



PLANNING COMMISSION

AGENDA

City Hall Council Chambers, 435 Martin Street, Suite 3000
Thursday, December 8, 2016

7:00 P.M.

Planning Commissioners

Chair

Vernon "Van" Tabb

Vice-Chair

J Calvin Armerding

Sue Sturgill

Richard May

John LeBrun

Ken Ely

Kevin Owens

*For information regarding this
Agenda, please call:
(360-332-8311)*

All proceedings are recorded.

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **AUDIENCE COMMENTS**
(regarding items not on the agenda)
4. **PUBLIC HEARING**
5. **UNFINISHED BUSINESS**
 - Wharf District Master Plan Update – Comprehensive Plan Amendment
6. **INFORMATIONAL ITEMS**
7. **APPROVAL OF MINUTES**
 - Approval of minutes from December 1, 2016
8. **ADJOURNMENT**



STAFF REPORT TO PLANNING COMMISSION

MEETING DATE: December 8, 2016 – 7:00pm
SUBJECT: **Wharf District Master Plan Update – Comprehensive Plan Amendment – Supplemental Report**
PROPONENT: Port of Bellingham
APPLICATION TYPE(S): Comprehensive Plan Amendment
FILE NUMBER(S): CPA-2-16
REQUEST: A supplemental report for the Wharf District Master Plan update.
LOCATION: Central Business Wharf District, Planning Area Three. Located on the southeast corner of Marine Drive and Milhollin Drive.
SUBMITTED BY: Community Development Services
PREPARED BY: Alex Wenger, AICP, Community Planner II
AGENDA LOCATION:

Public Hearing Communications Unfinished Business New Business

ATTACHMENTS:

- A. Letter from Patrick Grubb
- B. Letter from Sylvia Goodwin, Port of Bellingham

NOTE: The materials that constitute the official record are on file with the Community Development Services Department and may be reviewed upon request.

SUMMARY

This supplemental report provides clarifying information and alternatives based on the record developed at the December 1, 2016 public hearing as requested by the Planning Commission.

The proposed Comprehensive Plan Amendment is to update the Wharf District Master Plan.

ANALYSIS

The Planning Commission has the option of recommending approval of a modified application. While there are many possible modifications, this report is intended to provide information that will facilitate discussion and assist the Commission in evaluating alternatives, particularly those that were discussed at the December 1, 2016 public hearing.

Alternative 1 - Relocate to the Shipyard Industrial Park and Dakota Commons

Discussion

Relocating the area Sundance Yachts has leased to Shipyard Industrial Park and Dakota Commons (Planning Areas 6 & 7), would displace some of the existing business in this area and significantly impact parking. While the lease area may be able to be reconfigured to retain Walsh Marine and Boundary Fish, these planning areas would need to be reevaluated. See Figure 1 for an approximate area comparison. Planning Area 7 or Dakota Commons is intended to be developed with a mix of uses. While water-oriented industrial uses are allowed, the Wharf District Master Plan speaks to the vision of developing the Dakota Commons Area with commercial and tourism related businesses. Planning Area 6 & 7 is located in one of the two primary view corridors as shown on the Wharf District Master Plan Map. A 55-foot tall building would have a greater impact on view compared to a Mariner Village. Building height is limited to 35 feet for Planning Area 7 and 40 feet for Planning Area 6. However, there is the possibility of greater building heights granted by City Council if it can be demonstrated that significant views from the upland Central Business District will not be blocked, and the extra height as a matter of function.

Support for Alternative 1

All the industrial type uses would be located in one geographic area

Opposition for Alternative 1

Displacing businesses, parking and demolishing a number of existing buildings

Physical separation from the boat launch. May require boats to be hauled on Marine Drive.

Greater probable impacts to the viewshed.

Figure 1



CPA-2-16 Staff Report to Planning Commission 12-1-16

Alternative 2 - Relocate to west side of Milhollin Drive, where web lockers are located

Discussion

If the City amended the Wharf District Master Plan to allow marine-related uses on the west side of Milhollin Drive in Mariner Village, then Sundance Yachts could move their yacht resort dealership across the street. The Port of Bellingham would have to demolish both of their web lockers and presumably build new web lockers on the east side of Milhollin Drive.

The west side of Milhollin Drive has the largest developable area in the Wharf District and would likely be the best site for a small hotel and/or mixed use development. This area has prime visibility, adjacent future parking to the south, and direct connectivity to the marina and waterfront promenade to the west.

Support for Alternative 2

No need to change height limits. This subarea already has a 55-foot height limit.

The west side is a similar size, yet slightly larger.

Easy access to the boat launch.

Opposition for Alternative 2

More visible from Peace Portal Drive and downtown. Does not benefit from the buffering railroad property and trees with vegetation to screen the back of the property.

Port of Bellingham would have to demolish and build new web lockers.

Figure 2



Alternative 3 - Allow marine-related uses, but require a component of commercial

Discussion

The City could revise the Wharf District Master Plan to allow marine-related uses but require a component of commercial use. For example, if a developer wanted to build dry dock boat storage, they would also have to build a commercial retail area, showroom or other similar commercial use.

This alternative could be applied to the entire Marine Village Planning Area or limited only to the east side of Milhollin Drive. This concept could be considered as Alternative 3 East (east side only). Both Alternative 3 and 3 East assume that the request for additional height is approved by the City. Under Alternative 3 East, the remainder of Mariner Village would still be required to develop under the mixed use urban village vision of the Wharf District Master Plan.

Support for Alternative 3

Commercial uses could be required to front on Marine Drive (see Figure 3). Industrial type uses would not dominate the street frontage on Marine Drive or the intersection of Milhollin Drive and Marine Drive.

Less impact to the viewshed from downtown. Partially screened by the railroad property and trees.

Retain the mixed use urban village requirement for the rest of Mariner Village (Alternative 3 East).

Opposition for Alternative 3

Some impact to the viewshed from downtown, although to a lesser degree than Alternatives 1 and 2.

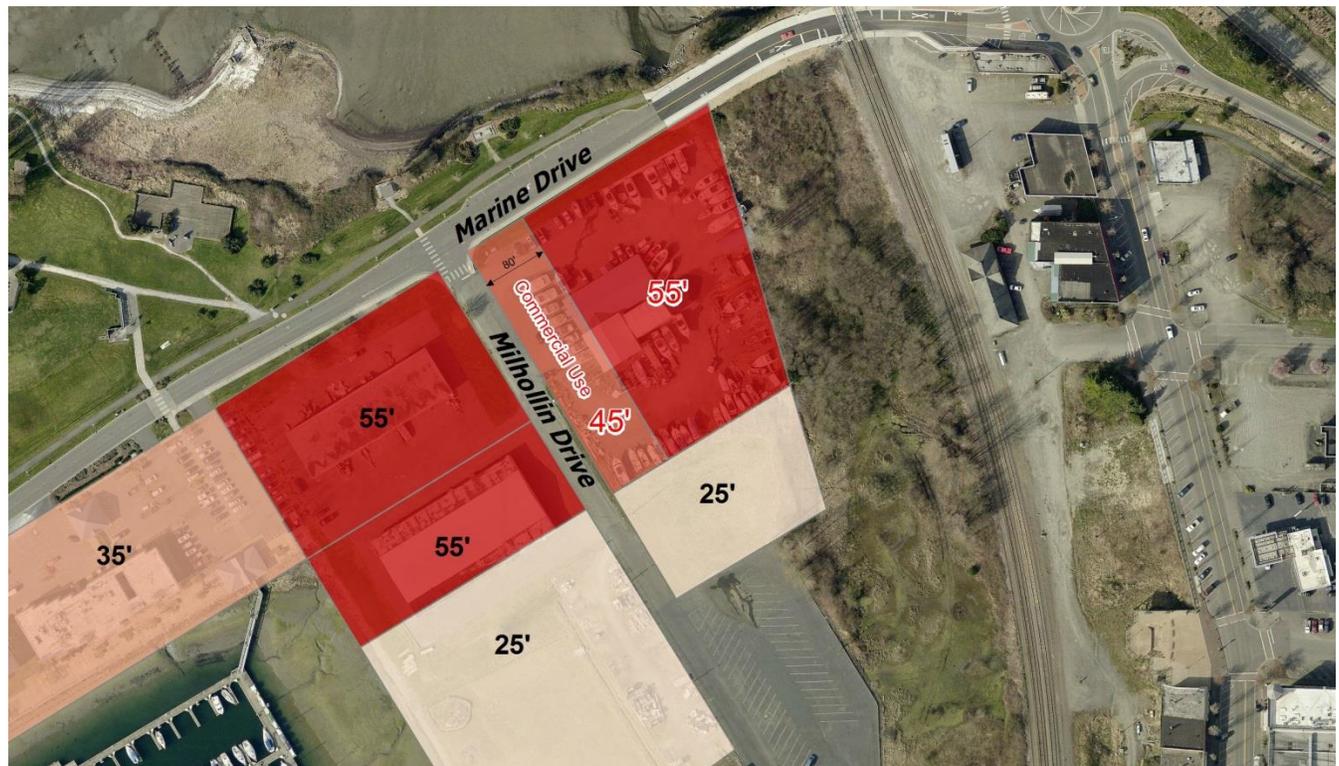
Opens up the rest of Mariner Village to marine related uses (Alternative 3 only).

Figure 3



Alternative 4 – Adjust height limits, allow marine-related uses, and require commercial	
<u>Discussion</u>	
<p>Similar to Alternative 3, the City could revise the Wharf District Master Plan to allow marine-related uses and require a component of commercial use, and then adjust the maximum height limits to shift the tallest building adjacent to the railroad tracks to take advantage of the natural screening. To further reduce the impact to the viewshed, the height limit could be lowered next to Milhollin Drive.</p>	
<u>Support for Alternative 4</u>	<u>Opposition for Alternative 4</u>
<p>Commercial uses could be required adjacent to the street and intersection. See Figure 4.</p> <p>Minimize impact to the viewshed from downtown. Take advantage to natural screening on railroad.</p> <p>Lower height adjacent to Milhollin Drive to open up view corridor from H Street area.</p> <p>Commercial uses on Milhollin Drive would face and be across the street from a future mixed use project on the west side of Milhollin Drive.</p>	<p>Still some impact to downtown viewshed.</p> <p>Taller marine related industrial type building (that meet the architectural design standards) fronting on Marine Drive.</p>

Figure 4



Architectural Standards

Any new building must comply with the City's architectural standards and go through the design review process as defined in BMC 17.120. The architectural standards are provided in the Blaine Design Guidelines, BMC 17.119 Wharf District Design Standards, and the general concepts in the Wharf District Master Plan.

Buildings with the appearance of a warehouse would not be approved in this Planning Area according to the City's design requirements. The Architectural Standards in BMC 17.119.070 call for additional details on prominent facades (those directly visible from the street) by mandating shifts in the roofline and foundation wall. The Guidelines for Blaine Harbor also have generalized design requirements.

There are many different uses and types of buildings that could be developed in Mariner Village. These could be marine services, retail, offices, hotels or apartments, to name a few. Staff acknowledges there would be a difference between looking at a boutique hotel from Peace Portal Drive compared to a large storage building for boats.

Implementation Plan Progress Report

The Wharf District Master Plan contains an implementation plan, which is divided into tasks for each planning area. The following is brief summary of the number of tasks that have been completed for each area.

1. Planning Area One – Gateway to Waterfront – 1 out of 2 tasks complete
 - a. Marine Drive relocation completed
2. Planning Area Two – Plover Park – 0 out of 7 tasks complete
3. Planning Area Three – Mariner Village – 0 out of 3 tasks complete
4. Planning Area Four – Harbor Gateway – 0 out of 2 tasks complete
5. Planning Area Five – Waters Edge – 5 out of 11 tasks complete
 - a. Whale Plaza deck upgrade (demolished instead)
 - b. Open Theater Improvements completed
 - c. Replace 2 existing shelters with a multi-use bird shelters completed
 - d. Lighthouse Outdoor Commons substituted with Marine Park Playground
 - e. Park landscape and recreational amenities completed
6. Planning Area Six – Shipyard Industrial Park – 0 out of 3 tasks complete
7. Planning Area Seven – Dakota Commons – 0 out of 2 tasks complete
8. Public Access and Circulation Overlay Element – 1 out of 4 tasks complete
 - a. Marine Drive Phase Two completed

To summarize 7 out of 34 tasks have been completed in the last 9 years.



Thursday, December 1, 2016

Blaine Planning Commission

Re: Proposed Comprehensive Plan Amendment

Dear Commissioners,

My name is Patrick Grubb. My wife Louise and I own The Northern Light building and we are writing to express our opposition to the proposed changes to the Wharf District.

The rationale behind the proposal appears to be because the development that was envisioned when the Wharf District Master Plan (WDMP) was adopted in late 2007 has not materialized, then the City might as well let the land be used for less lofty purposes. It is ironic that the proponent, the Port of Bellingham, is also the agency that has failed to complete almost all of its obligations that were outlined in the WDMP; obligations that were considered vital in creating the conditions by which the plan's vision would be realized.

I challenge you to look at the WDMP implementation plan on pages 56 through 62 and check off which tasks have been begun or completed by the Port either short or mid-term. For the Port to argue that because no development has taken place and therefore the City should accept a diminished use is the governmental equivalent of the son who murdered his parents and asks the judge for mercy because he's an orphan. While the City has also failed to accomplish many of their assigned tasks, their record is much better than the Port's.

For staff to maintain that the Mariner Village concept can still be realized even if the amendment is adopted is nonsensical. Further industrialization of this area of the waterfront will only deter future development and is not the best or highest use. Did City planners re-calculate water-related use demand as was done for the WDMP? The central and west end of the harbor still contains more vacant land than the area under consideration.

If someone wants to build dry land boat storage, why aren't the central and west areas being considered? Nowadays, most stacked storage isn't even being built on waterfront property because it makes no sense to use high-value real estate for low-value utilization.

The loss of views from Peace Portal is of great concern. The WDMP states, "The preservation of view corridors from street level of Peace Portal Way has been determined to be a high priority." While city planners may be correct that currently permitted heights would also partially block views if built out, that opinion fails to account for the aesthetics of the view. Looking over an attractive boutique hotel or village and park is much more pleasing to the eye than boats resting in a steel cage.

In order for an amendment to be approved, it needs to satisfy all approval criteria as required in Blaine Municipal Code. Section 16.04.080 B requires that there be "a demonstrable need for the amendment supported either by changed conditions or by new information developed by the director or the proponent."

Staff states that this is satisfied because of market conditions that have changed since 2007. I beg to differ – the market has not changed one iota. Our building was ready for occupancy in June 2007 and we have yet to fully rent it out. The market was stagnant then and it is stagnant now.



I believe that had the City and the Port followed through on their obligations as outlined in the WDMP, it would be a completely different economic picture for our building, for the Wharf District and the City as a whole.

Section 16.04.080 C calls for the public interest to be served; staff says this condition is satisfied because “the Port may develop this area with water related uses to grow the marina, which in turn supports the economy of the City.” Where is the evidence that this is actually the case? How will the Port’s increased rent receipts benefit the City’s economy? I find it hard to believe that any economic impact would be significant enough to outweigh the disadvantages of this proposed amendment. The City would be buying a pig in a poke and would be remiss in doing so without properly evaluating the economics of this proposal.

This amendment fits the classic definition of spot zoning whereby one property owner receives benefits to the detriment of a general land use plan or public goals. I respectfully urge you to Not Approve this amendment.

Sincerely,



Patrick Grubb





PORT OF BELLINGHAM

Washington State

Blaine Planning Commission
City of Blaine
435 Martin Street, Suite 300
Blaine, WA 98230

RE: Wharf District Master Plan Amendment

Dear Planning Commission;

The following information and attached map is provided by Port staff to respond to questions asked by City Planning Commissioners during the December 1, 2016 Planning Commission public hearing:

Why can't the proposed Sundance Yachts boat storage facility and offices be constructed in the Blaine Marine Industrial Area?

- There is not enough space. The combined acreage of the Dakota Commons (Planning Area 6) and the Shipyard Industrial Park (Planning Area 7) is approximately 5.4 acres. This area is currently leased to four fish processors and one boat yard. Two of these processors have expressed interest in expanding. The area also includes a 20,000 square foot webhouse and Sawtooth Dock used by commercial fishers to load and store gear.
- Blaine City Code requires one parking space per employee on largest shift (71 total), and City Public Works Department has requested that the Port provides at least 10 additional spaces for visitors to the Blaine End Pier. Commercial fishers with gear on trailers also park in this area.
- Because the height in Area 6 of the Wharf District Plan is limited to 40 feet and Area 7 is limited to 35 feet. Additional height could be granted for a Water-Dependent marine industrial use, after a public hearing, provided the building would not obstruct views. However, a 55-foot tall building in the Marine Industrial area would block views from Downtown Blaine to Semiahmoo.
- The marine rail and Tammy Lift systems at Walsh marine are too slow and inefficient to serve a dry stack storage facility. Sundance yachts proposes to use a fork lift which can retrieve the boats from the rack and deposit them in the water. They need to be able to launch and retrieve many vessels per hour or the project will not work. See example below.





How much land does Sundance need? How big is their proposed building?

- Sundance needs approximately 3 acres. The building Sundance Yachts is proposing is about 60,000 square feet. The site needs to include parking for employees and customers. There also needs to be room for "work racks" for customers to work on their own boats during the day, space to operate the boat launching equipment, and travel lifts for the larger boats. (For comparison, note the size of the 22,000 weblocker above. Proposed Sundance building would be close to 3 times that size.)

Why does the building need to be 55' tall?

- 55 feet is needed because facilities like this scale vertically in a more cost effective way than horizontally. With too short of a building the yield will not be enough to support the project.

How can the Planning and Commission be assured that the building will be attractive and compatible with future mixed-use development?

- The City has design review standards and all new buildings need to obtain permits prior to construction. The Planning Commission has the opportunity to review and approve the plans.

Would the Port consider demolishing web lockers 2 & 3 so Sundance could build their building on west side of Milhollin Drive instead?

- No. The existing web lockers are needed to store commercial fishing gear used by 40 active commercial fishers in Blaine. It would cost over \$500,000 to replace the lockers in another area.
- The west side of Milhollin Drive is adjacent to harbor and further from the BNSF tracks, which would be a better location for residential mixed-use development in the future.

Why is this plan amendment in the public interest?

- The proposed plan amendment would allow the Port and Port tenants to develop a new business on property which is currently underdeveloped.
- Sundance Yachts plans to invest \$9,000,000 in improvements and projects \$15,000,000 in annual taxable sales at this location on the sales of about 50 boats/yachts per year.
- The proposed business will employ about 25 people at this location: yacht/boat sales, marine service techs, accountant, general manager, receptionist(s), boat detailers, F&I, etc. Lowest wages will be \$15/hour (boat detailers), to \$30/hour (service techs), to above \$100k/year (sales)
- The proposed dry-stack facility would store 300-350 boats from 15-25 feet (mostly) with a few boats up to about 30 feet, which will bring visitors to Blaine.
- A well designed Maine Industrial facility will complement redevelopment of the Mariner Village site in the future, and could attract other service businesses, restaurants or a boutique hotel. If Sundance does not construct the proposed facility, this site will still be available for a future mixed-use project, when the Blaine real estate market supports redevelopment of this area.

Thank you for your consideration of this additional information. I plan to attend your December 8 meeting and will be available to answer any additional questions you have.

Sincerely;



Sylvia Goodwin,
Planning and Development Director