



## COMMUNITY DEVELOPMENT COMMITTEE

### MINUTES

4:00 PM August 24, 2022  
2<sup>nd</sup> Floor Conference Room, City Hall

#### 1. ROLL CALL

**Council Members:** Gary Bode, Brent Lenssen, Kyle Strengtholt, Scott Korthuis

**Staff:** Heidi Gudde, John Williams

**Others:** Gary Vis (Chamber of Commerce)

#### 2. APPROVAL OF MINUTES

- a. Community Development Committee Meeting Minutes of 6/16/22 were not provided to Committee ahead of the meeting and were not able to be approved. Will be added to the September agenda.

#### 3. DISCUSSION ITEMS

##### a. Update on Mixed-Use Code Revision

Gudde shared that the amendment to revise code on mixed-use is moving forward. The next step is a Planning Commission workshop on Sept. 8, 2022.

Gudde noted that staff is working on code which addresses small scale mixed use in the Central Lynden Sub-area and a map of the uses (within the area that is zoned CSL in the central Lynden sub-area) was provided.

Vis asked if the HBD sub-area was going to be expanded. The group asked that staff consider moving the HBD boundary to the alley north of Grover. Potential redevelopment opportunities for buildings along the Grover Street corridor were discussed. Meeting the current parking code could be challenging if these buildings were redeveloped.

The group discussed parking on Front Street and the availability of parking for customers. Also discussed the conversion of city-owned properties into public parking lots, the role of the Downtown Business Association, and the potential of creating a Local Improvement District to fund parking lot development.

Gudde noted that the HBD sub-area has its own set of permitted uses that are more restrictive than the uses permitted in CSL zoning. Asked the group if the desire to expand the HBD was simply for the parking exception or to shift this area into this revised list of uses. The group generally agreed that they did not wish to limit uses and asked about the parking exception. Gudde explained that

the parking exception was written into the parking code and not necessarily defined by the sub-area boundary. The upcoming parking revisions already increase the parking exception to 8<sup>th</sup> street but it could also be shifted north to include more of the downtown business core. This could provide good opportunities for redevelopment but the Council should recognize that if parking was perceived as challenging on Front Street then those issues could be expanded north when / if properties redeveloped.

Related to the mixed-use code change Gudde noted that a letter to property owners was sent at the end of July to solicit questions or concerns. Several had contacted staff with questions. Most feedback was positive.

**Conclusions:** The Committee requested that staff review the parking exemption related to the downtown business core and explore options and potential effects of expanding the exemption to the alley north of Grover.

#### **b. City-Led Comprehensive Plan Amendment**

*Future Land Use Amendment:* The Committee discussed the revision to Future Land Use along the south side of Birch Bay Lynden Road consistent with the provided exhibit was discussed. This would alter the future land use of property south of Birch Bay Lynden Road to low density (single-family) residential and industrial business zone. It would eliminate the land use of commercial in this area. Gudde noted that appropriate buffers between the residential and industrial property would be needed but she noted that these are the land uses in greatest demand and it provides opportunities for single family development on the west side of the City – outside the Pepin Creek Sub-area. Alternatively, the City will be creating higher density of housing around commercial centers through the mixed-use code revision.

The group also discussed future annexation and the options of bringing in all of the UGA or excluding some parcels along the Flynn Road whose owner(s) may not be interested in being added to the City.

**Conclusions:** The Committee concurred with the future land use shift south of the Birch Bay Lynden Road and staff will include this version in the upcoming city-led comp plan application. The Committee, given just cursory information, expressed support for the exclusion of Flynn Road properties from a potential annexation if the property owners wanted to remain in the County.

*Boundary Revision:* Gudde directed the Committee's attention to the revision to Sub-area Boundaries consistent with mixed-use code revisions. The mixed-use code includes a prohibition of residential development within the newly defined western commerce sub-area. Gudde noted that this change came from previous discussions with the CDC. It would reduce the potential for conflict between industrial uses and residential uses.

**Conclusions:** Committee asked that staff expand the Central Lynden Sub-area to include the Blankers Estates development and the Fairview neighborhood south of the Kok Road. This would remove it from the new Gateway Sub-area

*Land Use Shift and Rezones:* In association with the mixed-use code amendment staff is proposing that some commercially zoned properties on the edges of the City would more appropriately be zoned to be 100% residential. This include properties along the Badger Road. Staff has currently included them in the Comp plan amendment and rezone application as RM-3. Gudde noted that land owners may wish to rezone to an even higher density but she noted that this was somewhat contradictory to the goals of the mixed-use revision – that high density housing would be centralized around commercial centers rather than the edges of the City.

Apartment buildings on Mercedes Drive were brought to the attention of the Committee. These were constructed under the city's current mixed-use code which created blocks of high density housing (greater than 20 units per acre). Building owners here are interested in creating additional residential units in areas that were previously reserved for commercial space. Gudde pointed out that even if these parcels were zoned as RM-4 that the maximum density is already exceeded and adding units would only push this farther into non-compliance with code. Strengtholt maintained that holding these areas to commercial uses really doesn't do anyone any good. Although Gudde agreed that residential may be more appropriate, the code doesn't allow for greater density. No easy solutions to this situation were identified.

**Conclusions:** The Council committee agreed that high density housing on the edges of the City, away from services, was not the preferred option and directed staff to continue the application at lower densities such as RM-2 or RM-3.

#### **4. INFORMATIONAL ITEMS**

##### **a. Civil Penalties Code Amendment**

Staff provided the Committee with an update on the amendments currently being drafted which would clarify violations as either criminal or civil. Currently code lumps many violations into criminal misdemeanors, but they would be more appropriately labeled and processed as civil violations.

Civil violation would then be categorized as C1 – C10 type of violations and penalties would assigned per type. This fee structure would give staff better guidance on appropriate corrective actions.

Williams noted that intermediate steps including voluntary compliance will be written into code. Compliance is always the first priority. If compliance cannot be attained, then monetary penalties and potentially criminal penalties could result.

Williams noted that the draft code will go through multiple committees including CDC.

Staff and legal counsel drafting. General structure will place penalties and process in LMC Chapter 1.24. This will address penalties and the authority who can issue those penalties for violations from various chapters within the LMC.

Committee asked that the code come back to the CDC before it goes to full Council.

b. Update on Transitional Housing Code Draft Timeline

Staff and legal counsel drafting code related to transitional housing. Draft to be sent to public safety committee meeting discussion on Sept. 1 and will also come back to CDC on Sept 21.

Council members expressed concern that homes that had recently been considered for transitional housing continued to seek to establish transitional housing in these locations – both locations are adjacent to elementary schools and located in single-family neighborhoods.

Gudde noted that State code and case law must be considered when drafting the code so that it's a defensible code. The terminology of supportive housing is also relatively complex as there are many different types of supportive housing including emergency housing, group homes, adult care homes, and transitional housing. These provide services to various groups. Ensuring that our terminology with the state's definitions will be important. Legal counsel is on notice to review in the coming weeks / months.

Williams noted that the Department of Commerce will have a comment period. This is typically 60 days. Including this into the City's timeline for code amendment

**Next Meeting Date: September 21, 2022**