

**RESOLUTION NO. 2009-24**

**A RESOLUTION ESTABLISHING A FEE FOR DENSITY BONUSES IN SPECIFIC TRANSFER OF DEVELOPMENT RIGHTS RECEIVING ZONES PAYABLE TO THE LAKE WHATCOM WATERSHED PROPERTY ACQUISITION PROGRAM FUND.**

**WHEREAS**, the City of Bellingham has implemented a number of measures to protect and improve water quality in Lake Whatcom, the city's drinking water source; and

**WHEREAS**, a transfer of development rights (TDR) program was established by the City and Whatcom County to help reduce the overall development capacity in the Lake Whatcom Watershed; and

**WHEREAS**, several years ago, the City and Whatcom County worked together to identify and designate portions of Bellingham's urban growth area as TDR receiving zones; and

**WHEREAS**, these TDR receiving zones provide a density bonus option for property owners who use the TDR program to transfer development rights from the Lake Whatcom Watershed; and

**WHEREAS**, the current TDR program requires private property owners in the receiving zones to work with private property owners in the Lake Whatcom Watershed to use the TDR program; and

**WHEREAS**, the current TDR program is not accomplishing the watershed protection and density transfer goals of the City for a number of reasons; and

**WHEREAS**, the City has recently annexed a number of these TDR receiving zones, and

**WHEREAS**, in 2009 the City commissioned a "feasibility analysis" to determine why the current program is not being used and to identify actions that the City might take to make the program more successful; and

**WHEREAS**, the feasibility analysis found that market conditions make use of the TDR program, as it is currently designed, unlikely in the recently annexed receiving zones; and

**WHEREAS**, one of the recommendations from the feasibility analysis was to establish a "fee in lieu of" option whereby property owners/developers in the receiving zones could purchase the rights to build a limited number of additional housing units by contributing to the City's Lake Whatcom Watershed Property Acquisition Program (LWWPAP); and

**WHEREAS**, Title 20 Land Use code amendments were needed to establish the fee-in-lieu-of option in the receiving zones; and

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**WHEREAS**, the City Council adopted the necessary Land Use code amendments on June 15, 2009; and

**WHEREAS**, the recommended fee in lieu of option requires the City Council to establish by resolution the fee for purchasing additional density in the TDR receiving zones; and

**WHEREAS**, the City Council finds that the density bonus option is consistent with the Council's goals and with the Bellingham Comprehensive Plan goals and policies to improve and protect the water quality in the Lake Whatcom Watershed; and

**WHEREAS**, the LWWPAP is used to fund land acquisition and other land preservation measures in the Lake Whatcom Watershed; and

**WHEREAS**, the Council has reviewed the proposed fee and finds that it should be approved.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF BELLINGHAM:**

Section 1. Ordinance 2009-06-037 established a fee-in-lieu-of transfer of development rights option in designated TDR receiving zones in the Guide Meridian/Cordata, King Mountain, Meridian and Mt. Baker neighborhoods.

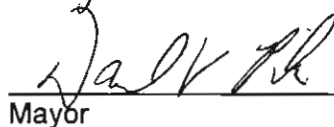
Section 2. The fee shall be \$5,000.00 for each density unit purchased.

Section 3. Fees collected in this program shall be deposited in the Lake Whatcom Watershed Property Acquisition Fund.

**PASSED** by the Council this 27th day of July, 2009.

  
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Council President

**APPROVED** by me this 3rd day of August, 2009.

  
\_\_\_\_\_  
Mayor

**ATTEST:**   
\_\_\_\_\_  
Finance Director

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**APPROVED AS TO FORM:**

*Joan Hovington*  
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Office of the City Attorney

Published:

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