in our community. Despite this, more and more are falling into homelessness or are at risk, and our resources for aiding these families are too few.

From 2018 to 2022, families with children applying for services through the Whatcom Homeless Service Center increased by 71%. In 2022, over half (52%) of the new intakes for the Housing Pool were people in families with children. Not only is there an increase, but due to a tight housing market and multiple barriers, these families are remaining longer in shelter situations that are unsuitable for children. The primary shelter option for families with kids is currently motel stays.

NUMBER OF PEOPLE NEWLY HOMELESS IN 2022

■ Families with children ■ Adults only



Note that a household can be one individual or many people. Housing Pool applications are one per household. The pie chart above shows the total number of people in all households.

More than just a roof is needed

Homeless households are taking longer to find housing and require more support services along the way. Additionally, service providers report that they are seeing more households with complex barriers.



Housing programs in general are seeing clients take much longer to find stable housing, even once they have the support of a case manager or a rental assistance voucher. Nonprofit partners report that average stays in emergency and transitional housing are often twice as long as they were before the pandemic. For example, the average length of motel stays increased from 27 days in December 2020, to 85 days in December 2022. This means the agencies that provide housing and support services, such as domestic violence shelters or transitional housing programs, cannot serve as many households per year even while the demand is increasing.

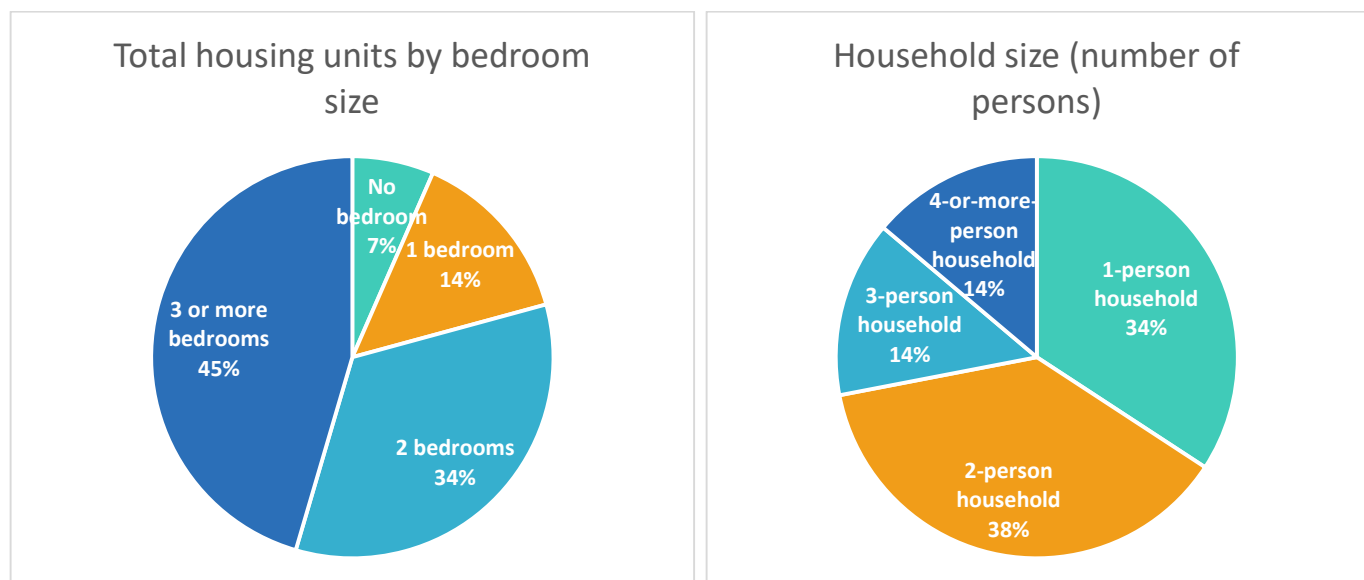
Other individuals and families may not be able to live independently because of their complex behavioral or health needs. A recent estimate is that as much as 48% of households on the Housing Pool need some form of permanent supportive housing. There are currently 340 permanent supportive housing units or vouchers in our community, and capacity would need to double to accommodate all these households. Meanwhile, permanent supportive housing is the costliest type of housing to provide because of the ongoing expense of paying trained on-site staff.

Market Analysis

Our housing stock does not match our demographics

Our existing housing stock does not match our current population. Household composition is changing, and smaller family sizes are becoming more common. Meanwhile, most of our housing is built for larger households.

The two pie charts below illustrate a disconnect between the housing units that exist in Bellingham and the households that live here. Over 70% of our community is a one- or two-person households. Meanwhile, 45% of our housing units have three or more bedrooms, but only 28% of our households or families have 3 or more people. The market is providing larger houses than many people need or can afford in today's market.



Construction costs are up

A key factor that exacerbates the housing shortage is the cost of construction. Homebuilders must either charge market prices or access significant public subsidies to break even on new homes.

Construction costs are at historic highs. Recent capital costs for a non-profit to build a single apartment in a large multi-family building are over \$400,000 *per apartment*. This decreases the number of units that can be built with public funding sources, because our housing dollars don't go as far.



Homeownership is a gateway to housing stability

Ownership options for moderate-income families are key to breaking the cycle of cost burden and housing instability, but there are very few opportunities for moderate income households to become homeowners.

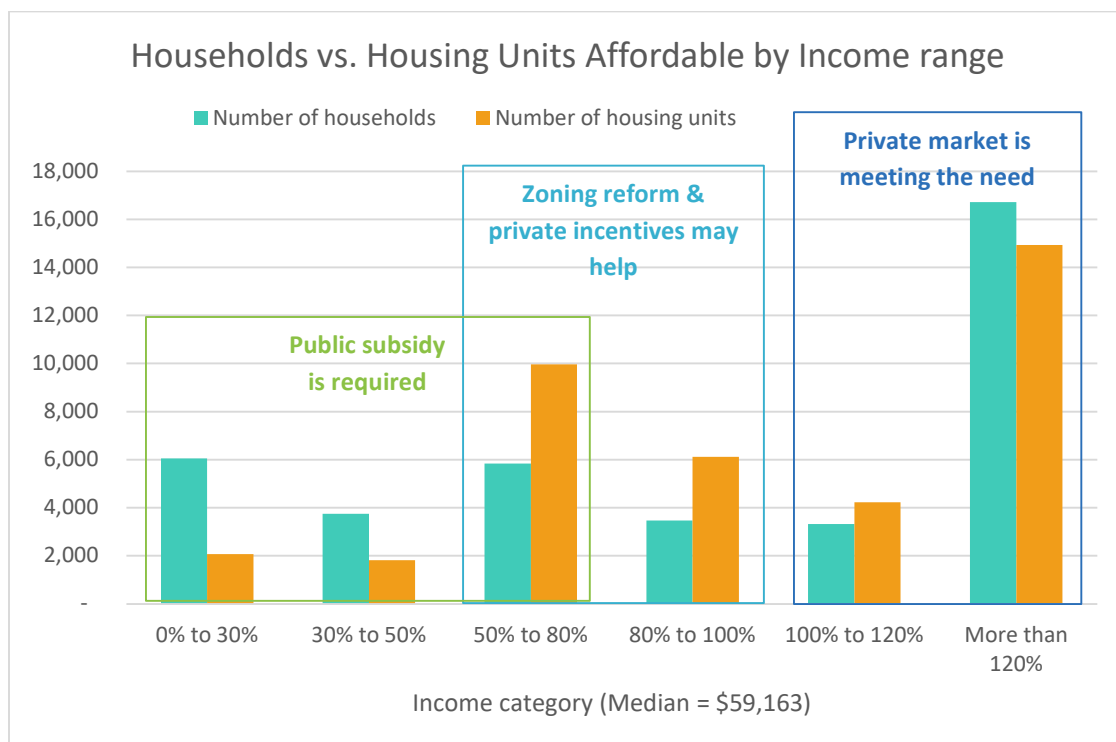
Rental housing units, primarily apartments, are being added to the housing market in much greater quantity than ownership units; 80% of new residential units permitted in the past 5 years were multi-family housing. Because of restrictive condominium liability laws, there has been a dramatic decrease in the number of multi-family units being built for condo ownership. Density helps our community accommodate more residents, but with a vacancy rate that hovers around 2%, rental costs will continue to rise in the private market. High demand means that prices will rise even in areas that were formerly affordable.



The private market does not supply housing for all incomes

There is a severe lack of housing that is affordable to those who earn less than 50% of the median income (about a quarter of households in Bellingham). At current construction costs and interest rates, the private market cannot provide housing that is affordable to these households. Other interventions are necessary.

Current local and federal funding dollars are not sufficient to make up the existing gap to meet this need. The chart below shows the number of housing units compared to the number of households who could afford these units, and overlays with what types of intervention would be needed to balance the housing supply with the incomes in Bellingham.



Strategic Plan

Past Performance

Available sources of funding, including the Bellingham Home Fund housing levy and other local and federal funds, are enough for our community to build or preserve 110 to 130 units of affordable non-profit housing per year on average. We estimate 425 new units that are affordable to low-income residents are needed per year to meet current and future demand.

Over the past five years, some priorities shifted in response to the Covid-19 pandemic and new ones emerged. Despite this challenge, the City of Bellingham maintained focus on our housing goals and was able to provide funding assistance with the building of many new affordable housing projects (see box below). In addition, we funded dozens of social service programs through local non-profit partners, which together have provided services to over 40,000 individuals.

Examples of these services include:

- Childcare tuition assistance
- Domestic violence support services
- Free groceries
- Literacy and job training
- Meal delivery for seniors
- Mental health counseling
- Social support for developmentally disabled adults



Some highlights during the last period were helping the Lighthouse Mission Ministries to quickly relocate to a larger temporary space that could allow for social distancing and more adequate services in the early days of the pandemic, and the opening of Gardenview Tiny House Village, a non-congregate shelter model that includes case management support to help elderly and medically fragile individuals and couples experiencing homelessness.

Recent & upcoming housing projects

- **Eleanor Apartments**, 80 units for low-income and homeless seniors, completed in 2019.
- **Heart House**, 11 units of permanent supportive housing for formerly homeless families, completed in 2022.
- **Trailview Apartments**, 77 units for low-income and homeless families with children, completed in 2022.
- **Evergreen Ridge Apartments**, 145 units for low-income households, acquired in 2022.
- **Samish Commons**, 171 units for seniors, families, and formerly homeless households. To be completed in 2023.
- **Laurel & Forest**, 56 units for low-income and homeless seniors. To be completed in 2024.
- **Millworks**, 83 units for low-income families. To be completed in 2024.

More information about these and other affordable housing projects is available on the Housing & Human Services page: [Housing & Human Services \(arcgis.com\)](#).

Priority Needs & Goals for 2023-2027

The City used a variety of methods to reach out to stakeholders and the general public throughout the Assessment of Fair Housing and Consolidated Plan process. Below are the goals and priorities that were identified based on analysis of local data and input from community members.

City staff utilized focus groups, community meetings, online and printed surveys, social media, and the City’s online community participation forum, [Engage Bellingham](#), to gather feedback from over 1,200 residents. The community participation methods were generally focused on hearing the opinions and experiences of low-income residents, with targeted outreach to seniors, renters, young adults, families with children, Hispanic households, and the developmentally disabled community. We also solicited feedback from numerous local partner agencies, especially those who work directly with the target groups above.

Priority Needs

Affordable housing
Housing services
Basic needs

- Food
- Hygiene
- Childcare
- Social connection

Safe shelter
Fair Housing education and enforcement

Consolidated Plan Goals

Reduce housing cost burden
Provide vulnerable households with services to remain stably housed
Help vulnerable households meet their basic needs
Increase safety for vulnerable groups
Prevent housing discrimination and increase protections for low-income renters

More details regarding the proposed strategies and actions under each of the goals above is available in the full draft text of the 2023-2027 Consolidated Plan: <https://cob.org/services/planning/consolidated-plan>. For questions, contact cd@cob.org.

What is the Consolidated Plan?

Every five years, as a condition of receiving federal grants from the Department of Housing and Urban Development (HUD), the City is required to prepare a Consolidated Plan. This Plan provides an assessment of the City’s community development needs and an analysis of the housing market for low-income households. It also presents the proposed goals, strategies, and specific activities that will be implemented to address those needs. The Consolidated Plan is the community’s choice, within HUD parameters, for how approximately \$9 million per year will be used to support low-income households in the city.

Section IV – Bellingham Racially Disparate Impacts Memo

This section describes Bellingham’s policy review for racially disparate impacts. The review began in 2023 with an evaluation of land use and housing policies in the 2016 Comprehensive Plan, and the policies in the 25 neighborhood plans. The analysis grouped policies into four general categories.

- Policies that do not have racially disparate impacts.
- Policies with exclusive language that may be used, or that has historically been used to preserve the status quo, or exclude housing types associated with lower-income, or racially diverse members of the community. Examples include “..preserve neighborhood character”, and “..limit impacts on single-family housing”.
- Policies that allow only detached single-family housing forms and that limit or prohibit other forms of housing.
- Neighborhood plans that have widely varying levels of detail and complexity. The neighborhood plans developed by areas with more wealth, engagement, and resources tend to overshadow those developed by areas with lower incomes and resources. These plans are significantly longer, have more specific policies, and include unique elements that provide additional benefit for residents and owners in those neighborhoods. This variation results in inconsistency and inequality and is a significant barrier to housing development citywide.

Part of the process included an independent policy review by the consultant (Leland Inc.) assisting the County and cities with the housing policy impacts analysis. A memo summarizing Leland’s review is included on the following pages. In addition to the evaluation of existing comprehensive plan and neighborhood plan policies, the memo also examines the draft goals and policies in the proposed Bellingham Plan. The analysis uses the framework provided by the WA State Department of Commerce to identify relevant housing policies as “Supportive”, “Approaching”, “Challenging”, or “Not Applicable” with respect to a jurisdiction’s ability to meet identified housing needs and address racially disparate impacts, displacement, and exclusion. The results of the review showed 19 policies were supportive, 7 policies that were approaching, 13 that were not applicable, and one policy identified as challenging. The policy (Community Design Goal “H”) identified as challenging was flagged because it was seen as having subjective language that could be used to exclude multifamily development in specific areas. Bellingham’s subsequent staff evaluation of this goal determined that pending implementation of regulations required by HB 1293 requiring clear and objective design standards will ensure these are not subjective and are critical elements to provide complete neighborhoods with well-designed pedestrian realm and streetscapes.

City of Bellingham Zoning Regulations RDI Analysis

October 23, 2025

Background / Purpose

Neighborhood Plans: History & Context

Through its current Comprehensive Plan update process, the City of Bellingham is embarking on an ambitious initiative to streamline its zoning code to increase racial and socioeconomic equity, plan for adequate land for new housing, comply with new state laws, and increase the clarity of development regulations. To that end, City staff are proposing to replace its 25 neighborhood plans which currently contain over 430 subareas – each of which have their own zoning and development regulations – with more streamlined zoning that allows for a mix of low-, medium-, and high-density housing in residential zones.

Bellingham's neighborhood plans were first introduced in 1980, when 22 plans with over 350 subareas were adopted into the City's zoning code. Originally, these neighborhood plans included all land use and zoning regulations. In 2005, the City attempted to increase clarity within the code by zoning tables to the Municipal Code in order to increase clarity, but each neighborhood still had unique zoning. Four of the neighborhood plans still date from 1980, while the others were updated between 1996 and 2012. In 2009, the northern neighborhoods were reconfigured due to changes in city boundaries.

Despite similar residential contexts, the neighborhood plans were not all created with the same level of public input. Generally, well-resourced neighborhoods were able to create more detailed plans that aimed to preserve "neighborhood character" and bolster property values. Today, this has resulted in inequitable patterns of development across neighborhoods, with new multifamily construction allowed in just a handful of neighborhood subareas. In addition, the complexity and lack of standardization of zoning regulations is a major barrier to housing development citywide.

State Requirements: HB 1110 & HB 1220

In 2021, the Washington State Legislature passed House Bill 1220 (HB 1220) as an amendment to the state Growth Management Act (GMA). **HB 1220 requires that local governments plan for housing at all income levels and assess the racially disparate impacts (RDI) of existing housing policies.** Conditions that indicate that policies have racially disparate impacts can include segregation, displacement, and disparities in cost burden, educational opportunities, health indicators by race and ethnicity. Bellingham is currently conducting an RDI analysis aligned with the requirements published by the Department of Commerce. The analysis will include an RDI assessment of goals and policies from the previous Comprehensive Plan to help inform updates in the current cycle.

This report will address the regulatory frameworks that are likely contributing to racially disparate impacts in Bellingham, specifically those regulations related to neighborhood plans. In addition, Leland will conduct a high-level RDI assessment of the draft goals and policies (as of February 2025) that the City is revising as part of its Comprehensive Plan update process.

The City is also working to implement zoning and regulatory changes related to HB 1110, which requires cities to allow for middle housing in their residential codes. Bellingham is a Tier 1 city, meaning that it must allow up to four units on every residential lot and up to six units on lots near transit or if at least two affordable housing units are included. Rather than updating each neighborhood zone and subarea to comply with HB 1110, Bellingham is proposing replacing these plans with low-, medium-, and high-density residential zones that allow for a mix of housing types.

Regulatory Analysis

The current organization of the Bellingham zoning code is extremely complicated. It includes 25 neighborhood plans with over 430 subareas. This complexity makes it challenging for small business owners trying to determine where they can locate in the city, for potential developers to understand what they can build where, and for City staff charged with code administration and decision-making. In addition, it presents opportunities for the inequitable distribution of uses across neighborhoods. In effect, it makes it extremely challenging for the City to meet its housing goals and codifies land use patterns that in most cases are over 40 years old. This section will explore some of the existing neighborhood plans and identify language and regulations that exacerbate racially disparate impacts and/or the development of more affordable housing types. It will also include some examples of plan language from less exclusionary neighborhoods. The neighborhoods were chosen as examples to represent the types of disparities and impacts found across most of the plans. The neighborhoods analyzed include:

- Edgemoor
- Samish
- Columbia
- Lettered Streets
- Roosevelt

Guidance from the Washington Department of Commerce suggests that phrases like “neighborhood character” have been used to prevent the development of a wider variety of housing types, thereby shutting lower-income households, renters, and people of color out of specific neighborhoods. This is because “preserving neighborhood character” has historically meant disallowing any form of change, which typically results in the perpetuation of inequities inherent in the time of the original development. Each of the neighborhood plans in Bellingham begins with a description of neighborhood character – nine of these emphasize the prevalence of single family detached housing as a key feature of the neighborhood. Many of these residential neighborhoods have extremely large minimum lot sizes – in some cases as large as 20,000 square feet (nearly a half-acre). Figure 1 below shows the building footprint of various types of housing on a 20,000 square foot lot.

Figure 1. Types of Housing Appropriate for a 20,000 Square Foot Lot

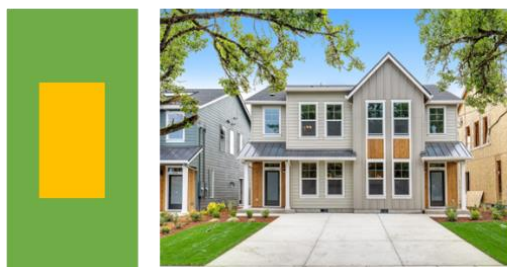
Approximately 5,000 SF Single Family Home



8,600 SF, 12-unit Apartment Building



Approximately 9,000 SF Six-Plex



14,400 SF, 18-unit Apartment Building

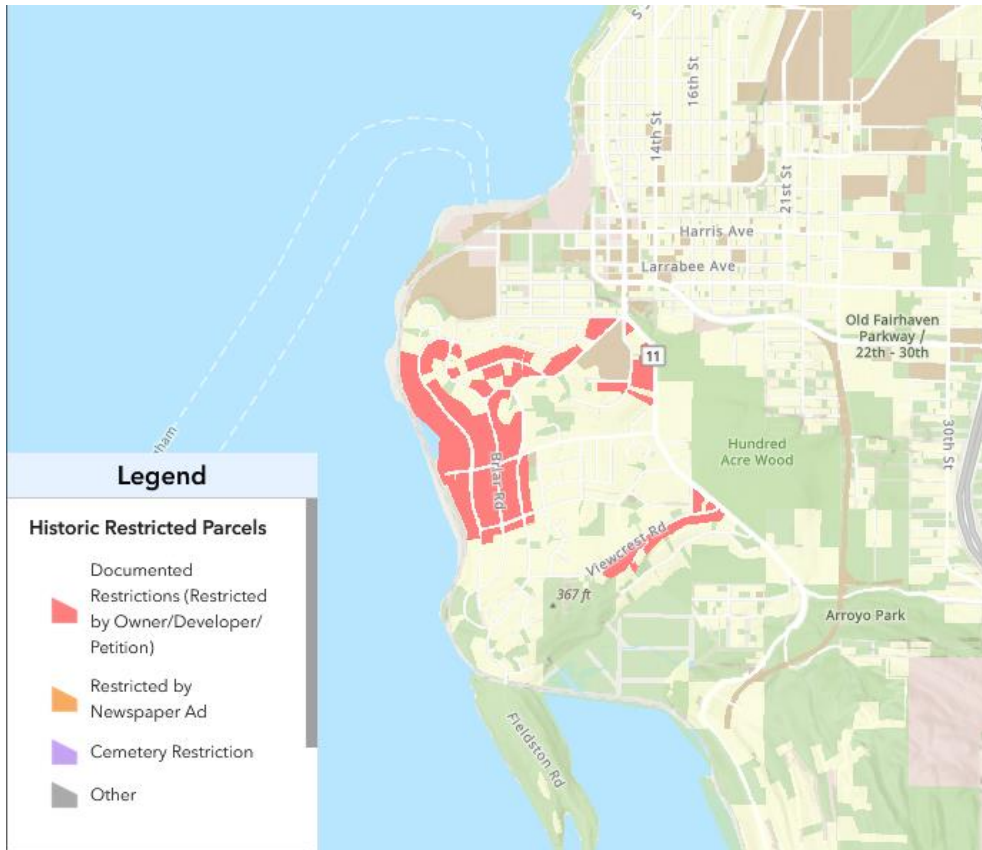


Source: Redfin, CoStar, Leland Consulting Group.

Edgemoor Neighborhood Plan

The Edgemoor neighborhood is located along Bellingham Bay in southwestern Bellingham. Its neighborhood plan was updated in 2005. Despite its proximity to Fairhaven Station and mixed-density neighborhoods like South Hill, Edgemoor is described in its neighborhood plan as a single-family neighborhood with quiet residential character with large homes on half-acre plots in the western portion of the neighborhood. Aside from Fairhaven Middle School, the neighborhood is zoned for single family residential. According to the University of Washington Racial Restrictive Covenants Project, the Edgemoor neighborhood has a history of restrictive covenants that prevented racial integration.

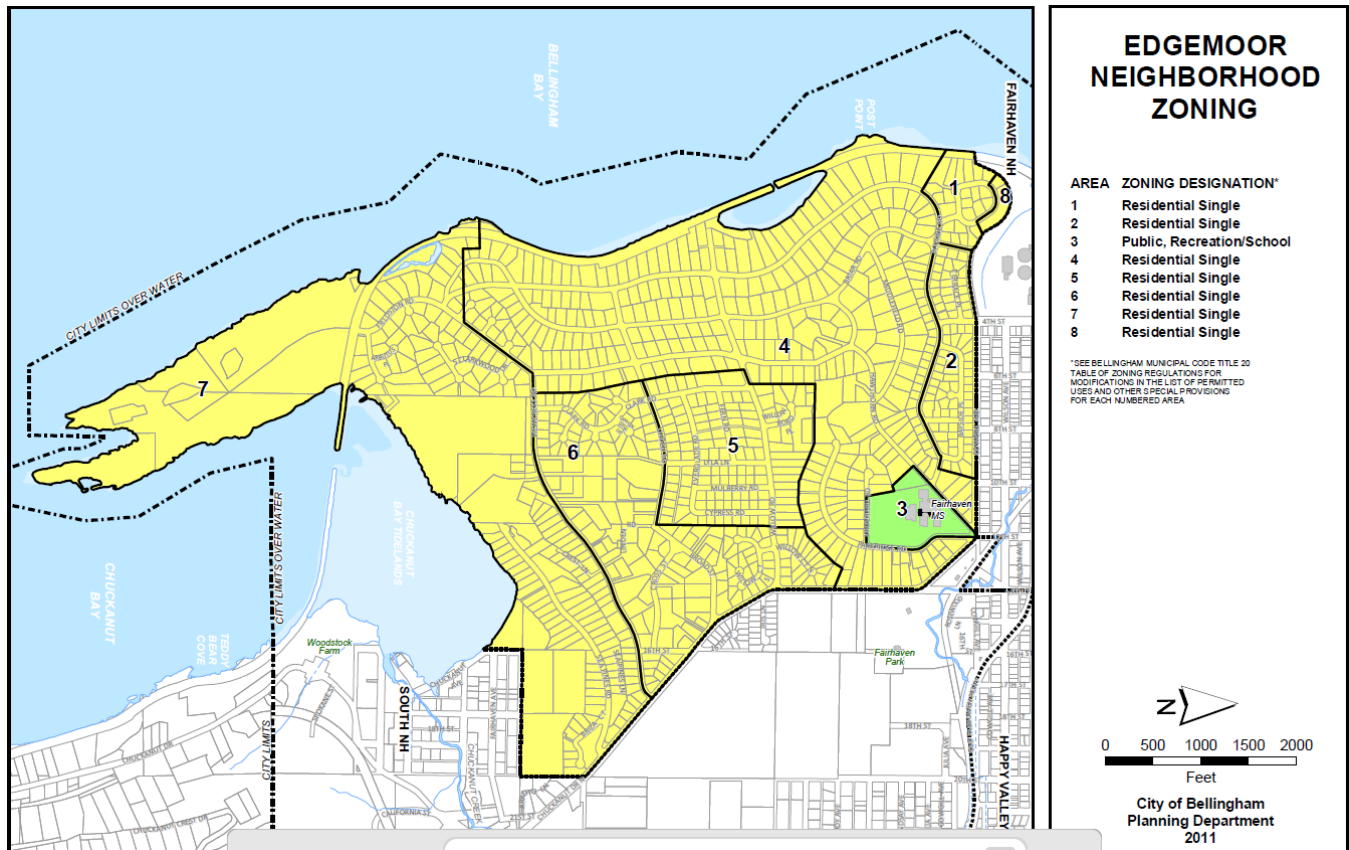
Figure 2. Parcels with Racially Restricted Covenants in the Edgemoor Neighborhood



Source: University of Washington.

Edgemoor features eight subareas. Six of these subareas allow low-density single family residential while one (adjacent to the Fairhaven neighborhood) allows for medium-density single family homes. Middle and multifamily housing are not allowed anywhere in the neighborhood. The medium-density single family subarea (subarea two) allows for lots that are no smaller than 7,200 square feet. The minimum lot size in the low-density single family subareas range from 8,400 square feet (subarea eight) to 20,000 square feet (subareas seven and four). Subarea four is the largest subarea by acreage. Despite the significant differences in minimum lot sizes allowed in these subareas, there are not clear reasons for these differences. Subarea four, where the minimum lot size is 20,000 square feet, does not have fundamentally different topographical conditions than adjacent subareas five or two. The high minimum lot sizes primarily serve to artificially constrain the number of units that could be built on the majority of land in the neighborhood, including those areas that were historically subject to racially restrictive covenants.

Figure 3. Edgemoor Neighborhood Zoning Map



Source: City of Bellingham Zoning Code (20.00.060).

The Edgemoor Neighborhood Plan's description of neighborhood character uses language that prioritizes maintaining views over meeting the City's goals for housing production. Examples of this type of exclusionary language include:

- "The quiet residential character of the Edgemoor Neighborhood is a valued asset."
- "The term 'rural estate' has been used to describe this portion of the neighborhood where magnificent views of Bellingham Bay and the San Juan Islands are a highly valued resource."

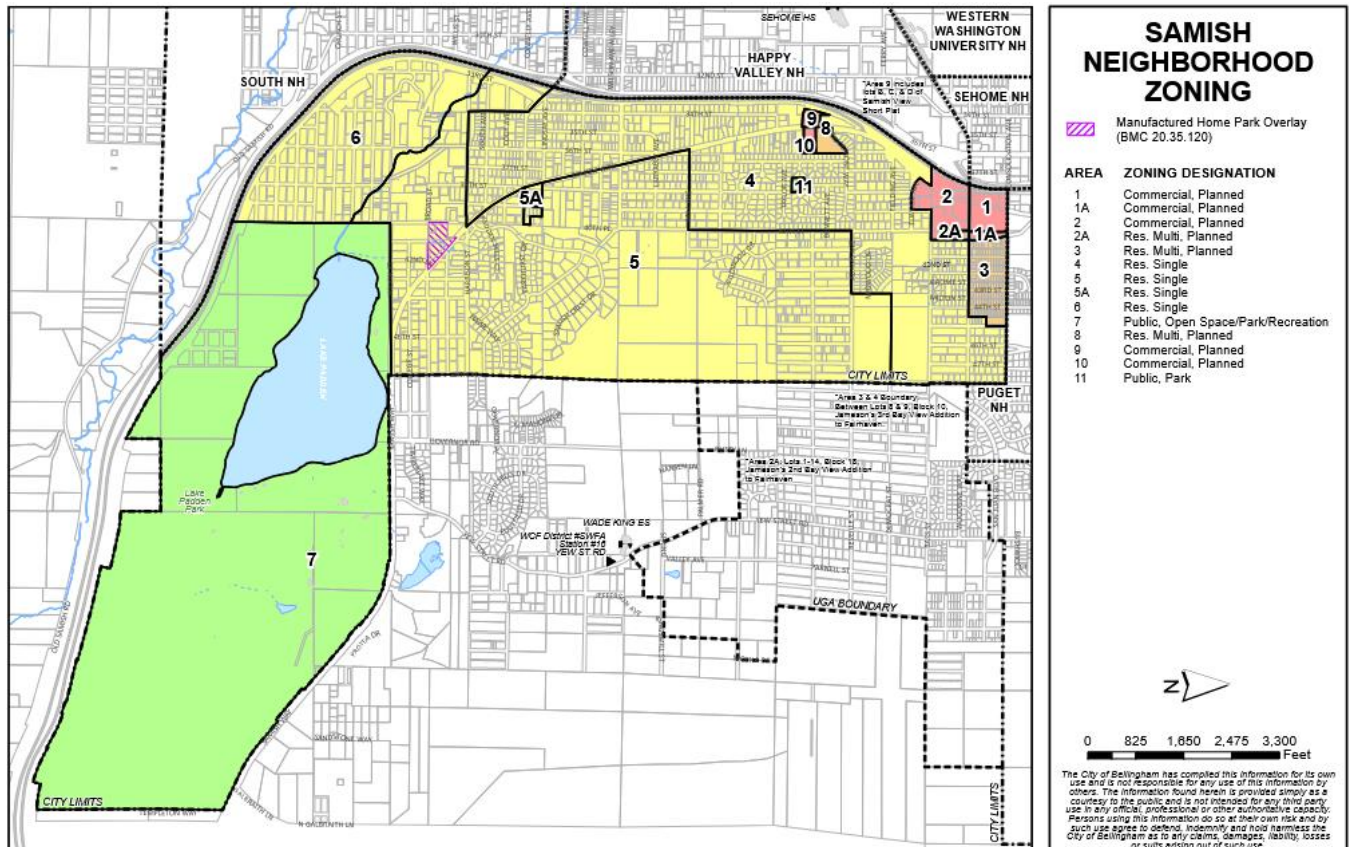
Samish Neighborhood Plan

The Samish neighborhood is located in southeastern Bellingham, east of I-5. Like Edgemoor, it is primarily a single family residential neighborhood, though it has some pockets of multifamily residential and commercial in the northern and northwestern portion of the neighborhood. The Samish neighborhood plan was last updated in 2007 and emphasizes the character of the neighborhood as low-density, positioning higher-density housing as a nuisance. Examples of exclusionary language in the description of neighborhood character include:

- "The Samish Neighborhood Plan focuses on developing and maintaining neighborhood scale and character, consistent with the 2005 Bellingham Comprehensive Plan Update that is governed by low-density zoning with single-family residences..."
- "Whenever increased residential densities and mixed use development are proposed, the approval should be contingent on projects that are done in areas which minimize impact on current single family development. The Samish Neighborhood should be involved in the decision on the appropriateness."

The Samish neighborhood has 11 subareas, three of which are single family residential. Two subareas are zoned for multifamily residential, three are commercial, one is mixed use (multifamily and commercial), and two are parks/open space. The three single family zoned subareas (subareas four, five, and six) and the public park in subarea seven constitute the vast majority of land in the Samish neighborhood. Subareas four, five, and six allow for detached and cluster residential. The minimum lot size ranges from 7,201 square feet in subarea 5A to 20,000 square feet in subarea six. Subarea 5A represents a very small portion of subarea five, where the minimum lot size is 20,000 square feet. Where cluster developments are allowed in these subareas, they must have an overall average lot size no smaller than the allowed minimum for single family detached homes, negating the potential benefits of cluster development as a means to increase density and housing diversity.

Figure 4. Samish Neighborhood Zoning Map



Source: City of Bellingham Zoning Code (20.00.150).

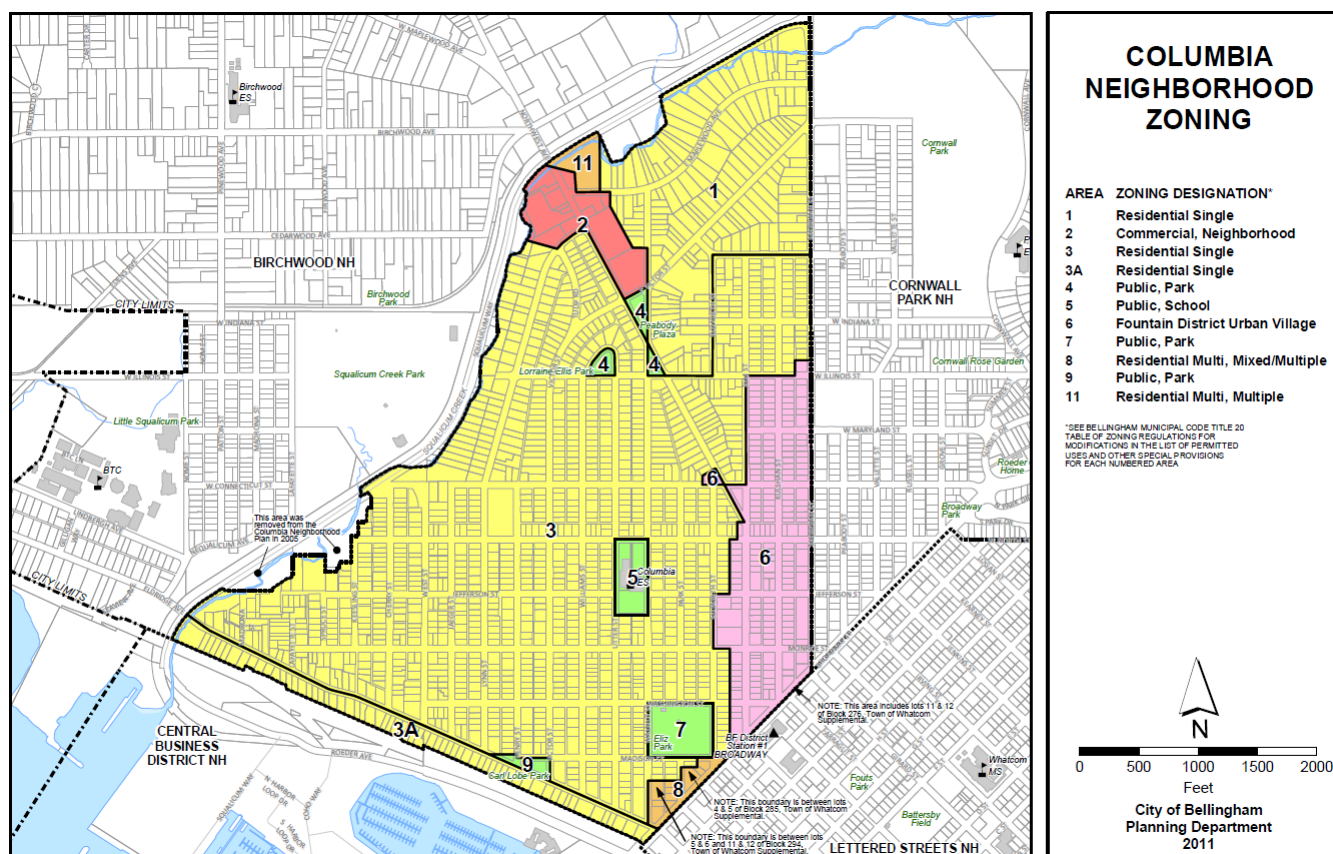
Columbia Neighborhood Plan

The Columbia neighborhood is located in the northwestern part of the city, just north of the Lettered Streets neighborhood. Its neighborhood plan was most recently updated in 2021. Like Edgemoor and Samish, it is primarily comprised of detached single-family homes. Although there are some small commercial districts within the Columbia neighborhood that feature multifamily housing, like the Fountain District Urban Village and the area along Northwest Avenue in the northwestern portion of the neighborhood, the plan's description of neighborhood character focuses almost exclusively on single family detached housing. Some examples of exclusionary language include:

- "Although various parts of the Columbia Neighborhood have different types of housing and a range of public improvements, one generalization which can be made about the character of this neighborhood is that it is a healthy single family residential area which is valued as such by its residents."
- "Approximately 90 percent of the neighborhood's housing is over 20 years old."
- "Most of the remainder of the neighborhood is single family residences from 30 to 70 years old, usually in good condition."

The Columbia neighborhood has 10 subareas, but by far the two largest subareas (one and three) are zoned for single family residential. The minimum lot size is 15,000 square feet in subarea one and 5,000 square feet in subarea three. Subareas eight and 11, small subareas on the edges of the neighborhood, allow for multifamily residential. The Fountain District Urban Village is located on the eastern edge of the neighborhood, bordering the Cornwall Park and Lettered Streets neighborhoods. Urban village zoning is defined in the urban village plans created via a separate process from the neighborhood plan.

Figure 5. Columbia Neighborhood Zoning Map



Source: City of Bellingham Zoning Code (20.00.040).

Lettered Streets Neighborhood Plan

By contrast, the Lettered Streets neighborhood celebrates its historical character, middle-class roots, and diversity of housing options in its neighborhood plan. The Lettered Streets neighborhood is located just north of the Central Business District and largely dates back to the 1890s. Although the neighborhood fell into decline in the middle of the

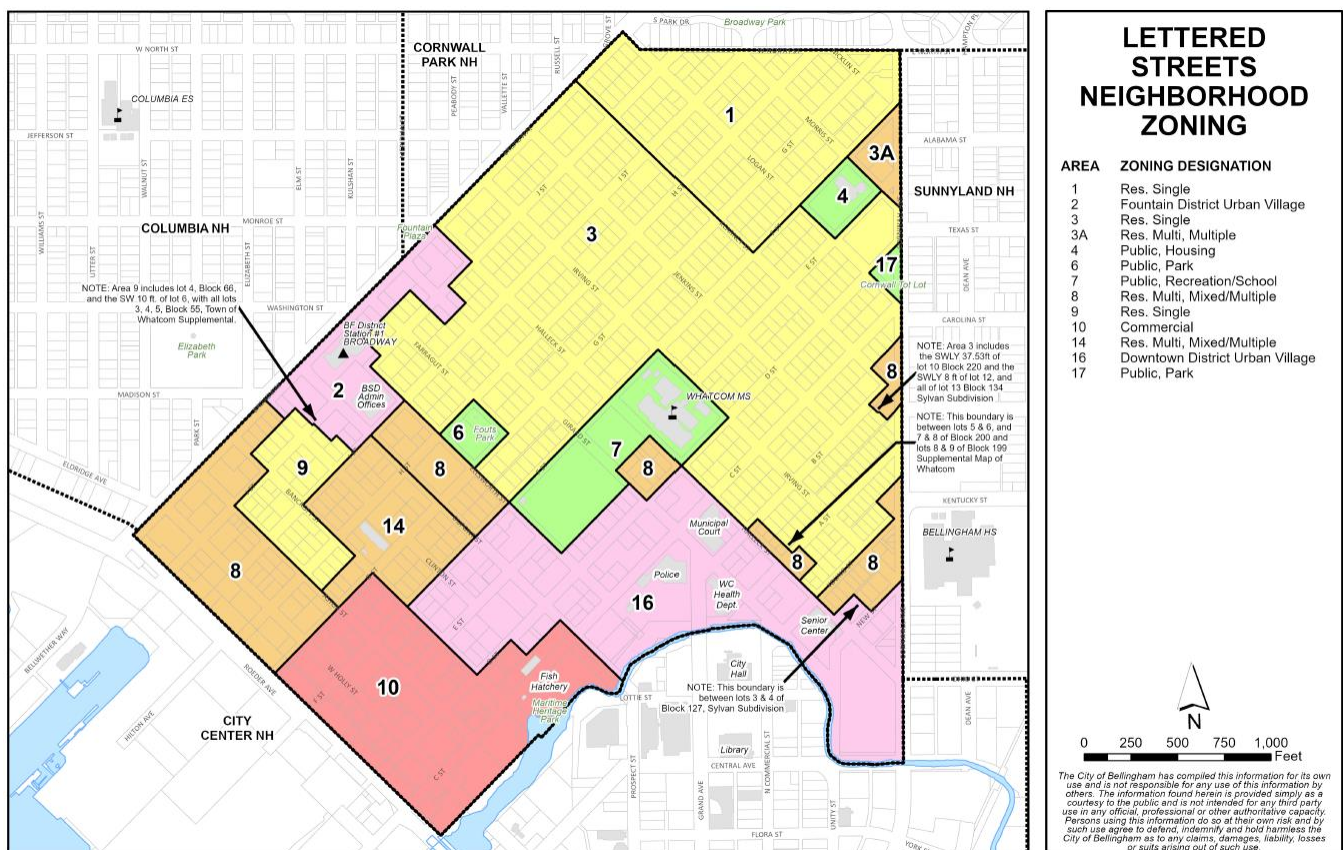
20th century, infrastructure improvements begun in the 1960s helped to turn it around. Today, it features a mix of old and new homes of varying densities as well as Whatcom Middle School.

The Lettered Streets Neighborhood Plan was last updated in 2021. The plan's discussion of the neighborhood's history and current land use patterns emphasize the diversity of historic and new building types that define the neighborhood. Examples of this inclusive language include:

- "The homes were of varied sizes and styles, and for the most part reflect the building trends of the early 1900's. This legacy of original buildings records the types of homes constructed by Bellingham's middle-class and working families of 75 to 95 years ago."
- "The history of the zoning is reflected in the character of the neighborhood. Large, older, well-maintained homes predominate in the northern part of the area, with some newer homes and small apartment buildings scattered throughout the residential sections."

Seven of the Lettered Streets neighborhood's 13 subareas are explicitly for housing – two are single family, one is specifically for public housing (a small area consisting of one development), and the others are a mix of single and multifamily housing. The Fountain District (subarea two) and Downtown District (subarea 16) urban villages allow for a mix of commercial and residential transition areas. The largest subarea is subarea three, which allows primarily for single family housing on lots 5,000 square feet or larger.

Figure 6. Lettered Streets Neighborhood Zoning Map



Source: City of Bellingham Zoning Code (20.00.100).

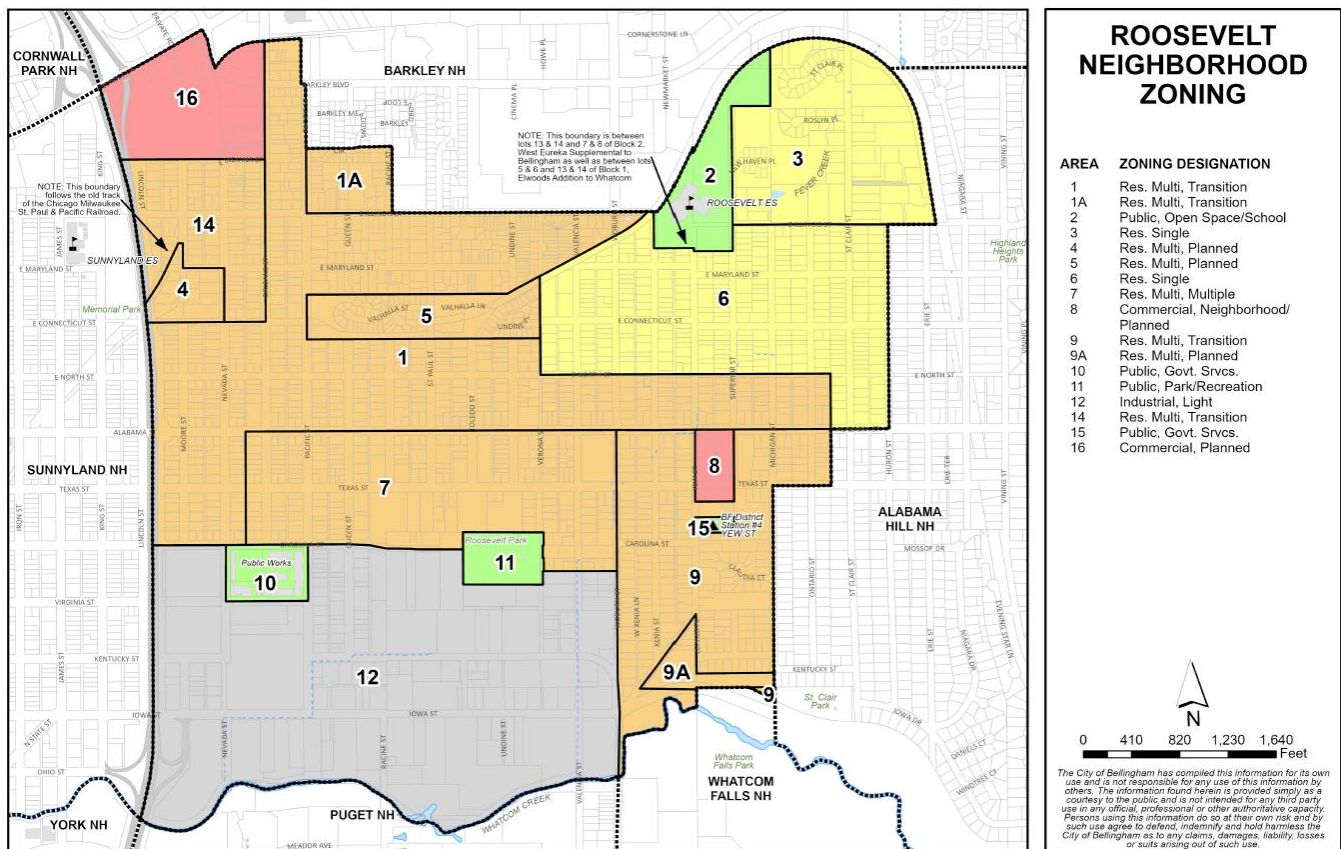
Roosevelt Neighborhood Plan

Roosevelt is a neighborhood located east of I-5, just east of the Sunnyland neighborhood. Its neighborhood plan, which was last updated in 2021, describes the neighborhood as diverse based on the variety of land uses and housing types. Since 1995, most of the new housing built in this neighborhood has been apartment buildings. Below is an example of inclusionary language in the Roosevelt Neighborhood Plan:

- "Within these boundaries the Roosevelt Neighborhood is, in every sense of the word, diverse. Land use ranges from single-family residential to industrial. There are concentrations of old and new housing units. Styles vary from 100-year old single family homes to modern apartment complexes."

Unlike the other neighborhoods in this section, the majority of land in the Roosevelt neighborhood is dedicated to multifamily residential. The southern end of the neighborhood includes a significant amount of industrial space, while the northeastern portion of the city is zoned for single family housing. The Roosevelt neighborhood has 13 subareas – six are for multifamily housing, two are single family, two are planned commercial neighborhoods, one is light industrial, and the remainder are parks and civic space. Within the zoning code, the multifamily zones in this neighborhood are medium-density. Minimum lot sizes for single family homes range from 7,200 to 15,000 square feet.

Figure 7. Roosevelt Neighborhood Zoning Map



Source: City of Bellingham Zoning Code (20.00.140).

Key Takeaways & Recommendations

- Bellingham's use of community plans, each with their own specific zoning district, is an overly complex regulatory structure that exacerbates historical inequities, is challenging to administer, and discourages new development that would help the City achieve its housing goals. The reliance on neighborhood character to define future development is out of alignment with state land use requirements.
 - Community plans are often inconsistent, lacking rationale for why such a wide range of minimum lot sizes are required in different zones and subareas. For example, while subareas adjacent to Lake Padden Park in the Samish neighborhood allow only single-family homes with a minimum lot size of 20,000 SF, the Roosevelt Neighborhood subareas that border St. Clair Park allow for medium-density multifamily. Because each neighborhood plan occupies a different section of the zoning code, comparing plans to identify potential inequities is a challenge.
- The City should create a unified land use code that aligns with established priorities for sustainability, resilience, housing stability, and equity.
- In the revised zoning ordinance, the City could consider building on the inclusive language in some neighborhood plans, such as Lettered Streets and Roosevelt, that celebrates Bellingham's diverse history and varied urban form and allows for continued evolution.

Policy Analysis

The table below includes a Racially Disparate Impacts (RDI) assessment of Bellingham's proposed new land use, housing, and community design goals and policies. Based on guidance provided by the Washington State Department of Commerce, the following policy evaluation framework was used to evaluate Bellingham's proposed revisions to its policies relating to housing and residential development from the Land Use, Housing, and Community Design chapters of the Comprehensive Plan:

Criteria	Evaluation
The policy is valid and supports meeting the identified housing needs. The policy is needed and addresses identified racially disparate impacts, displacement and exclusion in housing.	S Supportive
The policy can support meeting the identified housing needs but may be insufficient or does not address racially disparate impacts, displacement and exclusion in housing.	A Approaching
The policy may challenge the jurisdiction's ability to meet the identified housing needs. The policy's benefits and burdens should be reviewed to optimize the ability to meet the policy's objectives while improving the equitable distribution of benefits and burdens imposed by the policy.	C Challenging
The policy does not impact the jurisdiction's ability to meet the identified housing needs and has no influence or impact on racially disparate impacts, displacement or exclusion.	NA Not applicable

Note: New goals and policies that are not applicable (NA) to achieving racial equity goals have been excluded from this table.

Chapter	Policy #	Goals & Policies	Equity Assessment	Reasoning	Notes
Land Use	LU-A	Incentivize residential development in proximity to and mixed with commercial development, especially in areas that lack significant residential development.	Approaching	Increasing residential development in commercial areas can help people live in closer proximity to essential services. However, commercial uses that are heavily auto-oriented or industrial can have negative health effects on residents.	The City should ensure clarify that housing and commercial development should occur in a pattern that ensures pedestrian safety and limits negative environmental impacts.
Goal LU-A: Manage the long-term needs of the community through effective and sustainable planning of the urban growth area (UGA) and the annexation process.					

Land Use	LU-D	Periodically review community needs, identifying potential future urban villages or smaller mixed-use nodes needed to address gaps in access to housing, commercial uses, or amenities, such as in the northernmost part of the city.	Approaching	Reviewing community needs and planning for new urban villages and mixed-use nodes will help Bellingham ensure that there is an adequate supply of housing and services.	The City should specify that it will need to conduct targeted outreach to under-served groups.
Goal LU-B: Encourage growth in proximity to transit service and support increased transit service as areas grow.					
Land Use	LU-F	Identify transit-oriented development opportunities throughout the city, integrating them into the transit corridor network as shown in Figure-X and fostering pedestrian-oriented design and mixed-use development.	Supportive	Transit-oriented development of housing and commercial space combined with pedestrian-oriented design will help households reduce living expenses by reducing car dependency. It will also help improve access to jobs and services.	
Goal LU-3 [not new]					
Land Use	LU-R	Utilize consistent citywide approaches to manage land use regulations and planning processes.	Supportive	Bellingham has long had individual zoning schemes for each of its 25 neighborhoods. This has allowed neighborhoods with more influence and resources to avoid responsibility for helping to meet housing goals. Citywide zoning will help level the playing field	

				between neighborhoods.	
Land Use	LU-I	Utilize the Residential TOD designation during the transit corridor planning process to require areas that are serviced by frequent transit to support higher concentrations of people and services.	Supportive	Increasing housing near transit will help to increase housing opportunities at a variety of price points and help connect residents to jobs and services.	
Land Use	LU-O	In all zones where housing is permitted, permit transitional, supportive, and emergency housing with regular or consistent occupants through a low-barrier process.	Supportive	Permitting transitional, supportive, an emergency housing throughout all residential zones will help prevent segregation of these types of units.	
Goal LU-C: Promote neighborhood resilience and vibrancy through the support and development of neighborhoods complete with a mix of housing, gathering spaces, essential goods and services, and more.					
Land Use	LU-N	Allow more flexibility in commercial and residential scale and building types along arterials and near frequent transit stops, Urban Villages, and other amenities, including in small-scale predominantly residential areas.	Supportive	Increasing flexibility in areas where there are high concentrations of amenities will help diversify these neighborhoods and open up housing opportunities to a wider variety of residents.	
Goal H-1 [not new]					
Housing	H-A	Track the prevalence of empty residential investment properties, vacation homes, and short term rentals that are not available to the residential rental or	Supportive	Discouraging short term rentals and empty investment properties will help increase the supply of housing	

		ownership market. Discourage such empty homes as needed to support the availability of housing in Bellingham.		throughout Bellingham's neighborhoods, opening up opportunities for household mobility.	
Housing	H-C	Consider additional flexibility in design standards for large-scale housing developments proposed to align with the City's growth strategy.	Supportive	Design standards that are overly onerous can discourage the development of much-needed higher density housing that can support households at a variety of income levels. Increasing flexibility can overcome that barrier.	
Goal H-2 [not new]					
Housing	H-D	Regularly evaluate barriers to the production and just distribution of affordable housing across Bellingham, identifying ways to reduce or eliminate them.	Supportive	Evaluating barriers to affordable housing development throughout residential neighborhoods in Bellingham will improve opportunities for low income households and help reduce patterns of economic segregation.	
Housing	H-E	Encourage the development of housing that is more affordable than current alternatives, such as modular construction, small units, co-living housing, and other opportunities to share amenities or space to reduce housing costs.	Approaching	Allowing a wider variety of housing types, particularly more affordable housing types, will help reduce barriers to housing.	The City should ensure that these housing types are allowed throughout neighborhoods, including those that currently have large minimum lot sizes.

Housing	H-Q	Support the development of safe and innovative housing and shelter solutions, such as tiny house villages, that enable a continuum of options between living unsheltered and permanent housing.	Approaching	Innovative housing and shelter solutions can help increase housing opportunities for people at risk of homelessness.	Ensure that these types of housing are allowed in a variety of neighborhoods (especially those near services and / or with transit access) and are not concentrated in one specific area of town.
Goal H-A: Ensure that Bellingham has a sufficient variety of housing types to accommodate the needs of the entire community and promote other community goals.					
Housing	H-R	Utilize development regulations, fee structures, and City messaging that represents the full housing continuum beyond single family and multifamily structures.	Supportive	Creating incentives and reducing barriers to housing development citywide will help encourage new housing that suit the varying needs of Bellingham's households.	
Housing	H-F	Ensure a continued supply of options for households with children or other space needs by promoting the development of two-bedroom housing units and appropriate amenities in every neighborhood.	Supportive	Encouraging a variety of housing types with units appropriate for families across neighborhoods will help reduce patterns of segregation.	
Goal H-4 [not new]					
Housing	H-G	Coordinate and support the provision of services addressing substance abuse, behavioral health issues, and physical disabilities, either on-site or near Affordable and emergency housing options. Ensure that these	N/A		

		services are scaled alongside housing investments.			
Housing	H-I	Promote an equitable distribution of all service-enriched housing, encouraging options in every neighborhood and especially near amenities like transit, jobs, parks, and other services.	Supportive	Allowing service-enriched housing throughout all of Bellingham's neighborhoods will reduce barriers to opportunity.	
Housing	H-J	Support the public provision of factual, regularly updated information about homelessness.			
Goal H-5 [not new]					
Housing	H-L	Promote middle-scale housing types, such as small lot development, cottage housing, and townhomes, that can be sold on individual unit lots.	Approaching	Allowing middle housing will help create more affordable ownership opportunities in Bellingham.	Ensure that these types of middle-scale housing are allowed throughout Bellingham's neighborhood, including single family areas with large minimum lot sizes.
Housing	H-B	Explore opportunities to reduce costly impacts of ownership models for infill housing projects, such as utility connection costs.	Supportive	Reducing the cost of development for infill housing will help support new housing development, especially for middle housing and other more affordable ownership housing types.	
Housing	H-M	Permit and encourage shared equity housing ownership options such as condominiums, cooperative living, and other co-living housing.	Approaching	Allowing for and encouraging a variety of ownership housing types will help meet the needs of	Ensure that these types of housing are allowed throughout all of Bellingham's neighborhoods.

				households with diverse needs.	
Housing	H-N	Support statewide and regional reductions of barriers to condoization of new and existing housing.	Supportive	Reducing barriers to condoization of new and existing housing can help encourage more opportunities for homeownership throughout Bellingham's neighborhoods.	
Housing	H-O	Support and encourage limited equity housing models, such as land trusts, to provide long-term affordable homeownership opportunities.	Supportive	Land trusts and other limited equity housing models allow lower-income households stability and wealth building opportunities.	
Housing	H-P	Support and promote anti-displacement opportunities, such as programs that either assist homeowners remaining in their homes or provide opportunities to transition rental units to resident ownership models.	Supportive	Anti-displacement policies, especially those that encourage homeownership, can help residents remained housed as neighborhoods evolve.	
Goal H-B: Promote safe, healthy, and livable housing across Bellingham.					
Goal CD-2 [not new]					
Community Design	CD-A	Ensure that the design and development of urban villages and transit corridors convey a positive image of the city, contribute to its economic vitality, and improve visual and physical transitions into adjacent neighborhoods. Establish flexible standards that support these objectives.	Approaching	While this goal will help the City plan more holistically and maintain its identity, the reference to "visual and physical transitions" could provide an opening to further segregate multifamily housing.	The City should ensure that the "visual and physical transitions" do not treat multifamily housing as an undesirable use.

Community Design	CD-B	Acknowledge and promote community design as an evolving reflection of the community's diversity and makeup as they change over time.	Supportive	Highlighting the evolving identity and diversity of Bellingham through urban design will help the City move away from the current neighborhood plan model that results in the inequitable distribution of land uses and housing types.	
Goal CD-1 [not new]					
Community Design	CD-C	Adopt criteria for administrative authority to allow flexible right-of-way standards when appropriate.	N/A		
Community Design	CD-CA	Install, protect, and maintain curbside street trees in the public right-of-way. Recognize their role in contributing to shade cover, public health, and community character.	Supportive	Street trees can help reduce the urban heat island effect and create a safer, more pleasant pedestrian experience especially in more urban neighborhoods.	
Community Design	CD-D	Require new and retrofitted sidewalks to be set back from the curb and designed to include curbside street trees. Where possible, install other physical buffers between the sidewalk and traffic such as landscaping, street furniture, Low Impact Development stormwater management techniques, separated bike lanes, and on-street parking.	N/A		
Community Design	CD-E	Identify and prioritize high-opportunity platted alleys for proactive improvement within urban villages and	N/A		

		along transit corridors to maintain a pedestrian-oriented streetscape, facilitate infill development, and activate alleys.			
Community Design	CD-F	Activate the streetscape where all commercial uses are permitted by encouraging and reducing barriers to activities such as sidewalk retail, outdoor dining, and mobile food vending.	N/A		
Goal CD-4 [not new]					
Community Design	CD-G	Explore the use of form-based codes, incentive zoning, and similar regulatory means to implement the Bellingham Plan's goals and policies.	N/A		
Community Design	CD-H	Use development and design standards to ensure that the design, proportion, rhythm, scale, and massing of new development contributes positively to the quality of the surrounding corridor or neighborhood.	Challenging	Contributing positively to the surrounding corridor or neighborhood is subjective – some neighborhoods may not see multifamily development as a positive contribution.	Consider specifying what is meant by the quality of the surrounding corridor or neighborhood – ensure that this is not used to block housing in wealthier single family neighborhoods. <u>City staff response: implementation of policies supporting this goal will comply with recent state legislation (HB 1293 in particular) that require clear and objective design standards. In compliance with HB 1110 and HB 1337 exclusive single family zoning has been replaced with zoning allowing</u>

					<u>ADUs and at least six of the nine middle housing forms specified in state legislation. Each lot is also permitted to accommodate up to 4 (or six with affordability or proximity to transit) housing units. Additionally, the approval process for housing projects is changing to align with new state requirements to be more administrative, and to include no more than one public meeting. The intent behind this goal is to set a common, equitable baseline for clear and objective standards citywide rather than relying on standards tied to individual neighborhood plans or subareas that may vary greatly in level of detail, or quality of standards. This will ensure great design of the pedestrian realm and streetscape for housing in every neighborhood and at all income levels.</u>
Community Design	CD-I	Encourage the use of high-quality and durable materials, as well as innovative, low-impact, and environmentally friendly construction techniques and designs.	N/A		

Community Design	CD-J	Consider potential impacts on adjacent properties – such as excessive lighting or glare, solar access, privacy concerns, identified view corridors or noise buffering – when developing or updating standards.	N/A		
Community Design	CD-K	Encourage safe, accessible, and secure bicycle parking while reducing the visual impacts of auto parking areas and garages on the urban form.	N/A		
Community Design	CD-L	Include alleys in the design of new developments, and use abutting alleys and private access easements for a site's vehicular access, unless impractical or environmentally constrained.	N/A		
Goal CD-8 [not new]					
Community Design	CD-P	Consolidate landscaped areas to be large enough to balance the scale of development and functional enough for leisure and recreation. In denser development, allow open space requirements to be satisfied with innovative and flexible applications of landscaping – including green walls and roofs and more intense landscaping of smaller open spaces – to allow more efficient use of the land for buildings.	N/A		
Community Design	CD-Q	Develop an implementation strategy that seeks to balance a healthy urban forest canopy with the growing demand for housing units. Consider flexible ways to promote tree management	Supportive	Thinking about the urban canopy holistically rather than lot-by-lot will help the City encourage development while	

		within a larger area or city scale when a development proposes significant housing opportunities.		ensuring environmental resilience and sustainability.	
Goal CD-7 [not new]					
Community Design	CD-M	Promote the many benefits of historic preservation beyond the aesthetic and expand historic preservation to embrace tangible and intangible cultural heritage and include a broader spectrum of places, underrepresented communities, persons, and experiences that have shaped our community.	Supportive	Historic preservation should reflect the history and diversity of a city. By recognizing the diverse cultural heritage of Bellingham, the City will create a more welcoming environment for a broad range of residents and visitors.	
Community Design	CD-N	Recognize the important role of Bellingham's industrial past and maritime heritage, including the important role of the indigenous community.	N/A		
Community Design	CD-O	Steward historic preservation by encouraging preservation, restoration, or adaptation of buildings with significant historic elements prior to redevelopment.	N/A		

Section V - The Bellingham Plan: Displacement Risk Analysis

House Bill 1220 adopted by the Legislature in 2021 changed the way communities are required to plan for housing. The bill amended the Growth Management Act (GMA) to require, instead of encouraging, local governments to “plan for and accommodate” housing affordable to all income levels including emergency housing and shelters. **House Bill 1220 also requires jurisdictions to identify areas at risk for displacement and establish policies to prevent displacement or reduce the hardships caused by displacement.**

This section defines displacement risk, describes the methods used to develop the maps, and includes a description of how these maps will be used to inform decisions related to mitigating displacement risk.

Definitions

Displacement: When a household is forced to move from its community because of conditions beyond their control.

Displacement risk: The likelihood that a household, business or organization will be displaced from its community.

Displacement risk analysis: An analysis that looks at where future displacement is likely to occur given the current and expected market conditions and characteristics of households in the area.

Methodology

The City of Bellingham’s Displacement Risk Analysis examined three factors to assess displacement risk across the city:

- **Social Vulnerability Index (SVI)** – The SVI measures vulnerability using 16 **sociodemographic factors** derived from the US Census Bureau 2022 American Community Survey (ACS). Factors include individuals or households that are unemployed, housing cost burdened, no high school diploma, no health insurance, aged 65 & older, aged 17 & younger, civilians with a disability, single-parent households, English language proficiency, racial and ethnic minority status, multi-

unit structures, mobile homes, crowding, no vehicle available and group quarter locations. The SVI Index was developed by the Centers for Disease Control and the Agency for Toxic Substances and Disease Registry (CDC and ATSDR). For more information on the SVI Index, visit the [SVI Data and Documentation Site](#).

- **Land Value Increase Index** – Rising land values is a **market factor** that may reflect growing economic pressure, which can lead to displacement –especially through rising property taxes. Staff analyzed land value changes in each census block group from 2016 to 2024 to identify areas experiencing significant increases.
- **New Housing Construction Index** – A rise in newly built housing units is a **market factor** that can signal gentrification or rent increases, both of which could contribute to displacement. Staff analyzed the number of new housing units permitted from 2016 to 2024, expressed as a percentage of total housing units in each block group.

Each of the three factors was converted into an index, using percentile ranks from 0 to 1. Higher values indicate greater displacement risk. To calculate overall displacement risk index:

- The Social Vulnerability Index was given full weight.
- The Land Value Increase Index and New Housing Construction Index were each given half weight.

The weighting factors reflect a stronger direct connection between social vulnerability and displacement, compared to the more indirect influence of market-based factors.

Note: HB 1220 requires jurisdictions to perform displacement analysis risk. [General Guidance and suggested data sources](#) for this analysis are provided from the Department of Commerce.

How this Information Will be Used

The final index map, or individual index components will be used to evaluate displacement risk for changes to regulations for residential zoning (allowing significant additional housing capacity in established neighborhoods), development of transit-oriented development (allowing and incentivizing increased development capacity along high-frequency transit corridors), and increased allowances for small scale commercial uses in proximity to housing (particularly for groceries, childcare, medical services, social gathering spaces, etc.). They will also be used to inform prioritization of investments in infrastructure like

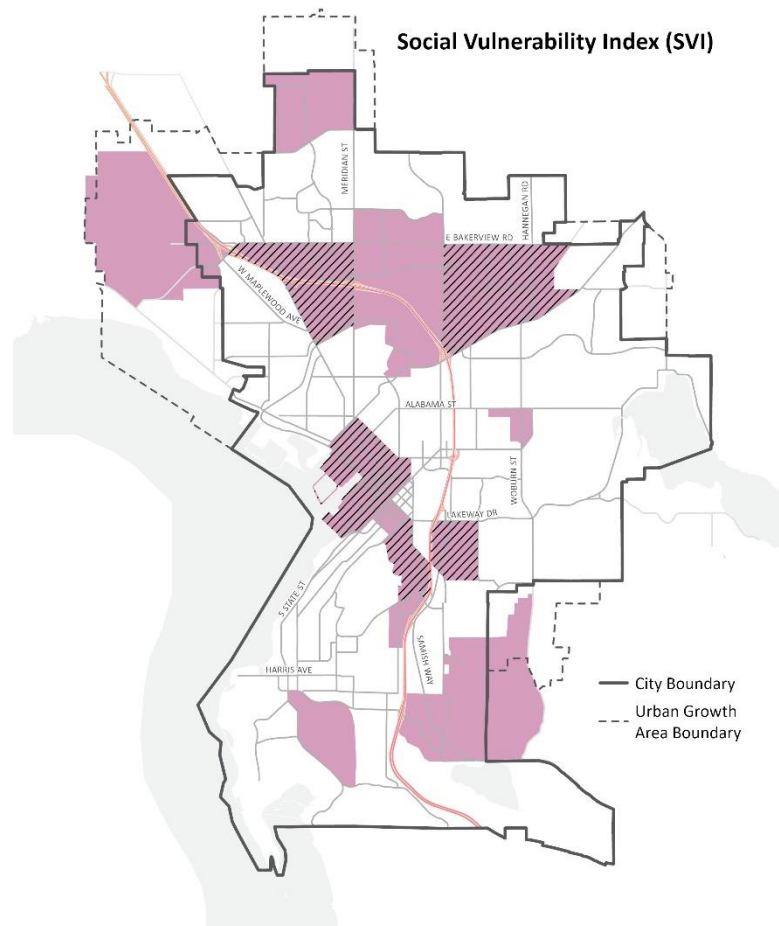
multi-modal transportation amenities, parks and trails, libraries, community centers, and social safety net amenities.

Displacement Risk Maps

Below are maps of each individual index and the resulting combined Displacement Risk Index.

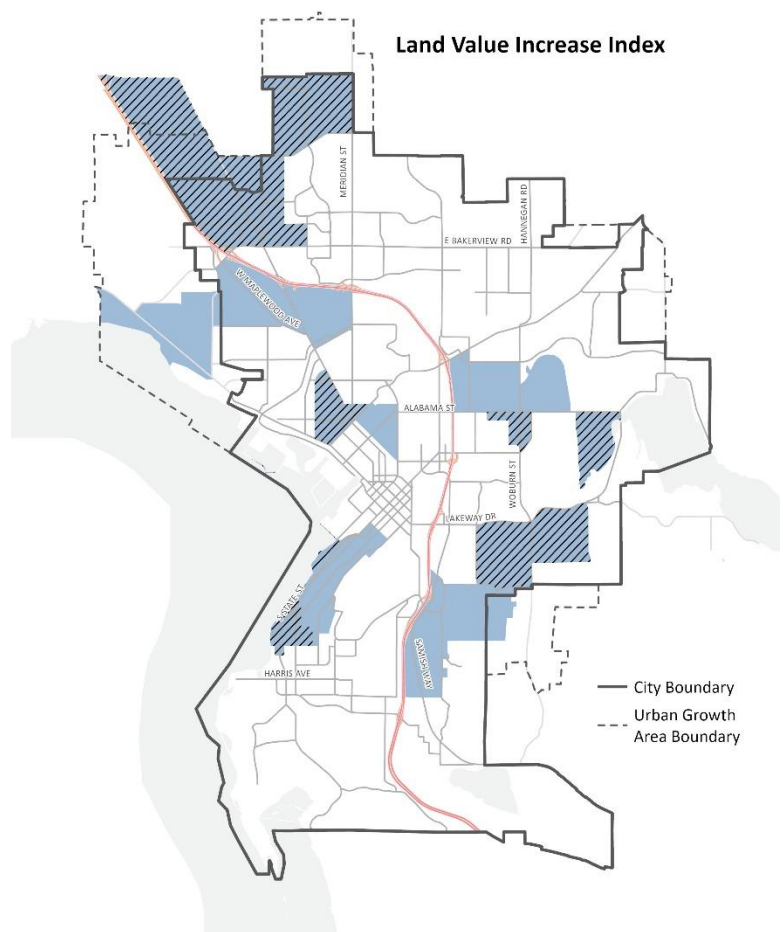
Social Vulnerability Index Map

The shaded areas on the map below represent census block groups that are in the top 25% (75th percentile or higher) for social vulnerability. The hatched areas highlight census block groups in the top 10% (above the 90th percentile) for social vulnerability.



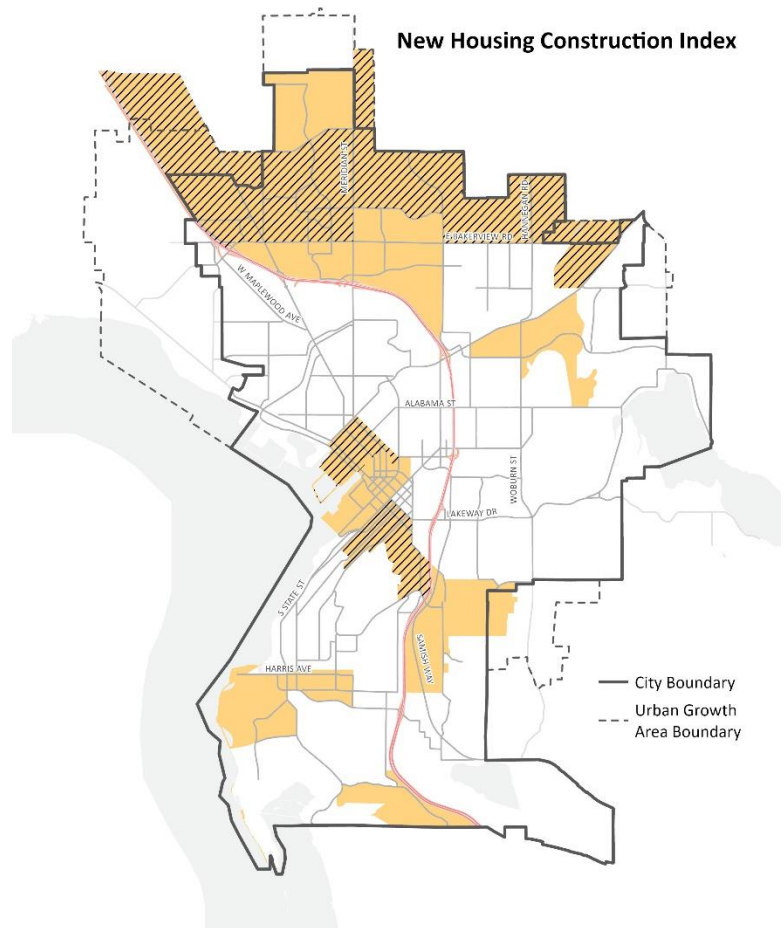
Land Value Increase Index Map

The shaded areas on the map below represent census block groups that were in the top 25% (75th percentile or higher) for land value increases between 2016 and 2024. The hatched areas show census block groups in the top 10% (above the 90th percentile) for land value increases over the same period.



New Housing Construction Index Map

The shaded areas on the map below represent census block groups that were in the top 25% (75th percentile or higher) for the increase in housing units built (as a percentage of total housing units) between 2016 and 2024. The hatched areas highlight census block groups in the top 10% (above the 90th percentile) for the same measure.



Overall Displacement Risk Index Map

Using a weighting of 1.0 for the Social Vulnerability Index and 0.5 each for land value increases and new housing units built the map below highlights areas with higher overall displacement risk. Shaded areas represent census block groups in the top 25% (75th percentile or higher) for overall displacement risk. Hatched areas show block groups in the top 10% (above the 90th percentile).

