Bellingham Commercial Zoning Code Revision Recommendations Final Report



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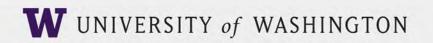




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Executive Summary

The City of Bellingham is currently reviewing its commercial zoning code with the goal of making it more effective and easier to use. To that end, the City is working with graduate students from the University of Washington's Department of Urban Design and Planning to engage the community in critically assessing the existing regulations.

During the months of March and April, the team traveled to Bellingham and facilitated focus groups based on stakeholders they identified during an initial research process which took place beginning in January 2016. The six focus groups were city planning staff, city elected officials, city administrative staff, representatives from the Mayor's Neighborhood Advisory Commission (MNAC), developers/architects, and local business owners. Representatives for each stakeholder group were identified by City staff and were invited by the students to participate in the focus groups.

Students conceptualized both standardized and specialized questions for the focus groups in order to gather input best reflective of the various perspectives. Focus group members were encouraged to provide honest and detailed feedback about their experiences with the code. The students reconvened to summarize the major issues they heard in their focus groups and identify common themes.

Synthesis of the focus group feedback yielded five issues: *code complexity, predictability vs. flexibility, intent, consistency in process, and a need for a nexus between community and commercial desires.* Using this feedback as a starting point the team then focused their efforts on researching possible solutions. Areas of focus included comparable communities, zoning theory, and professional opinion from those with experience in the field. This interdisciplinary look at zoning combined with knowledge of the community and its current zoning and comprehensive plan helped inform the recommendations.

Based on focus group feedback and research into best practices, the UW team prepared a suite of possible solutions to help Bellingham achieve commercial development that reflects the character of the community and meets Bellingham's needs. The solutions are tiered and gradually increase in effort and effectiveness. Recommendations include update the code's online layout, remove outdated verbiage and commit to periodic updates, create comprehensive commercial development standards, establish a commercial design review process, replace use qualifiers, and re-categorize commercial zones in Bellingham.

This report further details the UW team's process and provides a roadmap for Bellingham to move forward to develop a more effective commercial zoning code that better fits Bellingham's needs.

Introduction

Zoning has long been a tool for communities to influence development that occurs within their boundaries, as well as to ensure compatibility of neighboring land uses. The City of Bellingham's zoning code has evolved over the past several decades as land uses, building techniques, and means of transportation have changed. Bellingham's needs have also changed through time.

Originally adopted in 1982, Bellingham's zoning has also evolved to reflect changes in zoning techniques. Throughout the succeeding decades, zoning code changes have included contract rezones unique to individual parcels, the designation of use qualifiers, overlays for neighborhood villages, and special regulations for certain subareas within neighborhoods. The current zoning code, while reflective of the community's vision, has become unnecessarily complex. The complexity of the commercial zoning code has become an impediment for both the community and to potential development.

Over the past several weeks, the UW team researched zoning codes of comparable cities, reviewed zoning approaches, current best practices, and looked at Bellingham's Comprehensive Plan for direction. The team has arrived at six recommendations for improving the commercial zoning code. The six recommendations represent progressive changes to the current commercial zoning which range from easily adopted formatting changes to a "heavier lift" which restructures how commercial uses are organized.

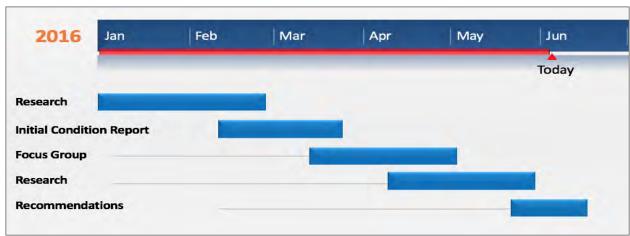


Figure 1. Commercial Zoning Review Process

Community Input/Methodology

Before the effectiveness of the existing commercial code could be critically assessed, background research was conducted on both the community and the current code to better understand the challenges and opportunities facing Bellingham. In order to quickly capture the most input from diverse interested parties, the City suggested organizing focus groups. The UW team identified relevant stakeholders and the City organized meeting times and locations.

In April, team members traveled to Bellingham and facilitated a series of six stakeholder focus groups. These focus groups were designed to gather feedback regarding the operation and effectiveness of the current commercial zoning code from various perspectives. The feedback received from this process was summarized and presented in May to City Council.

The focus groups included the following participants:

- City Planning Staff
- City Elected/Appointed Officials
- City Administrative Staff
- Developers and Architects
- Community Members and Representatives from MNAC
- Business Owners and Commercial Brokers

Data was collected from the focus groups through a series of standardized and specialized questions, which were crafted for each focus group. Focus group members were encouraged to provide honest and detailed feedback about their experiences with the commercial code. One facilitator led the discussion while an additional one or two facilitators took notes using large flip charts. This helped the UW Team quickly summarize answers to the questions and allowed focus group participants to check the team's work in real time. To be thorough in documenting focus group feedback, some groups were recorded. The notes from each session were summarized and emailed to the focus group participants along with a letter thanking the participant for their time and honest feedback.

The following 'standardized' questions were posed to each focus group:

- 1. In what capacity do you interact with commercial zoning code?
- 2. What has been your experience? How would you measure the success of the code?
- 3. In what way has Bellingham's commercial zoning code impacted you and your community?
- 4. In what way does the code help or hinder the achievement of your goals?
- 5. To what extent is the code understandable and navigable? Are there particular parts that you don't understand?
- 6. What are the successful commercial areas in town and why do you think they are so successful?
- 7. From your perspective, how does zoning affect the local economy?

Group-specific questions are available in Appendix C.

Focus Group Findings

After the focus group meetings, the UW team reconvened to summarize major issues identified within each focus group and common themes across all focus groups. Although the focus groups represented diverse perspectives, certain themes arose. These themes were then categorized into five issues facing the commercial code. These five issues are referred to as "The Big Five" in remainder of this report. For a more detailed summary of individual focus group feedback please refer to Appendix C.

The Big Five are: code complexity, the desire for predictability and flexibility, intent of the code, the desire for consistency in the process and the importance of a nexus between community and business desires.

1. Complexity

The commercial code's complexity was discussed in all the focus groups. Focus groups identified the issue as the ability (or lack thereof) of the code to be understood and navigated. Feedback from groups described the code's organizational deficiencies and challenges both staff and the public experience in interpreting the code.

Staff wants to be able to provide clear, logical answers to the public's questions, but the code's many layers can make this difficult. The public found the commercial code to be difficult to navigate, leading the public to have more questions than answers subsequent to reviewing the code.

- "It is difficult to find clear determinations and definitions on what and where something could or should be."
- "There has to be some simplification overall...cut in half the number of areas geographically or cut in half the number of designations and sections"
 - Focus group participants

2. Predictability and Flexibility

All focus groups expressed their desire for a commercial code with greater predictability and flexibility. Finding this "sweet spot" is a common challenge for municipalities. Over the years, Bellingham's code has been changed, patched, and added to, paradoxically resulting in greater uncertainty for both residents and businesses. It has become more complicated with highly specific requirements.

- "Written text is redundant"
- "Specifics can create cookie-cutter style"
- "The ability to be flexible while still being predictable"
 - Focus group participants.

3. Intent

Based on the feedback from those who interact with the code most frequently, the intent of a given rule needs to be clear and logical. The reasoning behind code requirements and allowable uses needs to be straightforward. When a community member asks planning staff

why a use is or is not allowed, a reasoned response should be available. With this issue, the subject of standards was raised including things like parking requirements, design guidelines, and building and fire codes.

- "Old intention not aligning with today's intentions"
- "Should vs Shall Recommended vs. Required"
- "Often missing the 'why', that helps distinguishing the intent of the code"
 - Focus group participants.

4. Consistency in Process

Business owners and developers voiced their desire for greater consistency in the development process. Timelines and costs are uncertain since staff often needs to perform in-depth research projects to answer very basic questions. This uncertainty is a risk that some businesses cannot take, and as a result they may locate elsewhere.

- "Codes lack consistency and clarity; which leads to subjectivity in Design Review"
- "It is hard to know the intent of the code, leading to a large need for administrative discretion on each proposal. Depending on the individual interpretation and subjectivity involved, the decision can be vary greatly. The individual biases are a product of the code's lack of clarity."
 - Focus group participants.

5. Nexus between Community and Business Interests

Community members voiced their concerns about Bellingham's retail-reliant economy. Residents want more family-wage job opportunities and to maintain their neighborhood character. Business owners and developers indicated that the market wants to adapt to changes in the economy, but are running up against an outdated code which limits their ability to expand in Bellingham. Legislative documents are often playing catch-up to both community and economic pressures and any changes to the commercial code needs to be sensitive to these interests.

- "Disconnect between community and professionals"
- "The uses we are getting don't serve the neighborhood"
- "The inconsistencies and difficulty navigating the code are greater in Bellingham. The 1% can afford to try to break into Bellingham's market, but it's too costly and complex for small businesses."
 - Focus group participants.

Given the diversity of perspectives and inquiries regarding the commercial code, the UW Team acknowledges that not all concerns were directly linked to this report. For example, parking regulations and fire codes fall outside commercial zoning code and within the Building Code.

Research

The first phase of the research process began in early January and focused on the construction, regulatory intent, and design of Bellingham's current commercial zoning code. The team considered the code's online layout and navigability and found it to be difficult to navigate. In reading the commercial zoning code, outdated verbiage was found and identified as a challenge. As a highly-specific code, it was clear that the community has a strong vision for its development and the UW team prioritized maintaining that intention while working towards recommendations.

Currently, Bellingham's zoning code is divided into 26 neighborhoods with each neighborhood having specific designations listed in a zoning table format. This table includes both an area and a zoning designation, as well as a density regulation and use qualifier, special conditions, prerequisite considerations, and special regulations. For example, this is one area of the Barkley neighborhood:

Area	Zoning	Use Qualifier	Density	Special Conditions	Prerequisite Considerations	Special Regulations
4	Commercial	Neighborhood, Concomitant Agreement No. 98- 20 for property at 1301 E. Sunset	10,000 sq. ft. of floor area per structure	Limited access to arterials; single curb cut for 3206 Orleans St.; buffer residential	1915 2015 1244 217 2016 2016 121	See Concomitant Agreement No. 98-20

Figure 2.

These zoning tables are unique to each neighborhood and can range in specificity and length. The number of areas in each neighborhood also varies greatly ranging from 1 (Fairhaven) to 35 (Meridian). The complexity is compounded by ordinances and agreements referenced within this zoning table system. Part of this complexity comes from numerous amendments and additions made since the code was introduced in 1982.

In the second phase, the team analyzed Bellingham's 2006 comprehensive plan. Within this plan, the city already laid out the need for changing the current zoning designations. Regulatory System Change #3 of Chapter 2 states, "Create development regulations that would result in less use of the "planned" use qualifier and develop a new site plan review process to replace the planned contract process." This is an acknowledgement of the issue as well as a call for a change to current zoning designations. Additionally, understanding what suggestions could be implemented without changing the comprehensive plan was considered. To that end, the team identified a roadmap to a more complete, less complex commercial zoning code with only one recommendation requiring comprehensive plan adjustments (Recommendation 6).

The third phase of research involved examining zoning methods and varying theories were examined to provide a foundation for recommendations. The team studied various zoning methods including Euclidean, form-based, and performance zoning. This phase of research was extensive in order to identify potential zoning options.

Comparable communities were studied in the fourth research phase. In choosing similar locations, the team considered region, population/size, unique features, as well as places known for innovative zoning. Based on these factors the following cities were selected: Tacoma, WA; Petaluma, CA; Fort Collins, CO; Vancouver, BC; and Portland, OR. Please see table below for an overview of the communities we researched.

CITY	POPULATION	COMPARABLE FEATURES	REGION	LEGISLATION	ANALYSIS
Bellingham, WA	84,000	Western Washington University; on water; attracts visitors; strong retail base	Northwest	Cumbersome, complex, outdated	UW Team's Client
Tacoma, WA	203,000	On water; same Growth Management legislation	Northwest	Code written in 2003 and is being updated frequently with layers of complexity; Euclidean based	Good use table; easy to follow; lacks website navigability
Petaluma, CA	59,000	Many visitors; on water; also launched a county-wide website to attract business growth (http://petalumastar.com/)	West	Includes design review and a hybrid code with both performance and impact zoning	Great online presence; similar community goals in comprehensive plan; complex plan with many layers of regulations
Fort Collins, CO	152,000	Home to a large university; similar standard of living/culture	West	Code written in 1997 and is being updated frequently with layers of complexity; Form and Euclidean based	Appears to annually add layers of complexity, similar to Bellingham's current code
Vancouver, BC	600,000	On water	Northwest	Zoning districts with development standards and advisory committees. Sustainability is emphasized.	Much larger community; good online presence
Portland, OR	609,000	On water; small-business minded community	Northwest	Revamped code in 2013; known as innovative zoning code	Much larger community; use descriptions categorize zoning in a hierarchical fashion

Table 1.

Finally, professional outreach and consults rounded out the research process. Judy Surber, planning manager for the city of Port Townsend helped guide an understanding of communities. Ms. Surber clarified how to analyze and truth the statements heard in the focus groups. To better understand the most innovative design practices and theories the team consulted with Steve Butler, a planning policy manager for the Municipal Research and Services Center (MRSC). Mr. Butler provided multiple examples of implemented, innovative zoning.

For a practical understanding of design review and the varying approaches to a design review process, the team was advised by Katy Haima, a design review planner from Seattle. Ms. Haima explained tiered design review and assessed its possible drawbacks. For example, the fact that design review doesn't guarantee good design but prevents awful design. After forming recommendations, the team consulted with Robert Sepler, a legal consultant with MRSC. Mr. Sepler provided applied examples of how comprehensive plans guide zoning practices.

The team also emailed the current codifier for Bellingham: The Code Publishing Company, to seek out better web design alternatives.

Support and perspectives from the Bellingham planning staff was provided throughout the process to guide an understanding of Bellingham, its current zoning regulations, and its vision. City staff members also shared their experiences and provided feedback on the team's process. Altogether these professionals provided valuable insight and critique helping the team shape its recommendations.

Analysis

After conducting the six focus groups sessions and conducting an extensive amount of research on topics related to issues identified in the focus groups, the studio team began the analysis phase of the project. During the analysis phase, the team focused on relating the information it had gathered from the focus groups to information collected on various types of zoning and best practices from similar cities. Detailed information from each of these two phases of the project can be found in their respective sections.

Comparison of Zoning Types

The first step the studio team took to relate focus group information and research information was the creation of a zoning type matrix. The matrix relates the Big Five issues to three types of zoning identified in the outside research—Euclidian, performance, and form based. The matrix compared the desirable and undesirable traits of each zoning type when addressing each of the Big Five issues. The zoning type matrix is included in Table 2.

	Euclidean	Performance	Form-Based
Complexity	Limited interpretations; structured by sections	Eliminates defined uses;	Visual examples;
	Legal language (length); addressing <u>new</u> uses; constant revisions required	Requires technical language; cost	Over-simplifies issues / solutions
Predictability	Clearly defined can/cannot; predictable uses		Design / visual;
		Unpredictable design	Limits creativity
Flexibility		Less geographically restrictive; flexible in "use" in impacts (good balance?)	Flexibility "uses"
	Clearly defined can/cannot		Limits creativity
Intent	Clearly defined	Identifies negative impacts to avoid (public interest); proactive	Visually communicated, mix of uses
	Outdated verbiage/logic; reactive		Limited application
Consistency in Process	Categorization of project uses; limited interpretable content = consistent answers	Criteria is consistent	Direct process
	Restrictive of all uses because of the select few bad ones (5%)	Potentially lengthy (review)	Narrowly focused (on design)
Nexus between community /	Predictable uses	Public interest; accommodates market	Good nexus = community/design & market flexible uses
Market	Top-down approach is exclusionary	Favorable of developers with time/budget	Limits creativity; bias towards mixed-use

Table 2.

Euclidean Codes

Euclidean zoning is by far the most common zoning type found in American cities. Its name comes from the Supreme Court case *Village of Euclid v. Ambler Realty*, 272 U.S. 365 (1926), where the Supreme Court essentially gave cities the authority to zone land for different types of uses on the basis of public benefit and mitigating nuisances. This led to a very prescriptive type of code adopted by many cities specifically outlining boundaries for types of zones (industrial, commercial, residential, etc.) and what types of uses were allowed within those zones. A Euclidean code can be broadly categorized as a "shall/shall not" type of code where elements are explicitly stated within section of the code. Bellingham's zoning code is primarily Euclidian in its nature since property is divided by allowable uses.

The team's research into Euclidean codes and zoning identified positives and negatives when relating to each of the Big Five issues:

Complexity

Positives: Euclidean codes are often structured by numbered sections making citing of specific passages easy for both city planners and members of the public. The prescriptive language of Euclidean codes results in narrow interpretations of text within the code. In most cases, this reduces the amount of debate about unacceptable uses within certain zones.

Negatives: Prescriptive language of Euclidean codes often leads to a complicated, legal-type language that can be difficult to interpret even for city staff who reference the code daily. Euclidean codes can become outdated due to their prescriptive language and fail to anticipate new uses that arise in changing market conditions. This can result in constant revision of code sections to make them applicable to current conditions.

Predictability and Flexibility

Positives: The prescriptive and legal language of Euclidean codes typically lead to predictable outcomes as far as what uses will be permitted in specific kinds of zones.

Negatives: Although Euclidean codes typically do a very good job of outlining what kinds of uses are and are not allowed, it comes at the cost of desired flexibility. Often times this desired flexibility is a result of a new use that is expected to have negligible impacts but is not explicitly allowed in a certain zone.

Intent

Positives: Euclidean codes typically present information in a way that is relatable to other information in surrounding sections. This allows the reader to interpret the context and intent behind some regulations and standards.

Negatives: Because of the need to explicitly state all regulations and standards within the text of the code, the text typically becomes outdated along with the reasoning for some regulations and standards. Additionally, the code updating process is by nature reactive to current market conditions.

Consistency in Process

Positives: The nature of Euclidean codes tends to categorize a potential development into one of a few different types. Ideally, this allows for a consistent process depending on the type of project where the developer can anticipate what will be needed at each stage of the process. A consistent process also benefits city staff as it should limit the amount of interpretation needed for projects. This consistency in process was one aspect that was noted as missing from multiple focus groups.

Negatives: Euclidean codes can be structured specifically to prevent the proverbial "5% of developments" that are undesirable. Structuring a code in such a manner naturally burdens the other 95% of projects that likely have no considerable impacts with additional process.

Community and Market Nexus

Positives: A Euclidean zoning code identifies where uses are and are not allowed within certain areas of a city. This information can be used by developers and businesses to place their buildings in appropriate zones without unnecessary time or effort spent researching potential sites.

Negatives: Once again, while the prescriptive nature of Euclidean zoning and codes explicitly identifies acceptable locations for known types of uses, it is by nature exclusive to new types of uses which limits its applicability over time.

The team found the prescriptive nature of Euclidean zoning and codes to be beneficial in addressing undesirable impacts to surrounding areas, but that it inhibited new uses and businesses that could potentially locate in Bellingham. The team also recognized that legal language in a code is nearly unavoidable for land use codes in Washington due to the demands placed on cities and counties in through the Growth Management Act.

A potential goal for the City of Bellingham would be to have a code that balances the need for mitigating impacts through a prescriptive code and the legal requirements for land use codes in Washington while being simple enough for first time users to navigate. The flexibility desired by members of city staff and the community will likely not be addressed by a pure Euclidean zoning code.

Performance-Based Codes

Performance-based codes are derived from a use "performing" to criteria set by the city for certain intensities. While the specific use for a zone may not be explicitly stated as it is in a Euclidean code, as long as the use can perform to criteria set by the city (such as expected vehicle trips, expected air pollution, expected noise, etc.) the use is permissible in the zone. Often times, these expected impacts are identified to the city in the application process and the city determines whether mitigation is needed and to what extent. A performance code often has prescriptive and technical standards for on and off-site impacts but does not prescribe how such standards should be met.

The team's research into performance-based codes identified positives and negatives when relating to the Big Five issues:

Complexity

Positives: Eliminates defined uses for specific areas within the city. There is no list of allowable uses that needs to be updated over time.

Negatives: Requires city staff to set standards for a wide variety of impacts and devise a way to enforce those standards. Requires technical knowledge of business owners and developers about how their proposed uses will address criteria set by the city. Often times this results in developers or business owners hiring consultants to interpret the requirements and analyze how the proposed use will affect those requirements. City staff then have to interpret the prepared reports and determine if the criteria is met. This can add cost and time to the development process both for the applicant and city staff.

Predictability and Flexibility

Positives: Performance-based codes typically sacrifice predictability for flexibility when it comes to allowable land uses. The added flexibility allows for new uses to be incorporated into the city with limited updates to the code. Performance-based codes can have requirements that apply to a range of parcels and therefore performance codes are less geographically restrictive for uses when applied across the city.

Negatives: Since the only criteria for performance codes is the mitigation of on and off-site impacts, the design of the buildings and sites is often less restricted. This could result in development projects that are visually less appealing to the community.

Intent

Positives: The intent of performance codes are clearly outlined in the criteria established by the city. The criteria identified by the city often reflects concerns raised by the community and impacts that they would like to limit or avoid. This leads to the code clearly reflecting community interests.

Negatives: The team was unable to identify any clearly negative aspects of performance codes in relation the intent of the code.

Consistency in Process:

Positives: The criteria established by the city can be used by project proponents as a "checklist" during design in order to be approved. There would be a standard process for the city to approve such projects.

Negatives: The process for determining consistency with the criteria could be lengthy depending on the criteria itself and the amount of review required by the city.

Community and Market Nexus

Positives: A performance code probably achieves the best the balance of community and market interests based on criteria identified by the city and the flexibility of land uses provided to developers.

Negatives: The flexibility of a performance code typically comes with added review on the city's part and additional costs for the developer. Naturally, larger scale developers will be able to absorb these added costs easier than small scale developers or one-time applicants.

The team identified the flexibility of land uses as a desirable feature of performance-based codes. However, the added costs and review times are similar to issues already identified in the focus groups as having a negative effect on Bellingham's existing commercial zoning code. In crafting a final recommendation, the team will attempt to balance the amount of review required for projects with the community's desire for developments to mitigate their expected impacts.

Form-Based Codes

Form-based codes are generally focused on the visual appearance of uses and how they relate to the surrounding built and natural environment. Form-based codes typically rely on visual examples to show the intention of regulations and to provide examples of acceptable development. Form-based codes are common when the city has some sort of character theme or design review requirement implemented throughout the city.

The team's research into form-based codes identified positives and negatives when relating them to the Big Five issues:

Complexity

Positives: Complexity of regulations and standards is addressed in form-based code through the use of pictures and diagrams. Pictures and diagrams are usually simpler to understand and decipher than text. Any text included usually plays a supportive role rather than a primary role in the code.

Negatives: Form-based codes can over-simplify some problems and solutions in an effort to simplify. Developments that have unique circumstances often find the images in a form-based code not applicable and therefore must rely on the text to interpret standards.

Predictability/Flexibility

Positives: A form-based code can give community members more input on the visual appearance of a building via design review and other visual elements included in the code. A form-based code can also give some flexibility to the uses of a site depending on how the use is visually mitigated. While not as flexible as a performance based code, a form-based code does tend to be more flexible than a Euclidean code.

Negatives: One common criticism of form-based codes is that any regulations regarding the look or desired character of a building tends to be subjective. Multiple rounds of design review can also add to the cost of development.

Intent

Positives: A community's desires can be visually communicated through a form-based code and can decrease the amount of time interpreting standards and regulations. A form-based code can also be applied to a variety of land use types and can be incorporated through a city's code.

Negative: The application of a community's intent is mostly limited to visual characteristics in a form-based code. The intent of non-visual characteristics is not as easily communicated through a visually based code.

Consistency in Process

Positive: A form-based code can have a direct process for developers and business owners to follow. City staff have clearly defined roles in the process and typically have some sort of background or expertise in design or architecture.

Negatives: The application process in a form-based code can be heavily focused on design. Other issues arising in the application process may need to be addressed in a more traditional code instead of trying to be mitigated through aesthetic design.

Community and Market Nexus

Positives: A form based code with community design interests and flexible permissible uses offers a balance between community and market interests. It is up to the city to balance the two of these interests during the application process.

Negatives: A comment from the focus group process was that developers may stick with a single design for a particular type of building once they find a design that works. There is a fear that this may limit creativity for new development. Additionally, design review is typically applied to medium and large scale developments and may be difficult to apply to smaller scale development if desired in a city like Bellingham.

The team identified the visual communication of ideas as a desirable attribute for Bellingham's updated commercial zoning code. Complexity of the current code was the single most common issue identified in the focus group process. A more natural way to communicate, such as visually through diagrams and pictures will address many of these concerns. The applicability of some of the elements from form-based codes, such as design review, will need to be handled carefully as not to stifle potential development and add complexity to a currently complicated commercial code.

Groundwork for Recommendations

After the team completed analyzing the three different common zoning code types and related them to the Big 5 issues from the focus group process, it began laying the groundwork that would eventually lead to formulation of specific recommendations. Several steps were taken including looking at examples from other cities, asking how some of positives and negatives for each type of zoning code would relate to Bellingham's context.

Examples from Other Cities

For any potential updates or additions to Bellingham's commercial zoning code, the UW team looked to see what methods were successful in other cities. Specifically, the team looked at examples of code publishing, design review, and use tables were from multiple cities.

Web Layout

Bellingham's currently contracts with Code Publishing to publish its code in a web-accessible format. The team reached out to Code Publishing to see what options would be available to modernize Bellingham's online code to be comparable with other cities. Several cities in Washington that also use Code Publishing had above average web layouts with user interfaces that made navigation between sections and documents easy. Some prime examples were the codes for Bremerton, Redmond, and Quincy, WA. The web layouts of these codes had strengths where Bellingham's online code had weaknesses, including call-out boxes, consistently linking to searchable PDF's, and search functions for both code sections and documents.

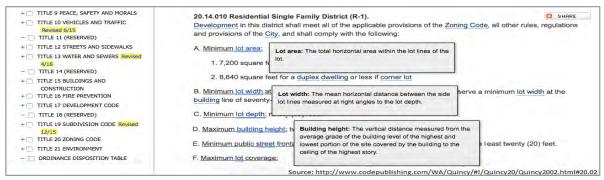


Figure 3. Call-out boxes appear in Quincy, WA code when the user hovers over a defined word.

Design Review

It became clear through the focus group process that character and design of commercial developments was important to both the community and city staff. Following up on this, the team looked through Bellingham's current code to see how this issue was being addressed. The team came to the conclusion that Bellingham's code, like many city codes, attempts to implement a strict and high-quality development process through use of multiple layers of tables, plans, and sections within the code. Many of these features were included in design review processes in other cities the team researched. The cities of Los Angeles and Seattle were specifically recognized for having design review standards that were well written and used pictures and diagrams to effectively communicate the intent of the design aspects.



Figure 4. Design review image from the City of Los Angeles development code.

Zoning Tables

Bellingham's current land use tables are complex and difficult to interpret even for recurring users. The structure of Special Conditions, Prerequisite Conditions, and Special Regulations causes readers of the code to research multiple sections and external documents in order to find relevant information about allowable uses for a specific area. The team recognized this as a possible area for improvement by consolidating some sections of the table and sections of the code. The team's research of other cities led them to the City of Tacoma's commercial use table. The table was laid out in a format where someone with no experience looking at the table could identify in which zone a specific use was allowed without having to search multiple sections of the code. A similar style of table would be difficult to implement with the current commercial zones in Bellingham because all commercial areas are currently zoned as "Commercial." However, using the table as an end-goal objective could force the city to simplify and modify some of its currently complex sections.

Assembly facil	terri				1	C-1	C-2	PDB
	ity	Assembly facility				P	P	P
Brewpub	Brewpub Building materials and services Business support services				N	N	P	N
Building mater					N	N	P	N
Business suppo					N	P	P	P
amb Annual sales and service	N	P	P.	N		ed entirely within an ex-	losed building. See Tabl	le 13.06 No. 10 No sethed
Membly facility	CU	- P	- P	P	squeezes spe	CIEC O CINICA SACS AN	SELVICE.	
Desipah	W.	N.	. 2	N.	2,470 barrol arm	ual berupols are backer	maximum, aquivalent we	dome were limit.
sailding materials and services	N.	N	P	N				
Basiness support services	N	P	P	P				
Carnival Cemesers/internment services	TU N	10	TU N	TU N	Subject to Section		most of facilities in cont	lence prior to the effective

Figure 5. Tacoma commercial land use table.

The analysis performed on examples in other cities provided an opportunity for the team to "ground-truth," or test some possible solutions brought up in focus group sessions and team meetings. The lessons learned from these examples were ultimately included in the recommendations for the City of Bellingham.

Relating Zoning Types to the Context of Bellingham

Preserving the character of Bellingham's neighborhoods and community centers was a common theme throughout the focus group process. Keeping this in mind was critical for the team while performing analysis associated with developing recommendations. Any approach to the recommendations had to balance the shared interests of character and business development with those of efficient permitting processes and regulations. After comparing the three common types of zoning codes previously outlined, the team identified strengths and weaknesses of each zoning code type were and how the types might be combined into a hybrid that addressed all issues.

Developing Alternatives or "Mock Codes"

One of the final exercises the team did prior to formulating the final recommendations was to split into two sub-teams. Each team was tasked with identifying what would be included in specific sections of a mock zoning code. Topics of the mock code included typical code sections found in Bellingham's commercial zoning code and other commercial zoning codes, such as zoning structure, setbacks, landscaping, parking, etc. The objective of the exercise was to identify how each of these topics might be structured into sections of an ideal commercial code and how each of those sections would relate to one another. This exercise occurred after most of the background research and analysis was performed and reflected conclusions team members were beginning to form.

This exercise resulted in two "mock codes" or alternatives from the sub-teams. The sub-teams reconvened and discussed their respective mock codes with the intent of learning how each of them structured their code. The teams debated structure and assumptions and attempted to understand how each of the codes took into account the Big Five issues and some of the examples drawn from the research and analysis phase. Results of this exercise were used to develop a final recommendation.

Final Recommendation

The team has created six tiered recommendations to address the five problems identified with the commercial zoning code. The six levels provide a way to understand the amount of work expected at the given stage. The recommendations are as follows:

- 1. **Update the code's web presence, layout, and connectivity.** Code Publishing Company, the current host, offers a variety of options that improve the user experience, for instance, uses can hover over land use terms and a text box will show the definition. A different layout can reduce complexity and clarify the intent. This recommendation also addresses concerns expressed during multiple focus groups that the current site does not follow typical digital communication conventions such as broken hyperlinks.
- 2. **Re-evaluate outdated verbiage and make a commitment to regular updates as needed.**The change can contribute further to reducing complexity and enhances consistency in process. The team recognizes that some changes to language are not possible due to legal standards, but it would be helpful to use more contemporary language as a way to improve user experience when possible.
- 3. Create development standards from commonalities in the current commercial zoning code. Instead of organizing the information by individual neighborhoods and sub-areas, the team recommends organizing regulations by use. Doing so can maintain the same intent, but improves the user's ability to understand where commercial development can occur.
- 4. **Establish a city-wide commercial design review process.** This recommendation involves more work than the first three, but it would have a significant impact on addressing concerns expressed throughout the focus group research. The recommendation involves establishing a commercial design review process. There would be thresholds for and levels of design review depending on the impacts of the proposal; the review may be purely administrative or could require a longer process including public meeting and comment period. The process would provide a way for to improve the ability of development to uphold intentions.
- 5. **Remove use qualifiers for commercial zones.** This recommendation continues to address the primary concern regarding the code's complexity. It also aligns with goals from the comprehensive plan and removes redundancies. Implementing recommendations three and four makes use qualifiers superfluous.
- 6. **Establish hierarchical zoning regulations**. The final recommendation is clearly the most difficult given the time and effort required to complete it. This recommendation involves re-categorizing and/or redefining commercial zones within Bellingham. This it is a fundamental component of fully addressing the concerns raised by the focus groups about the code when combined with the previous recommendations. This change would consistently designate commercial zones based on the intensity of uses rather than specifying allowable individual uses. It would also restructure the allowable use tables. The team suggests the following zoning hierarchy re-categorization:

- C1 Neighborhood Commercial
- C2 Retail/Sales Commercial
- C3 Mid-Size Commercial
- C4 Office/Professional Commercial
- C5 Transit Oriented Commercial Development etc.

The six recommendations might seem daunting, but taking the time to make the changes would help the City tackle each of the problems identified.

Recommended Next Steps

Implementation of the recommendations listed above would result in a commercial zoning code that better achieves the community's goals within three to five years. The recommendations have been structured according to their required effort and logical order to achieve the best results. A work program should be developed in order to better estimate the time and necessary resources for successful implementation of these recommendations. In addition, stakeholder involvement is critical. In order for these recommendations to be accepted and implemented the public, staff, and commercial businesses must all work together under the oversight of City administration and elected officials. Focus groups are powerful and time efficient and are likely the best method for developing a draft code.

Not wanting to bias the research process, the team did not assess any work Bellingham had already completed in an attempt to improve its code. A clear first step would be to compare the recommendations detailed in this report to determine whether or not some of the work has already been done and determine if there are any opportunities to build on previous work product.

Based on the effort required to implement each recommendation, updating the code's web presence is a logical next step. Changing the code's online layout to provide easier navigation could result in quick, positive results which will help build community support for the more time consuming and difficult tasks.

The next recommendation, removing outdated verbiage and committing to periodic code updates will require more work from staff, but will go a long way in reducing code complexity. Requiring regular code maintenance allows the City to grow with new technologies and new economies rather than attempting to catch up with temporary fixes which quickly lose usefulness.

Critical to any zoning amendments is public involvement. Before any measures like adding development standards, adopting commercial design review or removing use qualifiers are implemented they should be vetted by the community. Focus groups should be reconvened to analyze these recommendations and provide further feedback. Based on public input an appropriate prioritization methodology can be constructed to focus on solutions to commercial issues of greatest importance to the community. Since Bellingham is currently reviewing its Comprehensive Plan, adding language explicitly allowing the possibility of commercial zoning code revisions is recommended.

The Land Use Policy number LU-23 of Bellingham's draft 2016 Comprehensive Plan Update specifically states: Review and update the City's commercial zoning regulations, design standards and design review process as needed to allow design flexibility and creativity, address emerging issues and ensure quality development that is compatible with the character of surrounding areas.

Expanding on this policy, the following language could be added:

<u>Regularly</u> review and update the City's commercial zoning regulations <u>including</u>: <u>language and associated maps</u>, design standards, and design review process to allow design flexibility and creativity, address emerging issues and ensure quality development that is compatible with the character of surrounding areas.

This brings us to the final and most complex recommendation, standardizing commercial zones in Bellingham. This will require a Comprehensive Plan amendment and approval of residents and businesses to establish hierarchical commercial zoning districts and a revised land use map. This final recommendation provides an opportunity to build partnerships. Bellingham residents have expressed a desire for more sustainable, family wage jobs which projects like <u>Choose Whatcom</u> also support. Standardizing the commercial zoning code structure while still allowing unique uses with design review is an opportunity for the city to do its part in achieving this vision. While commercial code revisions are just one component of a sustainable economy in Bellingham, it cannot be achieved by any other stakeholder. The time for the City to act is now.

Conclusion

In engaging the UW graduate team to assess the commercial zoning code, the City sought recommendations which address the limitations of traditional zoning as well as challenges unique to Bellingham. The City is thus seeking innovative recommendations which ultimately make commercial zoning more effective for the community.

With these six recommendations to improve the Bellingham commercial zoning code, Bellingham will be able to preserve its community standards for good design and neighborhood compatibility, while also making the most of development opportunities as they arise. Both the zoning code design standards, and development, ultimately serve the community.

During the focus group sessions held this spring, participants were asked how they would measure the success of a revised commercial zoning code. They responded that the code would be something a reasonable person could navigate and interpret online. They noted that a successful code would be both predictable and consistent for the entire community, yet would also be flexible and adaptable for neighborhood context and individual development opportunities.

Focus groups also noted that we would see vibrant, quality development with good design which would add to Bellingham's commercial options as well as character. While development itself is market driven, implementing these commercial zoning code recommendations would provide the framework for the community to realize its goals.

The implementation of these recommendations will take a commitment of both will and resources. While the necessary expenditure of willpower and commitment of resources should not be underestimated, a sustained commitment by stakeholders, staff and the City Council can effect these changes. A well-rolled-out public education process should inform the community of the improved code.

There is a significant cost of not acting. The complexity of the current code limits commercial development and therefore the creation of jobs. There is also a very real cost of the time for both City staff and residents/developers lost to interpreting the current commercial zoning regulations.

Finally, there is also the potential for synergizing an improved commercial zoning code with other Bellingham and Whatcom County initiatives, such as <u>Choose Whatcom</u>. These initiatives are branding the Bellingham area for its incredible natural scenery, high quality of life, and access to the global technological centers of Seattle and Vancouver. Bellingham is indeed a special place which deserves a state-of-the-art commercial zoning code which both preserves its character and makes the most of emerging opportunities.

Appendix A

Frequently Asked Questions

Why did you look at commercial zoning first?

Bellingham business owners and residents have expressed dissatisfaction with the commercial code for years. There is increasing competition among jurisdictions for economic growth and redevelopment, and Bellingham has committed to a jobs first approach. Reviewing commercial zoning in Bellingham was a first step in this process.

What about residential zoning?

While the recommendations listed in this report apply specifically to commercial zoning, the methodology of focus groups, comparable community research and meetings with planning professionals which brought about these recommendations could be duplicated should the City choose to explore revision of the residential zoning code.

What will this do to Bellingham's economy?

While a number of independent market forces influence the economy, a more straightforward code could attract new businesses.

How will these revisions impact my neighborhood?

Any impacts to commercially zoned portions of neighborhoods are entirely dependent on which revisions are pursued. Should all revisions be pursued, each neighborhood would be involved in the updating process and be able to help determine the type and design of commercial businesses in their neighborhood.

How much will this cost?

A work program will need to be developed before this question can be answered accurately.

How long will this take?

Timelines can vary based on work product, community involvement, and legislative review. A preliminary estimate would be 3-5 years.

What about the emerging/shared economy?

The code's current outdated verbiage doesn't suit changes in technology or the economy. Requiring regular code updates can help steadily move the code forward with any changes that come.

What about the neighborhood plans?

Neighborhood plans provide essential guidance on neighborhood character and vision. From these guiding documents, the city can better implement a design review process and get a better understanding of the type of commercial development a neighborhood wants.

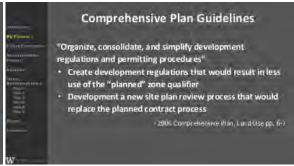
Appendix B

PowerPoint Slides



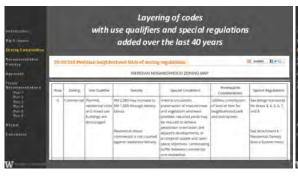








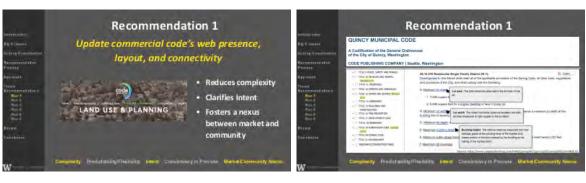


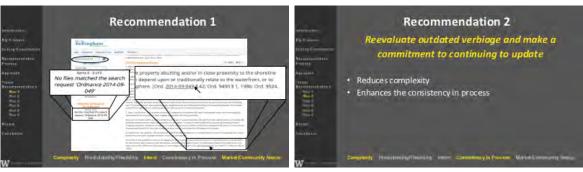


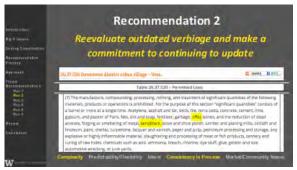




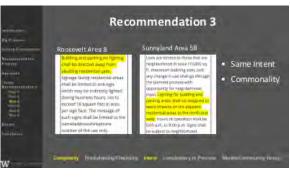
















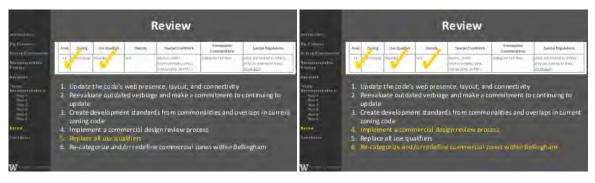




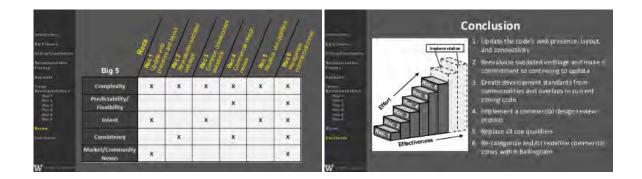












Appendix C

Focus Group Findings

Focus Group 1: Planning and Community Development Staff

Facilitator: Eric Guida

Scribes: Zach Wieben, Annegret Nautsch

April 12, 2016, 10:00 - 11:30 a.m.

These notes are compiled from the facilitated discussion which took place earlier this month. The group was comprised of several staff with a variety of positions in the department and a diversity of experiences. The notes are organized by question and summarize major issues, themes, and common answers provided by the group.

1. How do you interact with the code? What has been your experience?

Staff interacts and has had a variety of experiences with the code, including:

- On a daily basis.
- Not much at all, more frequently with building codes.
- Through writing of urban village codes.
- Regularly, at the counter, reviewing applications.

2. If the commercial zoning code were successful, how would you know it? What would be the indicators/success measures?

- Land use professionals would find what they need online and simply check with staff for confirmation.
- Success measures for commercial development are hard to quantify it's often organic, how it makes you feel.
- There would be compatibility with the neighborhood/district. Scalability. There would be elements of design.
- We would get positive feedback.

3. How was Bellingham's commercial zoning code impacted the community?

- Lots of parking
- It's fostered the urban villages.
- Other than in urban villages, it's hard to get good streetscape and landscaping.
- Uses create the place.

4. How does the code serve the community? What works?

- It involves the community/planning early on in the development process.
- Urban villages work. They've successfully demonstrated mixed-use districts, and in some cases, enabled reductions in parking requirements.
- It provides predictability and compatibility; people count on the code to separate uses.
- The zoning code is, ideally, a reflection of the comp plan.

5. How does the code hinder the realization of the community's goals? What doesn't work?

- Sometimes they go against common sense. They're drafted to limit the 5% of potentially negative projects, not to enable the majority of projects which can be positive.
- The complicatedness of the code limits development.
- We need to strike a balance between predictability/prescription, and flexibility.

6. To what extent is the code understandable and navigable?

- It's very complicated. It would be hard for any outsider to navigate the code. A simple question regarding setbacks, for example, may require looking in several sections of the code it's time intensive.
- Reading the code may be understandable, but the reason / logic / why / underlying community values for the codes can be unclear, especially with the older codes, remnants of the 1980s.

6b. To what extent do you have flexibility with the code?

- There's the most flexibility with building design / design review.
- Little flexibility with minimum parking or setback standards.
- An example of flexibility with the zoning code, on the residential side, is the Infill Toolkit.

7. Are there successful commercial areas in town, and, if so, how do we know that?

- Success = people interacting, street-life, vibrancy.
- There are several successful areas in town. Downtown, Fairhaven, Fountain, Barkley Village were mentioned. The few struggling areas would include older strip mall developments. Samish was noted.
- Good mix of tenants, plus an anchor, contributes to success.
- Accessibility also contributes to success.

8. How does the commercial zoning code affect the local economy?

- It affects what is allowed at each space, and therefore affects the market/competition for space.
- The restrictiveness of the zoning code, and the confusion surrounding it, can lead to lost opportunities for development.
- It disproportionately affects small business.
- It balances the community's interest with developers; there are tradeoffs.
- There are factors outside of zoning which affect development: the biggest factor would be the market / the economy as a whole.

9. How would we improve the code?

 Consider development of a performance-based code, consider a form-based code. Look to other communities.

- Make it easier to understand, more navigable.
- Include the "why" it would allow for some flexibility as well as adaptation to changing external factors.
- Move away from micro-details.
- Simplify it amongst the 26 neighborhood: find commonalities and consolidate.

Focus Group Title: Group 2- Elected and Appointed Officials

Facilitator: Jen Lambrick Scribe: Greg Krause Date: April 14, 2016 Time: 2:00-3:30 p.m.

These notes are compiled from a focus group conducted on April 14, 2016. The group consisted of two members of the city council, two members of the planning commission, and a representative for the Port of Bellingham. These notes are meant to organized by question and summarize major themes, issues, and common answers provided by the group.

Question 1: Have you interacted with the commercial zoning code? In what capacity? Had to clarify early on about zoning code versus building code

- Few attendees have worked with the code extensively, but those who have described a similar experience of overly complex navigation
- As a communication tool, some described the current format problematic
 - o Could be more friendly to a digital format
 - Written text is redundant
- Consolidation
 - o Simplification of all codes
 - Missing connectivity
 - o Complexity from having so many different zones
- Make it more prescriptive and provide flexibility
- Clarity of code within specific zones

Question 2: What do you think of commercial development in your community? What's good? What's bad?

- Consistency between formats (zoning code, neighborhood zoning tables, urban villages) and across geographic areas (the neighborhoods themselves)
 - O Zoning consistency between different areas for same type of code
- Predictability and flexibility

Question 3: What do you hear from constituents or the community about commercial zoning?

- Don't hear about it too often, tend to hear more about building code
- Unpopular
- Needs predictability
 - Prescribed through incentives (more reward)
- Issues with creativity
 - o Specific requirements vs. a range
 - o Specifics can create cookie-cutter style
- Who develops the code (dictation comes from people who don't use the code)
- Complexity is commented on repeatedly

- Most building code issues arise from being overly specific
- Impact fees pose issue
- Parking regulations create issues geographically (too many different requirements for the same general areas)
- Setbacks
 - O Who determines it?
- Height issues/complaints

Question 4: From your perspective, how does zoning affect the local economy?

- Height > underutilized, high density urban areas
 - o Fighting for minimums
- Creating a rapport with new development/business
 - o By making it easier to do so
- Short-term policies /regulations don't match needs of area
- Terminology used
 - Overly rigid... deters development and creativity

Question 5: What are the successful commercial areas in town and why do you think they are successful?

- Fairhaven Property owners had flexibility to develop creatively
 - Smaller blocks
 - o More economic activity per square foot
 - o Thinking about parking spaces
- Locality of stores is important for sense of community
- James St. and Meridian looks successful
 - Not a lot in terms of character
- State and Forest
 - The Foundry
- 2-way Streets vs. One-way
 - o Better for business, navigability
- Bellwether Way
 - o Marginally successful
 - o Isolated
- Participant factor in planning process
 - Power of neighborhood on regulations
 - The neighborhood plans difficult to work with and may hinder development from happening
 - Some neighbors tend to have a loud voice, but no monetary interest, only emotional interest
 - O Neighborhoods may be a source of the complexity

Question 6: If commercial regulations in Bellingham were great, how would you measure success?

- Feasibility
- Economically (middle) commercial development is lacking
 - o Local economy lacks stability
 - Want to be less reliant on Canadian dollar, Costco
- Timeline of changing (zoning) codes is 2 years
 - o Businesses don't wait or can't wait

Question 7: To what extent is the code understandable and navigable?

Beyond what was already mentioned...

- Needs updating
 - Need consistency of implementation dates
- Issues with terminology used and how to interpret it

Question 8: How does the current code affect implementation of the comprehensive plan?

- Waterfront plan- planned with several documents that are well integrated
- Timing of updates should be more in tune with each other
- Value of having customization, but currently too complicated
 - Reduction of customization
 - More prescriptive
 - The ability to be flexible while still being predictable
- Walkability of streets in commercial areas

Question 9: Is there anything else you feel is relevant regarding commercial zoning in Bellingham and how it might be improved?

- Language issue
 - o Ex. Should vs Shall (recommended vs. required)
 - o Legal definitions different from connotations the reader makes
- There has to be some simplification overall
 - O Cut in half the number of areas (geographically) OR
 - Cut in half the number of designations/sections
- But not in favor of complete simplification
 - o Instead, customization
 - O Sensitivity to area, to history, to adjacency
- Think while reading that there's got to be a way to make this simpler
 - o Group these together... they're all so similar, let's make them one kind BUT don't collapse everything into one or two, just reduce the number
- Like simple, but don't want so simple that you can only do one thing
 - o Simple with flexibility

Focus Group Title: Group 3 – City Administration and Staff

Facilitator: Zach Wieben

Scribe: Annegret Nautsch, Xinchang He

Date: April 14, 2016 Time: 2:00-3:30 p.m.

These notes are compiled from a facilitated discussion which took place on April 14, 2016. The City of Bellingham staff present represented a range of departments and offices within the City of Bellingham. The notes are organized by question and summarize major issues, themes, and common answers provided by the group.

Question 1: Have you interacted with the commercial zoning code or commercial development? In what capacity?

- Indirect interaction
- Public interaction (questions, conflicting messages, general confusion)
- Public works: Frequent referencing (design depends on location, different standards)
- Interpretation (how to facilitate new uses)
- Newer code sections and older code sections do not always complement each other
- Protecting existing neighborhoods

Question 2: What do you think of commercial development in your community? What's good? What's bad?

- Process is not streamlined (redundancies)
- Good use can trump bad design; design of buildings can inhibit uses that would be popular
- Process/design forces repetitive buildings
- No real incentive for creative or new design
- City shifting towards Urban Village strategy but strip-mall and auto centric is easier to design for developers
- Auto-centric is not loved but well used
- Bad/good not just related to code

Question 3: What are the successful commercial areas in town and why do you think they are successful?

- Fairhaven
 - Small stores
 - o Pedestrian friendly
 - o Boutique restaurants
- Hospital area (St. Joseph's)
 - Quality office space
- Barkley
 - Well planned

- o Single owner
- Irongate
 - o Low vacancy
 - Mixed with industrial uses
- Downtown
 - Continued success
 - Ease of access
 - Some retail not as successful (use vs. design)
- Meridian
 - Popular both with locals and Canadians
 - Box stores

Question 4: From your perspective, how does zoning affect the local economy?

- Significant role vs. perception only (depends on what aspect is being discussed)
- Somewhat prohibitive
 - Popular locations today would not be allowed under current code
- Lost opportunities
 - o Too many restrictions
- People fear character change and taller development, leads to more restrictions
- Bellingham has suburban feel compared to Seattle/Vancouver B.C.
- Perception of lengthy development process keeps business away?

Question 5: If commercial regulations in Bellingham are to be great, how would you measure success? How would we know that it is successful?

- Tax revenue
- Significantly more development in Urban Villages and Downtown
- Low vacancy rate
- Staff can answer questions for construction and for general regulations
- Adaptable code, flexibility
 - o New uses
 - o Can easily evolve over time
- Business owners not fearing growth, not moving out
- Language of the code
 - Concise
 - o Simple to follow
 - o Easy to read
- Quick turnaround on permits, not back and forth
- People feel safe, lower crime
- Form based code
- Aesthetically pleasing design
 - o People want to spend time there

o Active public environments

Question 6: What do you hear from residents about commercial development in the city?

- Encroaching in neighborhoods
- Nuisance
 - o Noisy
 - o Smelly
 - Overflowing parking
- Disconnect between residents and business owners
- Preference for close, walkable food stores/anchor businesses associated with neighborhoods
- Changes can be scary
- Generally excited about urban village idea
 - o People have bought into idea
- Perceptions about type of business limits opportunities

Question 7: Do you think there is opportunity for a wider variety of uses in commercial zones?

- Yes, but would not want them all
- Don't want to prohibit uses just because they aren't specifically listed as acceptable
- How to adapt to shared economy
 - o Airbnb
 - o Uber/Lyft
 - o Etc.
- Need code to be supportive and flexible

Question 8: How does the city's development process compare to other cities within Whatcom County?

- Difficult to compare (different size of cities, different number of applications)
- Loss/relocation of business due to \$ or complexity/cheaper land
- Easier to work with than Whatcom County staff
 - o City has made an effort to improve process recently
 - o Customer service is better
 - County is slow
- Ferndale is easy to work with
 - O Due to size? Workload?

Question 9: What do you want most from commercial regulations in Bellingham?

- Predictability
- Good design
- Ease of use
- Flexible/adaptable

- Easy usage transitions
 - Related to building/fire codes

General Focus Group Feedback
Commercial development is generally perceived as simple but it is not

Focus Group Title: Group 4 - Neighborhood Representatives

Facilitator: Annegret Nautsch Scribe: Xinchang He, Zach Wieben

Date: April 14, 2016 Time: 3:30 - 5:00 pm

These notes are compiled from a facilitated discussion which took place on April 14, 2016. The community members included three MNAC members, an architect and a Bellingham Downtown Alliance representative. The notes are organized by question and summarize major issues, themes, and common answers provided by the group.

Question 1: Have you interacted with the commercial zoning code? In what capacity?

- Code is unnecessarily lengthy, prescriptive (lists specific uses)
- Commercial is defined too specifically (tanning/tattoo parlors not allowed?)
- Mostly worked with commercial code as an architect
- Navigated code for feasibility studies
- Balance lacking between commercial zoning and community vision
- Lack of trust between neighborhood groups and planning department
- Separation exists between people who live vs. people who work in Fairhaven
- Commercial professionals have different objectives than neighborhood group
- Disconnect between community and professionals
- It is complicated, code does not provide choices

Question 2: From your perspective, how does zoning affect the local economy?

- Tale of two cities regarding commercial zoning
- shiny parts of Bellingham (Fairhaven and Downtown)
- focus on people and businesses
- Not shiny parts, very different, tax generative focus
- Anything north of I-5 corridor
- Bellingham zoning chaotic (for example Sunnyland), befuddling
- Different in every neighborhood, amalgamation of smaller cities
- Combining towns greatly affects zoning and economy
- Zoning controls what can be done, and where
- Essential: affects everybody, economy and zoning are inseparable
- Zoning allows odd combination
- Chicken farm next to new house, shiny (as in nice area) next to trailer park
- Zoning is the context for economy, zoning mistakes will greatly affect future (many decades
- Zoning code is based on physical geography making traffic regulation challenging
 - o Big box stores are in flattest part of Bellingham
 - O Nelson's Market is awesome, mixed use like that is great

- Makes area attractive
- Embodies work/play characteristics
- Feels like variances are just given but if neighborhood steps up and speaks they are heard
- Feel that City/mayor are willing to compromise Bellingham's character for Costco to keep tax base

Question 3: What do you think of commercial development in your community? What's good? What's bad?

- Roosevelt neighborhood: little commercial development but happening in light industrial area
- Want to see commercial development be guided, no momentum from city to change commercial area
- Barkley Village
 - Well run urban village
 - o Efficient, popular, multiple uses, services
 - o Sunset plaza, large traditional mall area
 - o Availability is good
 - o Demand on infrastructure is too much (traffic, growth of area)
- Commercial development in Bellingham is unpopular
- People in Bellingham don't considering sustaining the income for the area
- got to have zoning to provide lifestyle
 - Alabama Street, not designed for traffic it is experiencing, no assistance from zoning
- Urban village efforts are good, mix use, walkable
- Efficient transportation effort
- Samish way being redeveloped, currently auto-centric
- Planning mistakes being repeated (lack of transportation, walkability missing), mistakes being lack of following comp plan goals
- Kentucky street in Roosevelt, want to see mixed use
- Young and old people gap in geography
- Western grads cannot stay due to lack of employment opportunities
- Commercial development needs to address age gap
- Almost all development is geared towards college age kids
- Nothing for the center group
 - Shopping is skewed towards the outliers and Canada
- Want actual light industrial in industrial zones
- Bellingham is a community of spenders, not generators
- Bellingham is a service based economy (colleges, healthcare)

Question 4: What are the successful commercial areas in town and why do you think they are successful?

- Barkley and Fairhaven, well planned with industry nearby, some work.
- Barkley is suburban, missing some successful aspects (transit)
- Industrial base near retail establishments brings in money to commercial areas
- Downtown could be a successful commercial area
 - o Have multiple employers
 - Range of people (young, old, varying careers)
 - o Diversity
 - o Walkability
 - Transit
- Meridian is fiscally successful, tax base, designed for Canadians
- Need range of jobs in Bellingham
- Unsuccessful areas
 - o Meridian, only fiscally successful
 - O Samish, not walkable, not diverse in prosperity, crime area, low end hotels, has opportunity, was a highway, auto-centric, sad gateway for college parents, high perception of crime, no revenue drivers
 - O Samish is an early urban village effort, need major development but zoning makes it prohibitive, open zoning up, could help Samish, City is trying to help, improve area, took over Aloha

Question 5: If commercial regulations in Bellingham were great, how would you measure success? How would we know that it is successful?

- Developers, investors would be happy
- More than 5 main employers
- Diversity in employment
 - Not sacrificial to environment
 - o Green employers
 - o Good paying jobs
 - o No oil, polluters
- Bellingham has opportunity with Western graduates who are ready to work, who are creative
- Local graduates staying, finding living wage jobs here
- Self-sustaining cycle
- More small businesses
- Living wage will come from small businesses, not service industry
- Demographic of wages change
- Infill of middle class
- Higher average wage
- Inclusive economy towards people that do not have a college education
- Adding opportunities for non-college grads
- Able to support self

- Change homelessness and support needs, provide jobs
- Address issues of homelessness
 - O Community is kind and generous, what is the tipping point?
 - Mental health services for minimum wage jobs
- Focus job creation on technical college, community college, and industry graduates, not necessarily Western students
- High taxes and retail basis challenge economic activity/commercial businesses in Bellingham
- Educated people are taking minimum wage jobs to stay in Bellingham

Question 6: When thinking about commercial areas, what does 'neighborhood character' mean to you? Are there broad themes that are common across multiple neighborhoods?

- Roosevelt commercial buildings are old, cheap not character buildings
- Brooks gives jobs, some good parts
- Strip mall is really good
- Bay city supply
- Economically functioning area, not necessarily attractive
- Light industrial not getting industrial uses
- Good transitions between residential, industrial, commercial
- Landscaping as barrier/buffer
- Common areas have viable strip malls
- Fairhaven getting "yuppified." Too expensive for locals? Lack of local vitality?
- Character is being prescribed
- Downtown has diversity, grit
- Attractive character is mixed, human-scale, varying building type
- Do we want broad themes?
- Bellingham's strength is the unique neighborhoods
- Don't want same, enhance differences

Question 7: Are you getting the commercial uses you thought you'd get based on your neighborhood plan? If not, what commercial uses would you like to see?

- Haven't looked at my neighborhood plan
- Neighborhood plan hasn't been updated
- Not necessarily good but getting what plan says
- Want multi-use, joined areas
- Roosevelt plan is old and updating has been challenging
- Getting what it says
- Barkley-commercial cannot get filled to fit zoning requirements
 - o Rapidly growing area
 - o Have most services, variety
 - o Got a little of everything

- Downtown commercial is not wrong
- Like to see more creativity
 - o Food trucks, opportunities?
 - o Streetscape

Question 8: How would you describe your relationship with the commercial areas in your neighborhood?

- Fairhaven, disconnect in communication, not physically
- Roosevelt, one commercial area is good, walkable
 - O Lowes, no relationship to the neighborhood
- Big box stores take over neighborhood
- Potential for connection as businesses do not cater to neighborhood
- Barkley, lot of growth, individually and institutionally relationship has been good
- Birchwood--relationship of avoidance, avoid their own strip mall
 - o Big potential

Wrapping Up/Other Concerns/Comments:

- Vancouver, BC
 - o Commercial zoning success, direct parallels to Bellingham
 - O Vancouver has transit corridors, zoned to have shops there
 - Little parking requirements
 - No lot lines
 - Linear fashion shopping
 - Similar arterials in Bellingham, similar transit corridors
 - Zoning on streets has not caught up with growth
 - Elm street
- Transportation
 - o Bellingham is very auto-centric
 - o No sidewalks, 'safe route' to school without sidewalks
 - Transit is there but people do not use it
 - o Get multi-modal
 - o Bellingham wants to be city but is really just a town
 - o People aren't willing to take transit and then walk
 - Good intentions
- Lots of NIMBY
- Housing crisis
- ADUs
- Perceptions in town need to change
- Bozeman, Portland, Vancouver, BC—look at as comparisons/inspiration
- Convert zoning questionnaire into intelligence systems.

Focus Group Title: Group 5 Land Use Professionals

Facilitator: Greg Krause Scribe: Eric Guida

Date: April 18, 2016 Time: 2:00-- 3:30pm

These notes are compiled from a facilitated discussion which took place on April 18, 2016. The participants represented a broad range of companies including architecture firms, consulting firms, and contracting companies. The notes are organized by question and summarize major issues, themes, and common answers provided by the group.

Question 1: Have you interacted with the commercial zoning code? In what capacity? What was your experience?

- Difficult to navigate as a layperson and hard to finding clear determinations and definitions on what, where, and why something should or shall be.
- Codes lack consistency and clarity; which leads to subjectivity in Design Review and adds time to the permitting process.
- Often missing the "why", that helps distinguishing the intent of the code which leads to a large need for administrative discretion on each proposal. Depending on the individual interpretation and the subjectivity of the code, the decision can vary greatly.

Question 2: From your perspective, how does zoning affect the local economy? Does it help or is it a hindrance?

- Having guidelines makes the city better and leads to better design, which in turn attracts more sophisticated businesses.
- The difficulty of getting a permit is often perceived to be worse than the reality, which drives people away, that would otherwise would establish in Bellingham.
- A large portion of the commercial zones are designated for small businesses, whom are financially restricted which leads to large amounts of vacant commercial spaces throughout the city. Start-ups and small business are often burdened by the lengthy permitting processes timeline, in which time equals money more so for smaller budgets.
- The clarity of the code and clarity of the design standard's intent plays a large part in getting to a decision. The objective is to get to *yes*, without encountering obstacles late in the design process that don't have clear solutions last.

Question 3: What do you think of commercial development in your community? What's good? What's bad? Do the commercial zoning regulations impact the community?

- Currently there is a lot of good development and interesting projects going on in Bellingham's Downtown, Fairhaven, Bellingham Waterfront (future marina), and a few hotels. These are good examples of good development because of the rules set into place in these areas. These areas are getting a lot nicer looking buildings being built.
- What is bad is the timeline for getting a project permitted, which tends to push companies away to Ferndale. (EX: regional or national companies looking at the market feasibility and typically have accelerated timelines with expectations of when they should be open.)

Other bad things are that businesses want to do renovations of older, existing buildings
which have lots of neighborhood character, but find the costs are exponentially larger to
renovate and bring them up to building code standards than building new, in a vacant lots
next store.

Questions 4: What are the successful commercial areas in town and why do you think they are successful? Are there commercial areas that are not successful?

- Downtown, Fairhaven, Barkley and Meridian are successful because there is development going on. In general, they all have proximity to a lot of customers and are all Urban Villages that have some design standards and incentives (reduce parking, increased height, tax breaks). Barkley has a significant residential user base that contributes to their success as well. Meridian and maybe Birchwood are both successful from the Big Box Stores which support the city with tax revenues. Bakerview is successful because of retail strip malls and Big Box stores.
- Samish and Sehome are not currently successful, but both have potential, and are just in the early stages. In general, what contributes to the lack of success is the quality of their Infrastructure and the issues that follow occupying existing or abandoned spaces (the latter dealing more with building code, could benefit from incentives waving impact fees). In addition, parking requirements play a large role in acting as a barrier, often when they do not align with existing or proposed uses (such as 24hr 4000sqft Gyms that require 40 spaces). What is working against Samish is their older Infrastructure and other existing uses posing issues, such as the older hotels and drug activity. What is working against Sehome has two large scale private student housing projects for WWU, which will bring a large user proximity to the area in the future.

Question 5: If commercial regulations in Bellingham were great, how would you measure success? How would we know that it is successful?

- If the code was good, we would see more projects happening, and the staff would be fully empowered, and confident in their ability to interpret the code and make quality decisions in a timely manner. Currently, staff does not seem to be confident in their ability to come to a decision and seemingly would rather take a few days to research the posed question because of the code's complexity.
- The code should be a living document. The structure of the document should acknowledge this and have the ability built in to evolve. A successful code will keep up with the times and coordinate updates between all parts of the municipal code.
- An individual shouldn't have to refer to so many conflicting documents which is what makes the code so complicated (which is to say, referring to appendixes, overlays, urban village overlay, multi-family residential overlay, all at the same time for one project).

Question 6: Is the commercial zoning code clearly written? Are there aspects that stand out? If so, what are they?

- There are things in weird places. The parking diagram used in every project you have to go to the parking code, which you use a hyperlink that says it's going to the parking diagram, but goes to the top of the definitions chapter; which you have to scroll down through 50+ pages to find the definitions appendix section, which is where the parking diagram is located.
- Furthermore, after searching through multiple pages and documents to create a proposal, the project could be torpedoed by overlooking a small part that was buried in another document. If the regulation is so common that it is found in multiple different documents, then this is a good indication that that regulation should be found solely in the main document and taken out of all the other documents.
- The Urban Villages sections are more clear because of the use of more modern code formatting and terminology. In particular, the use of the urban villages zoning tables are by far the preferred method.

Is the implementation of the commercial zoning code consistent with how it's written? Is the administration of the code consistent?

- The new parts are consistent with how it is written. The newer the code, the closer the correlation is between intention of the code, and the implementation of the code.
- The older parts are not consistent with how it is written. The terminology and verbiage used in the streets section is 1980s code and is an old way of zoning that is no longer used, and is very difficult to implement today. An example would be that the old intentions of the code do not aligning with today's intentions of the same code. Thus, the code could be used as a stick, but often discretion is required and used to overlook the code. The design portions often experience the most disagreement of whether or not the code is being implemented as written. The standards are very grey, which leads to conflict.

Question 7: In what way does the code affect the realization of the community's goals? How does the code serve the community? What works? What doesn't work? Do you feel that the commercial zoning code is meeting the needs of the community in a healthy way? How do you believe this is affecting the community? Perhaps even the quality of life?

- The code serves by setting up rules, so land uses benefit the community by ensuring economic vitality and that it is a nice, safe place to live.
- Mostly yes, when considering economic vitality, safety, and providing a nice place to live.
- While the code does make a lot of places nicer to live, it does not provide an efficient process for permitting projects that benefit the community.
- Many projects become stalled, and do not finish. This affects the economic vitality by not providing healthy economic development.

Question 8: Do you feel that the code is affecting some uses more than others? If so, what are they? In what way are they being affect? Are you observing a demand or increased demand for specific types of uses?

- The deficiencies of the code have a greater impact on some "users" more than others. Entrepreneurs and small business and are affected more than larger business because they can absorb the costs easier. Which is not good, because Bellingham is mostly small businesses and is mostly zoning for small businesses.
- It often affects the re-use of older buildings the most.
- It affects commercial recreational uses (bowling alleys, gyms, CrossFit is really popular) mainly because of the parking requirements. There is a poor correlation between number of actual users and the parking requirement (Example from Question 4: a 24hr, 4000 sq. feet. Gym that requires 40 spaces). This parking requirement takes away from industrial land which is a limited resource to begin with (Industrial uses offer higher paying jobs). Parking waivers asking for relief adds 6 weeks to the timeline (almost always approved).
- Pot-Shops: going into warehouses along I-5 corridor and stealing all the industrial land (roofing contractors for example are observed to be pushed out of the limited industrial lands).
- CrossFit numbers are increasing.
- Residential and multi-family apartments, they are a type of mixed-commercial use.

Question 9: What are the kinds of projects you'd like to propose, but the code is making it difficult to achieve?

- Renovating old buildings, which is interesting that in this community it is so difficult considering historic preservation efforts.
- More diversity in projects. Downtown boutique hotels, Arts community spaces, performance halls or performing arts schools.
- Accommodation of 1st floor Flex-Space. Building for the life of the building itself, by
 allowing for the flexibility of uses to change over time (residential to office or retail
 space and then back to residential, depending on the market demand). which is important
 for the commercial core (Examples given: Vancouver, BC's zoning code was flexible
 enough to allow it; New York already doing this).

Focus Group Title: Group 6 - Businesses & Commercial Brokers

Facilitator: Elise Keim Scribe: Xinchang He Date: April 18, 2016 Time: 2:00-3:30pm

These notes are compiled from a facilitated discussion which took place on April 18, 2016. The businesses represented a broad range of companies including development companies, property management companies, local businesses and the Bellingham/Whatcom Chamber of Commerce. The notes are organized by question and summarize major issues, themes, and common answers provided by the group.

Question 1: Have you interacted with the commercial zoning code? In what capacity? What was your experience?

- Some dealt with the code every day, others never touched the code but heard from others or saw its impacts.
- The code's format is disjointed leading to confusion, it should be in one document.
- Dealing with multiple departments and multiple people leads to inconsistent interpretations and feedback.
- Having a point-person in the city to interface with developers could be helpful.
- Delays in development are costly.

Question 2: What are the successful commercial areas in town and why do you think they are so successful?

- Barkley Village, Downtown, Waterfront & Fairhaven.
- The city should invest in a downtown parking garage for more commercial access.
- Success measured by business longevity and accessibility.
- The code may hinder success, especially when retrofitting older buildings for new uses, it is often cost prohibitive.

Question 3: If you were talking to someone from out of state, how would you describe the commercial environment in Bellingham? Are there any notable differences between the processes for commercial development projects in Bellingham and other cities in the area?

- Bellingham doesn't have the efficient customer service of other cities.
- Other cities are seen as "open for business."
- The inconsistencies and difficulty navigating the code are greater in Bellingham. The 1% can afford to try to break into Bellingham's market, but it's too costly and complex for small businesses.
- The political process, not just the code set Bellingham's commercial environment apart.

Question 4: Are there regulations limiting viable commercial development opportunities in the city?

• Fire code, parking and stormwater requirements seen as limiting.

- Permitted uses are confusing.
- Development will not come unless financially feasible.
- Regulatory costs for permitting and development are up front.

Question 5: Are there industries or businesses who show interest in this market but aren't able to break in?

- Easier to break into markets outside Bellingham.
- The regulatory complexity and cost can drive businesses to look elsewhere.
- Dealing with a point-person who can interface with developers through permitting process would be helpful.

Question 6: If we look into the future, what kind of commercial uses do you see coming to Bellingham?

- Higher density urban core.
- Land supply could become a major issue, flexibility in where businesses can develop could help make Bellingham more attractive to businesses.
- The waterfront is a major development opportunity; will regulations allow for intense development?

Question 7: Is there anything else you feel is relevant regarding commercial zoning in Bellingham and how it might be improved?

- Bellingham's high reliance on retail and its low job multiplier.
- The codes need to align better and there needs to be better communication with businesses and among departments.
- If a large firm were to move to Bellingham, where would the employees live?