

Port of Bellingham

Fairhaven

Comprehensive Scheme of Harbor Improvements

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Table of Contents

Introduction & Background	3
Port of Bellingham Mission Statement, Values, & Roles	4
Public Participation Process	5
Relationship to Waterfront Futures Group Vision	6
Report Organization	7
Existing Conditions & Uses	8
Planning Area 1 – Fairhaven Marine Industrial Park	9
Planning Area 2 – Fairhaven Station & Harris Avenue	10
Planning Area 3 – Boat Launch & Warehouse Building Area	11
Planning Area 4 – Bellingham Cruise Terminal Area	12
Planning Area 5 – Marine Industrial Uses	13
Environmental Conditions	15
FMIP (Marine Reach 10)	15
Fairhaven Boat Launch and Ferry Terminal (Marine Reach 11)	16
Padden Lagoon (Marine Reach 12)	20
Existing Land Use Plans & Regulations	22
City of Bellingham Land Use Plans and Regulations	22
Federal & State Regulations	35
Transportation, Access, Parking, Public Services/Utilities	39
Access	39
Parking	40
Public Services/Utilities	41
Demand by Waterfront Uses	45
Summary of Demand	48
Comparison of Supply & Demand	51
Demand for Mixed-Use Options	52
Description of Alternatives for the Fairhaven Properties	57
Planning Area 1 Alternatives – Fairhaven Marine Industrial Park	57
Planning Area 2 Alternatives – Fairhaven Station and Harris Avenue Area	60
Planning Area 3 Alternatives – Fairhaven Marine Industrial Park	61
Planning Area 4 Alternatives – Bellingham Cruise Terminal Area	65
Planning Area 5 Alternatives – Marine Industrial Uses	66

Recommendations.....	67
Goals and Policies.....	68
Land Use	69
Environmental Restoration	71
Public Access	73
Capital Repairs & Equipment	75
Implementation Plan	75
Environmental Checklist.....	78

Introduction & Background

The Port of Bellingham owns approximately 33 acres of uplands and 65 acres of state owned tidelands in the southern area of Bellingham in the neighborhood known as Fairhaven. These properties include the Bellingham Cruise Terminal, Fairhaven Station, Fairhaven Marine Industrial Park (FMIP), a shipyard, a fish processing facility, distribution and warehousing facilities, Marine Park, a public boat launch, and associated parking areas.

In 1991, the Port of Bellingham adopted a Fairhaven Comprehensive Scheme of Harbor Improvements. In that plan, the Port identified a number of projects to pursue in next 10–15 years. These projects included:

- Continue Marina Evaluation
- Expand Terminal Activity
- Redevelop Warehouse No. 7
- Increase Deep Water Port – additional pier space
- Uses for existing warehouse for Cruise Terminal Support
- Aquarium
- Seek Marine Related Uses
- Explore ways to expand existing Marine Industries
- Develop Intermodal Transportation Center

The plan also included recommendations for improving a number of public areas, including potential development of a marina pier, enhancement of a marine park, integration of a trail

with the City, and retention of a natural beach south of Taylor Street.

The 1991 plan identified a series of parking-related projects, including completion of the intersection at 4th Street and Larrabee Avenue, use of the Tollycraft area for parking and creation of opportunities for joint parking with Fairhaven tenants.

Since adopting that plan in 1991, the Port has completed a number of the projects identified in the plan. Completed projects include:

- Transportation
 - Fairhaven Station (Multi-modal Terminal)
 - Installation of Berth 3 at the Bellingham Cruise Terminal
- Business & Economic Development
 - Acquired FMIP Buildings at 8th & Harris
 - Acquired Former Glacier Distributing Building
 - Pier extension at the Fairhaven Shipyard
 - Determined not to pursue a south side marina
- Restoration & Public Access
 - Marine Park Enhancements and Shoreline Restoration
 - Public amenities at Bellingham Cruise Terminal enhanced

- Established linear transient moorage near boat launch
- Created Totem Park and the Bellingham Cruise Terminal Roundabout enhancements
- Infrastructure Improvements
 - Expanded Long Term Parking Lot
 - Improved Bellingham Cruise Terminal Entrance
 - Created Short Term Parking Lot

Having met many of the goals identified in the 1991 plan, the Port is ready to set the stage for the next 10–15 years.

The purpose of this study is to identify additional goals and projects that will be in line with recommendations from the Waterfront Futures Planning Process, a collaborative planning process for future development along the entire Bellingham Bay, including the Fairhaven area. In addition, this update of the Comprehensive Scheme takes into consideration changes in the use of land and interests of various community groups in the use of the Port’s Fairhaven Properties.

Port of Bellingham Mission Statement, Values, & Roles

Port Mission Statement

The Port of Bellingham’s mission is to fulfill the essential transportation and economic development needs of the region while providing leadership in maintaining Greater Whatcom’s overall economic vitality through the development of comprehensive facilities, programs, and services.

In so doing, the Port pledges to work cooperatively with other entities — within the framework of community standards — and

to be a responsible trustee of our publicly owned assets.

Port Values

The Port of Bellingham works to be a valuable public organization with a reputation for delivering on its commitments; working in an open, decisive atmosphere; taking pride in its work; and, communicating its contributions to the community.

The Port of Bellingham places a premium on providing superior customer service and being responsive to changing market conditions with its business activities.

The Port of Bellingham demonstrates statesmanship and leadership in difficult public policy issues. Public involvement is highly regarded, and the Port incorporates varied views while making difficult decisions in a complex environment.

The Port strives for a diversified, professional workforce. Emphasis is placed on developing the full potential of all employees.

The Port of Bellingham employs its expertise and leadership ability in state and federal Port industry activities and issues.

The Port of Bellingham pledges to work cooperatively with other entities, within the framework of community standards, and to be a responsible trustee of our publicly owned assets.

Strategic Purpose & Roles

The following are the core endeavors that define the Port’s unique role in supporting a strong community in Greater Whatcom:

Public Transportation

- The Port takes lead responsibility for developing “common-user” gateway terminals for the movement of people and cargo by water, air, rail, and land. The resulting transportation network provides

local firms and residents' access to a range of competitive and safe transportation options for reaching travel and product markets and is a key attribute that helps attract new business into the area.

Economic Development

- The unique role the Port plays in the Greater Whatcom economy is through leadership in creating a consensus regarding an economic future, including activities that promote tourism and community access at various Port and tenant facilities. The Port also develops industrial and commercial projects that attract new businesses to the area and support the growth of existing firms, providing a larger base of sustainable jobs. In fulfilling this latter role, the Port combines expertise in real estate development with special financing capabilities to initiate the development of unique properties that house commerce.

Stewardship of Local Marine Waterfronts

- The Port takes seriously its role as steward of the waterfronts in Whatcom County. This role includes ensuring waterfront development that is consistent with the community's overall development plans, achieving a synergy between upland development and water-related activities, overseeing the maintenance of federal shipping channels, providing public access to waterfronts (through the creation of parks, buildings, marinas, and other public amenities), and balancing environmental protection and habitat enhancement with economic development projects.

Public Participation Process

Over the course of a twelve month period, the Port of Bellingham engaged in a public participation process designed to solicit the maximum amount of feedback from community members, Port staff, current tenants, and parties with special interests in aspects of the Port's Fairhaven Properties.

The Port sponsored initial goal setting meetings at the outset of the project to determine the interests of various parties in the Fairhaven Properties. Meetings were held with Port staff, tenants of the Port's Fairhaven Properties, a coalition of Southside Neighborhoods, and Fairhaven Neighbors. A community-wide meeting was also held. The following is a list of the key issues identified at those meetings. Copies of the minutes from each meeting are found in the Appendix.

Key Issues from Goal Setting Meetings

Habitat Protection

Public Access to Water

Trail Connections with CMT

Boat Ramp for non-motorized boat users

Moorage for Transient Boaters

Marine-Related Industrial Uses

Building Heights

Stormwater Management

Meanwhile, the Port created a project website and posted results from the meetings for all to view. The website contained a form allowing the public to provide feedback to the Port.

Three months later, the Port scheduled another community meeting to report back to these groups about the findings on the first phase of the planning process. This meeting, sponsored by the Waterfront Advisory Group, outlined the understanding of the existing conditions of the Fairhaven Properties and how that might translate into a series of alternative uses for each of the five planning areas. An important aspect of this meeting was a

presentation on the relationship between the Waterfront Futures Group vision for the Fairhaven area and the use of Port properties. A copy of recommendations from the meeting is included in the Appendix.

Relationship to Waterfront Futures Group Vision

For almost two years, a committee of thirteen community members met in public meetings, hearings, and in small groups to develop a new vision for the future of the Bellingham Waterfront. This project, jointly sponsored by the City and Port of Bellingham, resulted in a document entitled The Waterfront Futures Group Framework Plan; Connecting Bellingham with the Bay.



The document provides a vision and framework plan for six different areas of Bellingham, one of which is Fairhaven. For each planning area, the Plan identifies a vision, guiding principles, and recommendations for future development, future uses, environmental cleanup and enhancement, culture and

history, and connections and access.

The area of Fairhaven encompasses more than just the Port's Fairhaven Properties, though these properties comprise the majority of the land in question. There are a number of items identified in the Waterfront Futures Plan recommendations that would require actions on the part of the Port. One element of this Fairhaven Comprehensive Scheme Update is to review many of these items to determine their feasibility.

Many of the issues in the Plan relate to City actions. Others are clearly Port priorities that will be addressed. Other issues identified in the Waterfront Futures Plan and evaluated in this document require more analysis and reflection. The issues included for evaluation in this document are as follows:

(From Waterfront Futures Group Framework Plan)

Future Development

Allow for transitions in building scale and character as you travel between Fairhaven and the waterfront.

Encourage mixed-use development in existing Port light industrial area east of Padden Lagoon.

Provide priority for marine-related uses without excluding other uses.

Future Uses

Preserve areas adjacent to deep water for water-dependent uses.

Identify more areas of upland boat storage in areas designated for water-dependent uses.

Environmental Cleanup & Enhancement

Naturalize the area along the east side of Padden Lagoon.

Enhance eelgrass beds in the near shore areas adjacent to Padden Creek lagoon.

Naturalize the shoreline area between the launch ramp and the cruise terminal.

Utilize stormwater as a sustainable asset.

Connections and Access

Provide a direct connection from Village Green and the rest of Fairhaven, diagonally northwest to the waterfront.

Provide improved pedestrian pathways between Fairhaven and the railroad station and cruise terminal.

Develop trail connections from Taylor Avenue dock south through Fairhaven and redeveloped areas near the water to complete the South Bay link of the CMT.

Reconfigure and improve the existing public boat launch ramp, while providing for more short term and transient moorage.

Explore potential for Port to use portion of Alaska ferry parking lots south of Harris for boat trailer parking.

In the following chapters of this Comprehensive Scheme Update, additional background information that allows for in-depth evaluation of many of these concepts and ideas is provided. The alternatives described in Chapter 7 incorporate many of the ideas and concepts found in the Waterfront Futures Plan. Over the course of the next 10 years, as the Port implements elements of this plan, so will they implement elements of the Waterfront Futures Group vision of Fairhaven.

Report Organization

Due to the differences in type of use and development patterns for the various properties within the Port's Fairhaven Properties, this report divides the properties into 5 separate areas. These are more fully described in Chapter 2.

The report is organized into three phases. The first phase, in Chapters 2 – 5, documents the existing conditions and environmental features of the properties, the land use plans and regulations, the current tenant mix, and the transportation system and utilities currently available to the properties. The first phase also includes a demand study in Chapter 6 that identifies the market for types of industrial, commercial, and residential uses in the Fairhaven area.

The second phase of the report, documented in Chapter 7, identifies alternative uses for each of the five areas of the Port's Fairhaven Properties. These alternatives evolved from a series of community meetings and coordination with Port staff. Chapter 7 describes each of the alternatives and, where there are clearly defined alternatives, provides an estimate of the cost to the Port to provide the initial site development. Graphics for each of the alternatives are also included in Chapter 7.

The final section of the report, Chapter 8, describes the alternatives identified by the Port Commissioners as the preferred alternatives for each area, and includes a capital facility plan that lays out both short term (next 5 years) and long term (5-10 years) projects for the Port to pursue associated with each of the development alternatives.

Existing Conditions & Uses

The Port of Bellingham owns several facilities in Fairhaven, including: the Fairhaven Marine Industrial Park (FMIP), a public boat launch, the Bellingham Cruise Terminal, Fairhaven Station, and Fairhaven Shipyard. The Port also owns land used for parking to

serve these facilities. The following section describes these facilities. Information for this section is taken from an early report prepared for the Port of Bellingham entitled Bellingham Waterfront Lands Analysis prepared by BST Associates and dated January 2007.



Figure 1 – Existing Users in the Fairhaven Area

Fairhaven Comprehensive Scheme of Harbor Improvements | Nov. 2008

Planning Area 1 – Fairhaven Marine Industrial Park

Area 1 consists of the property known as the Fairhaven Marine Industrial Park. There are a number of existing buildings in this industrial park. The size of the buildings and the current uses are described below. The west side of the industrial park borders on Padden Creek Lagoon. The north side of the industrial park is bound by the Burlington Northern Railway tracks. One access point currently exists across these tracks to a port-owned dock currently used by one of the tenants in the industrial park for launching boats. The southern side of the industrial park is bordered by a city-maintained trail called the South Bay Trail.

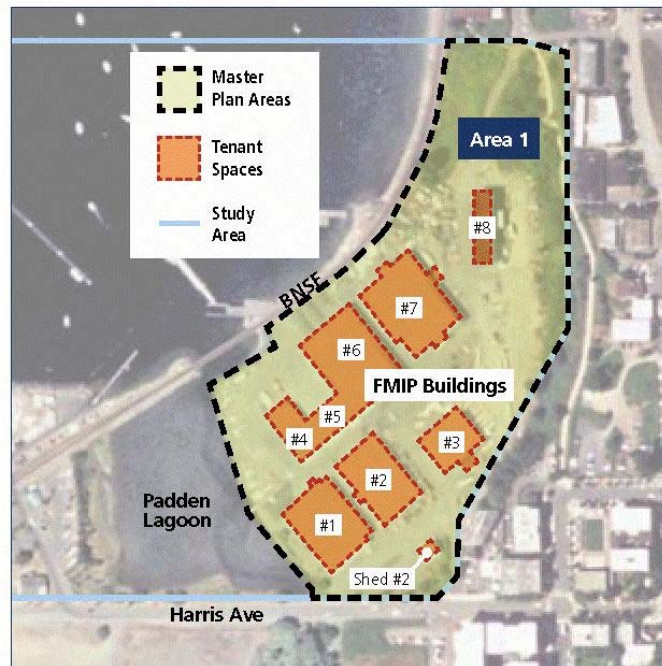


Figure 2 – Area 1 - Fairhaven Marine Industrial Park

The following is a description of properties with the Fairhaven Marine Industrial Park.

FMIP Buildings # 1 & 2

FMIP 1 is currently leased by the Port to L.F.S., Inc., which sells fishing equipment and supplies in both wholesale and retail markets and provides repair services for trawlers (25,360 square feet), and Staaf Sails, which manufactures and sells sails and hardware to recreational and industrial customers, also leases 1,615 square feet in building #1.

LFS Marine Supply also leases all 22,192 square feet in FMIP 2.

FMIP Building #3

Bellingham Marine Industries leases all of FMIP 3 (11,987 square feet). Bellingham Marine is a global leader in design, manufacture, and construction of marinas and related products and services.

FMIP Buildings #4 & 5

Seaview North recently leased FMIP buildings 4 & 5, totaling 20,586 S.F. to provide boat repair services. The yard area totals 81,610 square feet including the haul out dock.

FMIP Buildings #6 & 7

The Port leases all of FMIP 6 & 7 (61,600 feet) to Aluminum Chambered Boats, Inc. (ACB). ACB builds aluminum craft, ranging in length from 20 feet to 32 feet. These boats, known for being durable and virtually unsinkable and for requiring minimal maintenance, are being used to support homeland security for port and border patrol, by commercial fishermen, and for

recreational use. ACB has approximately 70 employees who fabricate most of the ships' components on Bellingham's waterfront. Outside firms form the aluminum chambers. ACB receives about 40 percent of its revenues from military contracts and the remainder from commercial and recreational clients.

FMIP Building #8

Unicraft Marine Products, Inc. leases 6,888 square feet of space from the Port at FMIP #8. Unicraft specializes in design, manufacture and sale of fiberglass products, including marine mufflers and exhausts, marine generator mufflers, shaft tubes, battery boxes for boats, bow thruster tubes, sonar tubes, panels and stacks for telecommunication towers, aquaculture water filters and window boxes. Unicraft's owners were previously employed at Uniflite, a manufacturer of small recreational boats.

FMIP Shed #2

Wayland Marine, Ltd. leases 1,280 square feet from the Port at FMIP Shed #2. Wayland Marine manufactures and distributes racing shell kits, and sells ready-to-row shells and accessories. Wayland Marine manufactures and sells these products from its Port location and products are tested by customers in Padden Lagoon.

Planning Area 2 – Fairhaven Station & Harris Avenue

Area 2 includes the Fairhaven Station and Harris Avenue Area. This area is bound on the west by the Burlington Northern Railroad tracks. Harris Avenue bisects the area into north and south areas.



Figure 3 – Area 2 - Fairhaven Station & Harris Avenue Area

Fairhaven Station

The Port owns and operates a multimodal transportation center at 401 Harris Avenue in Fairhaven, called Fairhaven Station. The station serves Amtrak train service (connecting Bellingham to Seattle and Vancouver, British Columbia), the Greyhound Bus Line Terminal and Whatcom Transportation Authority bus services. The building, which was renovated in 1994, also houses several businesses, including: Astoria Pacific Seafoods, Madrona Bay LLC, RETEC, Stewart & King Partnership, The Coffee Junction, Third Eye Systems, LLC and Yellow Cab.

The portion of the site north of Harris includes parking used for the boat launch. This area also includes two existing buildings along Harris Avenue. One of these buildings is currently used by Washington Windsports, a recreational retail shop. The other building is vacant. Located directly west of these buildings is the

property known as the Fairhaven Station.



Fairhaven Station

On the South side of Harris Avenue the Port owns a large parcel of land used for parking overflow for the Bellingham Cruise Terminal and the boat launch facility. This was a contaminated property cleaned up to industrial standards and thus has development restrictions on its redevelopment. Due west of the parking area is an area of land known as the former Coors Building.

Former Coors Building

Brenthaven leases the former Coors distribution warehouse from the Port (15,835 square feet) for distribution of its products (cases, back packs and i-pod cases among other products).

Planning Area 3 – Boat Launch & Warehouse Building Area

Areas 1 and 3 are separated by Padden Creek Lagoon, a marine estuary owned by the City of Bellingham. A railroad trestle extends between the two areas on the northern part of the Lagoon. The east side of Area 3 along the western edge of Padden Creek Lagoon is a vegetated buffer.

The northwest corner of Area 3 includes the Port's Fairhaven boat launch.

The existing boat launch is a two-lane launch with a float separating the lanes. This float is removed during winter months. There are a limited number of parking spaces immediately adjacent to the boat launch and along the west side of the railroad tracks.

Bellingham Bay Community Boating Center

The Port also leases 35,386 SF of land to the Bellingham Bay Community Boating Center (BBCBC). The BBCBC is a non-profit organization offering classes, individual and group instruction, boat rentals, and boat storage for kayaks, sailing dinghies and rowing craft.



Fairhaven Boat Launch

Stub Pier

Between the boat launch and the Bellingham Cruise Terminal is a dock referred to as the Stub Pier. This dock is currently leased to the U.S. Coast Guard who uses the pier for mooring two 87' cutters.

Warehouse #4

Warehouse 4 is used by several businesses. It primarily serves the Alaska Marine Highway System, which uses 15,302 square feet. The remaining space is used by ABF Freight System, U.S. Coast Guard and Valhalla Marine Adventures.

Planning Area 4 – Bellingham Cruise Terminal Area

Area 4 includes the Bellingham Cruise Terminal (BCT) and the Rainer Petroleum facility. A portion of Warehouse 4 described in Area 3 above

is included in the Area 4 properties since this portion of the warehouse building is used by the Alaska Marine Highway

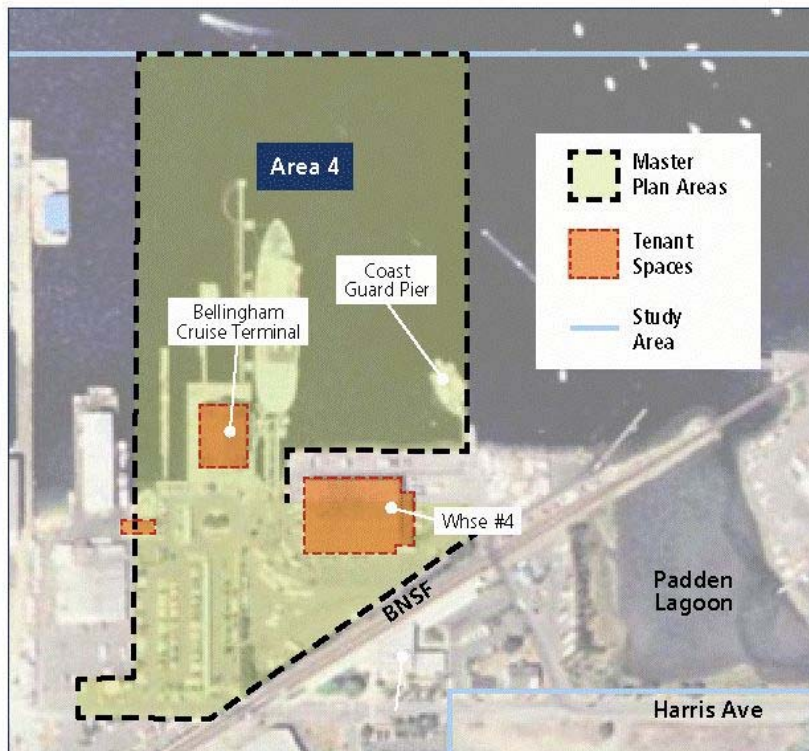


Figure 5 – Area 4 - Bellingham Cruise Terminal Area

System. A majority of the upland area in Area 4 is dedicated to parking and vehicle staging for the Alaska Ferry, the primary user of the Bellingham Cruise Terminal. Area 4 is bounded on the south side by the Burlington Northern Railroad tracks.

In addition to the ferry terminal pier and docking facility, there are two other port owned piers used for a variety of purposes. One is an international pier for foot passenger service to Victoria Island, B.C. The other pier includes charter boats and whale watch cruises.

Bellingham Cruise Terminal

The Bellingham Cruise Terminal in Fairhaven is the southern starting point for the Alaska Marine Highway System (AMHS). These ferries depart from Bellingham on Tuesdays (summer only) and Fridays (year around) taking passengers and vehicles to Alaska. The AMHS operates a fleet of nine state-owned ferries that provide scheduled ferry service throughout Southeast and Southwest Alaska, and south to Prince Rupert and Bellingham,



Bellingham Cruise Terminal

Washington. The system connects communities with each other, with regional centers, and with the continental road system. AMHS service is divided into two major systems: southeast (from Bellingham north to Skagway) and southwest (from Cordova west to Unalaska).

The Port also has leases at BCT with several businesses, including but not limited to Avis Rent A Car System, Inc., Inside Passage Gifts, The Vessel Zodiac Corporation, Victoria / San Juan Cruises and Sorella's. Public Meeting and Event space is also available for rent in BCT

Rainier Petroleum

In addition, the Port also has a small land lease with Rainier Petroleum (around 8,500 square feet). This company operates the Marine fueling station at BCT and sells fuel to the Alaska Ferry and other large vessels.



Figure 6 – Area 5 - Marine Industrial Uses

Planning Area 5 – Marine Industrial Uses

Planning Area 5 is the main deep water industrial area for the Port's Fairhaven properties. This area located west of Bellingham Cruise Terminal includes the Harris Avenue Shipyards, Arrowac Fisheries & Warehouse 9.

Harris Avenue Shipyard

The Harris Avenue Shipyard site, which is located at 201 Harris Avenue, has been used by various parties for shipbuilding and ship maintenance since the early 1900s. In 1966, the Port of Bellingham purchased the property and has leased it to several different companies for use as a shipyard. The site is currently being leased by Puglia Engineering, doing business as Fairhaven Shipyards. The Shipyard also provides access to the water for All American Marine.

Fairhaven Shipyard is owned by Puglia Engineering Inc. of Tacoma, which also operates shipyards in Tacoma and Alameda California. The Port leases 348,114 square feet of land to the shipyard.

Fairhaven has a dry dock capable of lifting vessels of up to 122 feet in length, 17 foot beam and 3,200 tons, and it is complemented by a 600-ton marine railway, which is capable of handling vessels 37 feet long with and 11 foot beam. The dry dock allows Fairhaven Shipyards to bid on a wide array of overhaul contracts. Fairhaven Shipyards is seeking to acquire a larger dry dock. This would require a change to the outer harbor line.

Shipyard Fabrication Building

All America Marine leases 20,000 SF from the Port at the Shipyard Fabrication Building, which is located in the Harris

Avenue Shipyard site. Fairhaven Shipyards leases the remaining 11,500 SF of the fabrication building. Since 1987, All American Marine has manufactured high speed passenger ferries, excursion vessels, and work boats. These vessels are sold throughout the world. The largest craft build by the firm was the Valdez Spirit (82 feet) which can carry 149 passengers and is used in Wildlife and Glacier tours out of Valdez, Alaska. All American currently launches its boats via facilities provided by Fairhaven Shipyards.

207 Harris Avenue

207 Harris Avenue is the former site of Arrowac Fisheries which had leased the site since 1982. Arrowac Fisheries terminated their lease in November 2008 citing "Increasingly restrictive fishing regulations resulting in decreasing supplies of raw materials and poor fishing seasons over the past years made it no longer feasible for us to continue our Bellingham processing facility,". The site consists of a 21,590 square foot processing facility located on 61,560 square feet of land and is currently vacant.

Warehouse #9

Warehouse 9 is leased to Post Point Seafoods and Dean's Tree Service.

At the south west corner of Area 5 is the Port's Marine Park. This 3.5 acre park provides water access with picnic tables, benches, a rest-room and a paved pedestrian path. The beach is used by kayakers as an ideal water access point.

Environmental Conditions

The following information describing environmental conditions for the POB Fairhaven properties is taken from the recently completed City of Bellingham Shoreline Inventory and Characterization. This extensive study, prepared as an element of the update to the City of Bellingham Shoreline Master Program (SMP) evaluates environmental conditions within the 200-foot segment of land extending from the south end of Taylor Dock to the beginning of Marine Park. *See Figure 7 -Environmental conditions.* The SMP identifies this area of the shoreline, including the area surrounding Padden Creek, as Segments D, E, and F (Marine Reach 10, 11, and 12). *See Figure 8 -SMP Environment Designations.*

FMIP (Marine Reach 10)

Landscape Setting

This segment extends south of Taylor Street Dock to the north end of the Fairhaven Boat Launch. This segment is located in continental sedimentary deposits and bedrock. The soils are upland soils in Drainage Class B. The erosion risk for soils in this segment is either slight or severe. This segment is indicated to receive moderate to heavy wave action.

Land Use

Shoreline Modification: The majority of the shoreline along the segment has been riprapped to protect the BNSF railroad. The segment has average ground cover as follows: 50 percent is impervious, 40 percent is semi-pervious, and 9 percent is pervious. Areas with pervious cover are predominately covered

with Himalayan blackberry.

Critical Areas

Wetlands/Regulated Streams: No regulated wetlands or streams are indicated for this segment.

FEMA: No areas within this segment are identified on FEMA maps.

Potential PHS/TSE Species: Bull trout presence is possible and presence is based on suitable habitat and prey. Bull trout are federally listed as a threatened species. Puget Sound Chinook and Puget Sound coho salmon may occur seasonally within this segment. Puget Sound Chinook is federally listed as a threatened species. Puget Sound coho salmon are a candidate species for federal listing. Marbled Murrelets may occur seasonally offshore along this segment. Marbled Murrelets are federally listed threatened species. The area is designated as an area of importance and vulnerability for water birds (high concentrations of diving birds in winter). Gray whales have occurred offshore of this segment.

Ecological Functions

Water Quality: The only documented toxic site is the Exxon Mobil Oil Corp site at 908 10th Street, which is outside the POB property boundaries.

Vegetation: Aquatic marine vegetation has been mapped for this segment. Green algae beds are mapped for this segment. Upland vegetation is predominately Himalayan blackberry intermixed

with native shrub and trees.

Wildlife: Potential pinned habitat may occur along the entire shoreline of this segment. Harbor seal haul-outs are indicated on offshore logs. Vulnerable concentrations of winter diving birds occur along this segment. Sand lance spawning habitat is documented along this entire segment. Low to moderate populations of demersal groundfish and pandalid shrimp are documented offshore of this segment.

Habitat: This segment is dominated by Himalayan blackberry and interspersed patches of native shrubs. Primary connections to other habitats are limited to the adjacent shoreline habitats. There is no significant upland connection to other significant habitat types from this segment, although a limited corridor exists along the South Bay trail. Nearshore habitat in this segment has been modified by the BNSF rail bed, separating the marine system from native soils, except where bedrock outcrops occur. The shoreline along Boulevard Park has been reinforced with rip-rap and concrete bulkheads. No significant backshore occurs through the main portion of the segment. Several small pocket beaches are present at low tide.

Mapped marine substrates provide a moderately diverse variety of substrate types, including mixed coarse and mixed fines. This provides a range of habitat opportunities for marine flora and fauna. The water depth is 11 feet below MLLW.

Fairhaven Boat Launch and Ferry Terminal (Marine Reach 11)

Landscape Setting

This segment extends along the industrial marine area around

the Fairhaven Boat Launch and Bellingham Cruise Terminal south to the north end of Marine Park. This segment is located in continental sedimentary deposits and bedrock. The Bellingham Cruise Terminal vicinity is constructed on artificial fill. The soils are upland soils in Drainage Class D. The erosion risk for soils in this reach is severe. The segment is located in an area with moderate exposure to wave action.

Land Use

Shoreline Modification: Extensive shoreline modifications are present in this segment. The entire shoreline of this segment has been ripped or protected with bulkheads. A large number of in-water structures are located in this reach, including docks and pilings. Impervious surface is calculated to be at 96 percent of reach; 4 percent of the reach groundcover is semi-pervious, 0 percent is pervious, and 44 percent is water (channel).

Critical Areas

Wetlands/Regulated Streams: No wetlands or streams are identified for this reach.

FEMA: Portions of this reach are identified on FEMA maps as occurring in the floodplain.

Slopes: Artificial fill material under portions of the Bellingham Cruise Terminal and associated industrial areas are mapped as “seismic hazard areas” on the Whatcom County Geohazard Maps.

Potential PHS/TSE Species: Bull trout presence is possible and presence is based on suitable habitat and prey. Bull trout are federally listed as a threatened species. Puget Sound Chinook and Puget Sound coho salmon may occur seasonally within this segment. Puget Sound Chinook are federally listed as a

threatened species. Puget Sound coho salmon are a candidate species for federal listing. Marbled Murrelets may occur seasonally offshore along this segment. Marbled Murrelets are federally listed threatened species. The offshore area is designated as an area of importance and vulnerability for water birds (high concentrations of diving birds in winter).

Ecological Functions

Water Quality: There is no documentation of degraded water quality within the inner bay within this segment. DOE 303(d) data indicates the outer bay is designated as a Category 5 for dissolved oxygen, Category 2 for pH and Category 1 for fecal coliform, pH, and temperature.

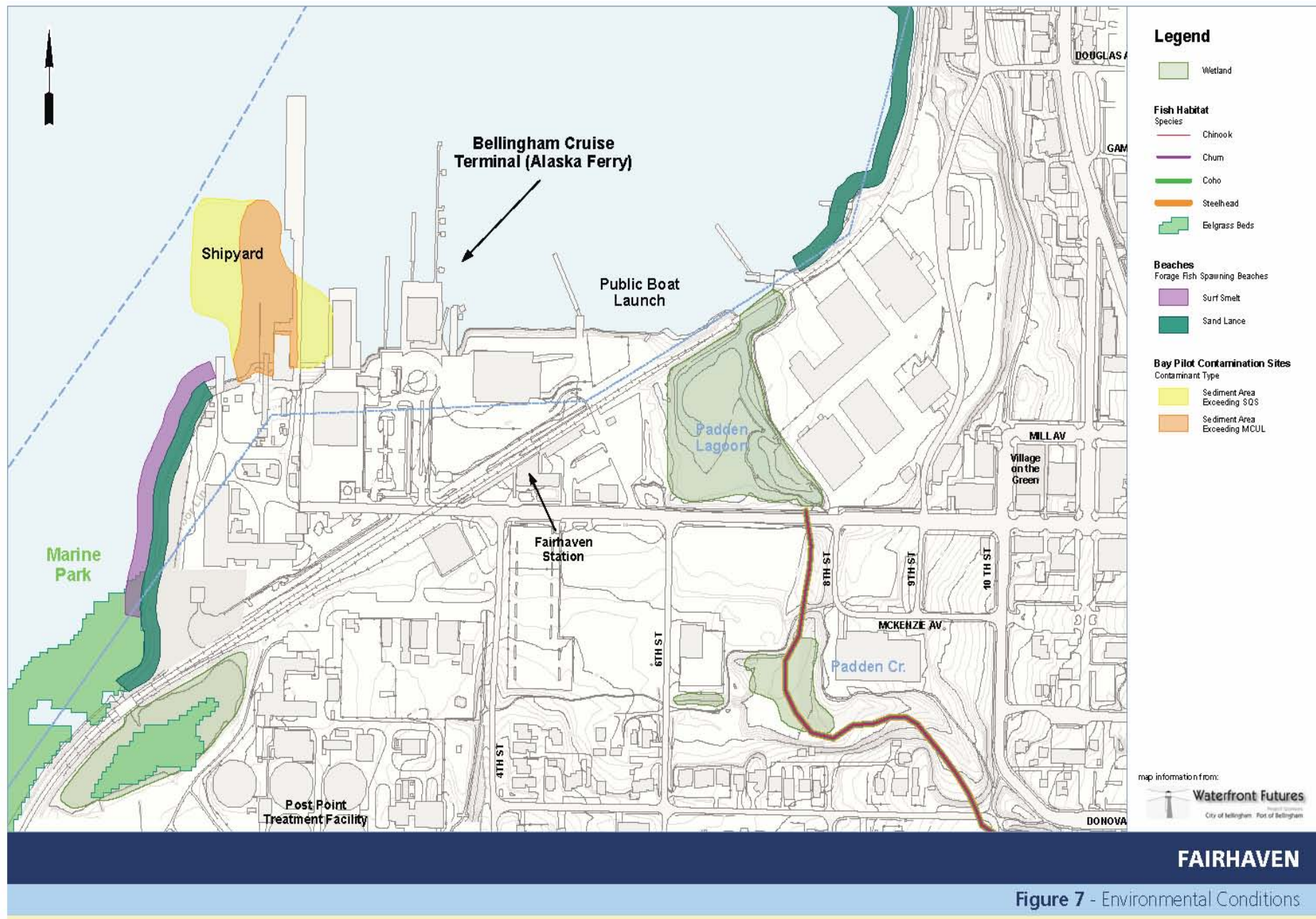
In the upland and tideland areas known as the Harris Avenue Shipyard, the Port has documented contamination. In 1993, the Department of Ecology (DOE) added the property at 201 Harris Avenue to its list of Confirmed and Suspected Contaminated Sites. This cleanup is part of the Bellingham Bay Pilot Cleanup Project.

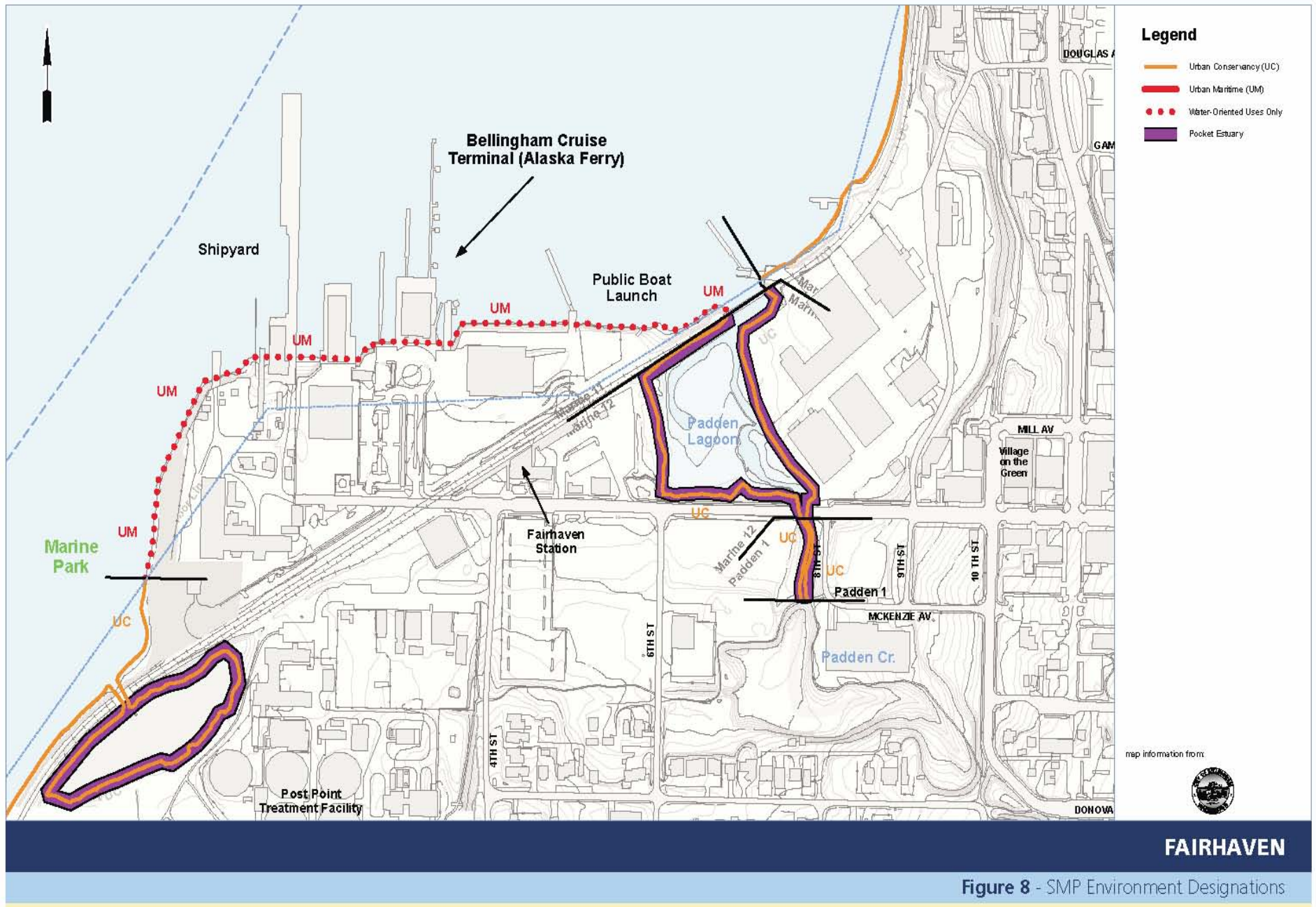
Vegetation: Aquatic marine vegetation has been mapped for this segment. Green algae beds are mapped for this segment, along with a small patch of eelgrass at the mouth of Padden Lagoon. Little upland vegetation is present.

Wildlife: Potential pinniped and mustelid habitat may occur along the entire shoreline of this segment. Vulnerable concentrations of winter diving birds occur along this segment. Pigeon guillemot nesting has been documented on old piers in this area. Large numbers of European starlings are nesting under the docks of the Bellingham Cruise Terminal. Sand lance spawning habitat is documented along the northwest edge of this segment.

Habitat: Little terrestrial vegetation is present through this segment. Connections to other habitats (either marine or terrestrial) are limited due to upland and in-water modifications. There is no significant upland or marine connection to other significant habitat types from this segment. The shoreline has been reinforced with rip-rap and concrete bulkheads. No significant backshore occurs through the main portion of the segment. A small pocket beach is present at low tide west of the Bellingham Cruise Terminal.

Mapped marine substrates provide limited diversity. Most of the area is artificial fill, with areas of mixed fines and small areas of coarse gravel. The mean water depth is 6.5 feet below MLLW.





Padden Lagoon (Marine Reach 12)

Landscape Setting

This segment extends around Padden Lagoon. This segment is located in continental sedimentary deposits and bedrock. The soils are upland soils in Drainage Class D with very slow infiltration rates. The erosion risk for soils in this reach is severe.

Land Use

Shoreline Modification: Extensive shoreline modifications are present in this segment. The entire shoreline of this segment has been rip-raped. In-water structures include a dock on the east side of the lagoon, old pilings, and the BNSF rail crossing at the outlet of the lagoon. Impervious surface is calculated to be at 77 percent of reach; 23 percent of the reach ground-cover is semi-pervious, 0 percent is pervious, and 31 percent is water (channel).

Critical Areas

Wetlands/ Regulated Streams: No wetlands are identified for this reach. Padden Creek enters the lagoon in the southeast corner and exits under the BNSF tracks.

FEMA: Portions of this reach are identified on FEMA maps as occurring in both the floodplain and floodway.

Slopes: Artificial fill materials around portions of Padden Lagoon are mapped as “seismic hazard areas” on the Whatcom County Geohazard Maps.

Potential PHS/TSE Species: Bull trout presence is possible and presence is based on suitable habitat and prey. Bull trout are federally listed as a threatened species. Puget Sound Chinook

salmon may occur seasonally within this segment. Puget Sound Chinook are federally listed as a threatened species. The segment includes WDFW priority estuarine and riparian habitat.

Ecological Functions

Water Quality: There is no documentation of degraded water quality within the inner bay within this segment. DOE 303(d) data indicates the outer bay is designated as a Category 5 for dissolved oxygen, Category 2 for pH and Category 1 for fecal coliform, pH, and temperature. Documented toxic sites include the Tolly Craft Yachts Corps, which is just outside this segment. This site includes suspected contaminated sediments and confirmed contaminated groundwater.

The Port has conducted site investigations for contamination at this site, which is within the Fairhaven Marine Industrial Park. Soil sampling conducted in 2003 demonstrated that contamination existed at the site and corrective actions would be required under the State Model Toxic Cleanup Act (MTCA) regulations.

Vegetation: Aquatic marine vegetation has been mapped for this segment. Green algae beds and salt marsh vegetation are mapped for this segment. Salt marsh vegetation is located on the western and southern shores of the lagoon. Little upland vegetation is present along the northern and eastern sides of the lagoon, but a narrow backshore supports a mix of native and non-native terrestrial plant species on the southern and western sides of the lagoon. An intensive native planting project was installed by the City along the western edge of the lagoon.

Wildlife: Potential mustelid habitat may occur along the entire shoreline of this segment.

Purple martin houses have been installed in the lagoon. This species is a historic resident of this area. The lagoon provides

important estuarine habitat to juvenile salmon entering the marine system from Padden Creek.

Habitat: Little terrestrial vegetation is present through this segment except in a narrow strip on the south and west sides of the lagoon. Connections to other habitats are available for both the marine and terrestrial habitats. The segment connects to the riparian corridor associated with Padden Creek. Limited backshore is present in this segment.

Mapped marine substrates are predominately mud and mixed fines.

Other Non-Shoreline Related Areas

Water Quality: One additional site within the POB Fairhaven Properties is known to contain contaminated soils. The Port owns property at 4th and Harris that is currently used as a parking lot. The DOE identified this property as a contaminated site and has been monitoring actions by the Port under the voluntary cleanup program. The Port has conducted quarterly groundwater monitoring since 1991. The site is currently capped with asphalt as required by agreement with DOE.

Existing Land Use Plans & Regulations

The following is a review of the land use plans and regulations that affect development, both upland and in water at the Port of Bellingham (POB) Fairhaven properties. The uplands are regulated by a series of local land use laws, including the City of Bellingham Comprehensive Plan, the City of Bellingham Municipal Code (BMC), and the City of Bellingham Shoreline Master Program (SMP). In-water development is subject to local, state, and federal regulations. The pertinent resource agencies are the Washington Department of Fish and Wildlife (WDFW), the Washington State Department of Ecology (WSDOE), and the U.S. Army Corp of Engineers. The City of Bellingham SMP also maintains jurisdiction over development activities in the water.

City of Bellingham Land Use Plans and Regulations

The neighborhood of Fairhaven is located within the city limits of the City of Bellingham in Whatcom County, Washington. The following is a summary of the applicable portions of the City of Bellingham Comprehensive Plan, the Fairhaven Neighborhood Plan, the BMC, and the SMP.

City of Bellingham Comprehensive Plan

The City of Bellingham Comprehensive Plan is a “broad statement of community goals and policies that direct the physical development of the city.” The goals and policies in the plan provide the basis for regulations, programs, and services applicable to development within the city. The most recent update of the Comprehensive Plan was adopted by the

Bellingham City Council in June 2006. The Comprehensive Plan designations for the POB Fairhaven properties are Industrial (all areas) and Public (portion of Area 5).

There are several policies within the Comprehensive Plan applicable to the Industrial designation. It is intended that areas suitable for manufacturing or industrial uses should be reserved for those uses. If economic conditions or other circumstances dictate, non-waterdependent uses should be allowed in the Marine Industrial areas over the short term, but should not be allowed if they require substantial capital investment. Other policies address the impacts of industrial uses on surrounding uses. Buffers, landscaping, transition zones, pedestrian orientation, and human scale should be used to make the boundaries between industrial and non-industrial uses compatible.

The Public designation is applied to major parcels of land owned or leased by public agencies. In the case of the POB Fairhaven properties, this designation is applied to Marine Park.

Alternatives 2 and 3 in Area 1 may require a change in the Comprehensive Plan designation from Industrial to Mixed Use. Mixed Use areas are intended to be intensely developed with a mix of uses that provide job opportunities, housing, light industry, institutional or educational facilities, parks, and other uses.

Fairhaven Neighborhood Plan

The Fairhaven Neighborhood Plan (FNP) contains descriptions of subareas (referred to as FNP Area 1, FNP Area 1A, etc.) within the Fairhaven neighborhood and zoning designations for each subarea. The base zoning designations are described below in the discussion of the BMC. There are also special conditions, prerequisite considerations, and special regulations applicable to each subarea contained in the Fairhaven Neighborhood Table of Zoning Regulations (BMC 20.00.07). Special conditions indicate special districts or regulations applicable to the area or site-specific concerns. Prerequisite considerations must be completed prior to a development proposal. This usually refers to capital improvements. Special regulations modify the base zoning with special use restrictions. What follows is a summary of the subareas relevant to the POB Fairhaven properties (referred to as POB Area 1 etc.).

FNP Area 1

FNP Area 1 is located north of Harris Avenue, east of 4th Street and west of 10th Street, and includes POB Area 1 and part of POB Area 2. The zoning designation for the area is Marine Industrial (see below). Special conditions applicable to this area are the SMP and Design Review (described below). Prerequisite considerations are improvements to Harris Avenue and linkage with Old Fairhaven Parkway via 10th Street. There are no special regulations.

FNP Area 1A

FNP Area 1A is located southwest of the intersection of Harris Avenue and 4th Street, and includes part of POB Area 2. The zoning designation for this area is Marine Industrial, with the Planned Development overlay applying to light industrial uses. Special conditions include a 35-foot height restriction, Design Review, a prohibition of drive-through facilities, offices and

retail sales limited to items produced on site, setback requirements adjacent to the Post Point Wastewater Treatment Plant, a prohibition on billboards, roof signs, flashing or revolving signs or signs adjacent to public open spaces, pedestrian trails, or upland residential uses. Prerequisite considerations are improvements to Harris Avenue, 4 & 5th Streets, and McKenzie Avenue.

Special regulations applicable to the area consist of certain prohibited uses: drive-through facilities, strip malls, gas stations, automotive repair services, billboards, advertising devices, utility generation and transmission systems, adult entertainment uses, casinos, card rooms and other gambling facilities, and all marine and light industrial conditional uses.

FNP Area 1B

FNP Area 1B is located northwest of the Burlington Northern railroad and includes POB Planning Areas 3 and 4 and part of POB Area 5. The zoning designation for this area is Marine Industrial with the Planned Development overlay. Special conditions include the SMP and others. A prerequisite consideration is the extension of Old Fairhaven Parkway.

Special regulations relate to mixed uses, shorelines, permitted uses, traffic and access, mixed use compatibility, railroad crossing, pedestrian access, view, and other. Mixed uses refer to commercial uses compatible with the Fairhaven Business District, such as hotels and restaurants. Permitted uses must be marine-related within the Shoreline jurisdiction. Commercial uses should be destination and tourist types of activities. Period themes should be encouraged due to the historic nature of the area. Traffic and access refers to the capacity of Harris Avenue and the signal at 12th and Harris. The Valley Parkway extension may need to be constructed if demand warrants. Mixed use compatibility refers to the potential need for measures to mitigate noise, odor, and lighting impacts that may be generated by mixed

use development. Railroad crossings must be evaluated for safety. Provisions must be made for pedestrian access along the shoreline areas as well as along Harris Avenue. Potential interference with upland views must be evaluated. Other considerations are internal access, hydrant dispersal, and sewer location and capacity.

FNP Area 4

FNP Area 4 is located between Harris and Larrabee Avenues and 4th Street and Padden Creek, and includes part of POB Area 2. The zoning designation for this area is Light Industrial. Special conditions include Shorelines, Design Review, height, signage, and prohibition of drive-through facilities. Prerequisite considerations are to complete a landscaped buffer along Larrabee Avenue to buffer the area from residential uses to the south, and access to Old Fairhaven Parkway via 10th Street and Donovan Avenue.

Special regulations include a prohibition on drive-through facilities, a height limit of 40 feet for commercial buildings, and a prohibition on billboards, roof signs, flashing or revolving signs, or signs adjacent to residential areas.

FNP Area 15

FNP Area 15 is Marine Park, a 3.5-acre public park owned by the POB. Marine Park is located in the southwest corner of POB Area 5, at the end of McKenzie Avenue. The area is designated by the City of Bellingham as environmentally sensitive for historic and architectural purposes and is located within the Shoreline jurisdiction.

City of Bellingham Zoning Designations – BMC Title 20

The POB Fairhaven properties straddle several adjoining

zoning designations including Marine Industrial, Planned Marine Industrial, Light Industrial, and Public. POB Area 1 is zoned Marine Industrial. POB Area 2 is zoned Marine Industrial, Planned Marine Industrial, and Light Industrial. POB Planning Areas 3 and 4 are zoned Planned Marine Industrial. POB Area 5 is zoned Planned Marine Industrial and Public.

See Figure 9 - Zoning.

Proposed redevelopment within certain areas of the Fairhaven properties may require the application of mixed use development regulations. At present, the City does not have specific development regulations applicable to mixed use development. BMC 20.39.020.B states that:

The ultimate mix of land uses, infrastructure requirements and other typical zoning, design and development standards should be established in a master plan that would be developed by the City and/or by property owners working with the City.

Development regulations applicable to the Industrial and Public zones are described below. Additionally, the FNP contains further restrictions applicable to specific areas, as described above.

Industrial Zone -General Considerations

Chapter 20.36 of the BMC contains the development regulations pertaining to all Industrial zoning designations. Per BMC 20.36.020.A:

The Industrial (I) general use type is primarily intended to reserve land exclusively for industrial, and industrial-related uses. In order to lessen traffic congestion, industrial areas should be located in areas with direct accessibility to arterial, railroad, or salt water transportation systems.

Use Qualifiers

There are several use qualifiers, or separate zoning categories, associated with industrial uses, two of which are relevant to the POB Fairhaven properties: Light Industrial and Marine Industrial. Additionally, there are specific standards for areas with a Planned Development designation. In the case of the POB Fairhaven properties, the applicable designation is Planned Marine Industrial.

Development Regulations

Development regulations are minimal. There is no minimum site area, lot coverage, or open space requirements. There is no height restriction except for signs. There are no minimum yards except when the property abuts or is across a right-of-way from residential, commercial, public, or institutional zones.

Landscaping

Landscaping is required per the requirements and standards of Section 20.36.070.

Special Conditions

Other conditions and restrictions on the POB Fairhaven properties are delineated in Section 20.36.080 – Special Conditions. Such overlay districts or additional regulations pertain to the terms “Shoreline,” “Flood,” and “View.” In particular, the POB Fairhaven properties are subject to the Shoreline Master Program.

Conditional Uses

Conditional uses within Industrial zones include adaptive uses for historic register buildings, churches, and hazardous waste treatment and storage facilities. Additionally, electrical power generating facilities are permitted either outright or with

restrictions based on the type and size of the proposed facility.

Permitted Uses

Permitted uses for each of the relevant zoning designations are summarized below.

Light Industrial Zone

Part of POB Area 2 is zoned Light Industrial, which is currently used as a parking lot south of Harris. Chapter 20.36 of the BMC contains the development regulations pertaining to the Light Industrial zoning designation. Per BMC 20.36.020.B:

The Light Industrial (LI) designation is intended to accommodate uses which are not compatible with uses allowed in the central commercial areas but which do not create noise, smoke, odors or other objectionable nuisances to the extent that they may be detrimental to each other or to surrounding areas.

Permitted Uses

Permitted uses in the Light Industrial zone, relevant to the POB Fairhaven properties, include warehousing and wholesaling establishments, manufacturing and product assembly, retail sales, offices, eating and drinking establishments, service establishments, transportation and public utilities, and other uses outlined in BMC 20.36.030.

Marine Industrial Zone

POB Area 1 and part of POB Area 2 are zoned Marine Industrial. Chapter 20.36 of the BMC contains the development regulations pertaining to the Marine Industrial zoning designation. Per BMC 20.36.020.D:

The Marine Industrial (MI) designation is intended to reserve scarce waterfront land for those water-dependent or water-

related industries which require a waterfront location.”

Permitted Uses

Permitted uses in the Marine Industrial zone, relevant to the POB Fairhaven properties, include manufacturing of water related goods, transportation and public utilities, other uses pertaining to the storage, manufacture, or construction of any product which requires or is functionally dependent on water transport, eating/drinking establishments, public parks, beaches or aquariums, museums and gardens, wireless communication facilities, community public facilities, and interim non-industrial uses which are subject to termination and restrictions upon adoption of the master development plan.

Planned Marine Industrial Zone

Part of POB Area 2, POB Planning Areas 3 and 4, and part of POB Area 5 are zoned Planned Marine Industrial. Chapter 20.38 contains additional standards pertaining to areas with the Planned Development use qualifier. The Planned use qualifier specifies development regulations in addition to those of the underlying zoning designation. Generally, the Planned use qualifier *is intended for areas which are adaptable to flexible development and/or where review of pending development proposals is necessary to ensure that adequate provisions are taken to minimize possible detrimental effects.* The Planned use qualifier intends to permit diversity in the location and types of structures, promote the efficient use of land, preserve existing landscape features and amenities, address site specific opportunities and concerns, and lessen development impacts to adjacent areas.

Specifically, as applied to industrial uses, the Planned use qualifier *is intended to accommodate certain industrial uses in areas where special consideration and sensitivity must be taken for physical site conditions and their relationship to less intense surrounding uses.*

Procedures

The City of Bellingham Planning Commission must approve all buildings or uses within an area with a Planned use qualifier, except for single family dwellings or non-conforming uses, which must meet standards contained in BMC 20.14 and BMC 20.38.030.C.

Planned Development applications must follow a procedural process as enumerated in Sections 20.38.040 and Chapter 21.10 of the BMC. A critical component of the planned development process is that the *planned proposal may be changed, altered, or conditioned as reasonably necessary to ensure compatibility with City goals, policies, standards, the surrounding areas, or to mitigate direct impacts of the proposal.*

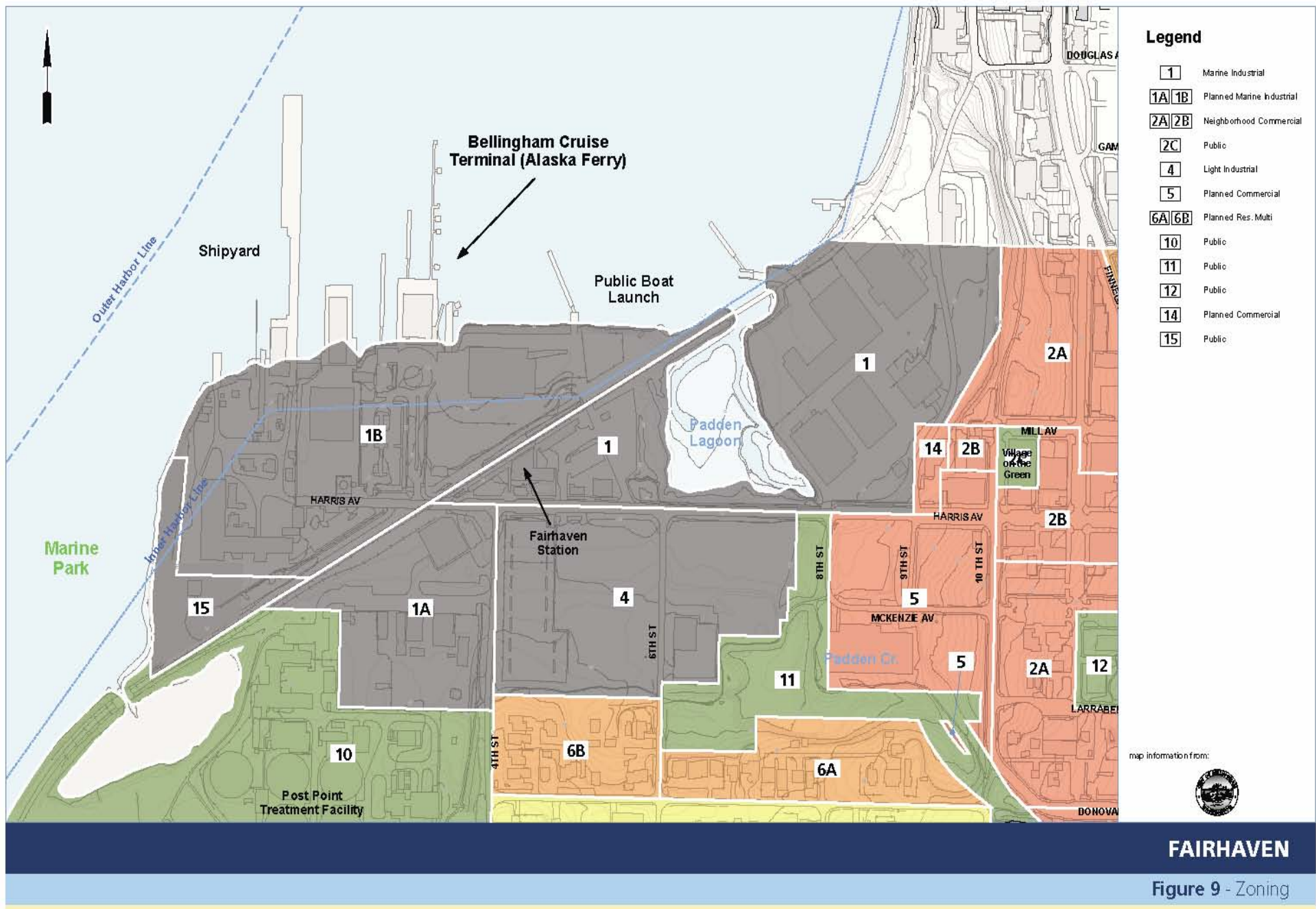
Development Regulations

All Planned Development applications must meet the minimum standards of the BMC, but the City reserves the right to increase those standards to *protect neighboring properties, conform with existing development in the area, preserve natural resources or sensitive environments, provide for orderly development or conform with the comprehensive plan.*

Additionally they must conform to any more stringent standards enumerated in the FNP, as well as any other overlay districts such as the Shoreline Master Program.

The particular standards for Planned Development in Industrial Zones are enumerated in BMC 20.38.050.D – Planned Industrial.

There is no expressed building height restriction, but the City Planning Director has the right to set the final height standard for the Planned Development. Additionally, no structure shall exceed 35 feet within 200 feet of any site plan boundary which lies adjacent to any residential zone. No structure is to be located within 25 feet of any property line.



Parking

Parking in the Planned Development zones must meet the standards of Chapter 20.38.050 as well as the parking requirements of Chapter 20.12 (described below). Parking plans must be submitted for approval during the proposal and permitting process.

Signage

Signage within the Planned Development must be part of a *sign design plan for the entire complex*, and billboards are regulated additionally by the Billboard Overlay Zones per BMC 20.08.020.

Environmental

Environmental characteristics such as drainage courses, topography, and other significant natural features are to be preserved or enhanced to the *greatest extent possible consistent with reasonable and appropriate use of the subject site*.

Street and Utilities

Streets, utilities, access, and dedications are to be designed per City standards, and a *coordinated internal pedestrian circulation plan should be designed*.

Public Zone

Marine Park, which makes up the southwest corner of POB Area 5, is zoned Public. Chapter 20.42 of the BMC contains the development regulations pertaining to the Public zoning designation. The Public zoning designation applies to major parcels of land owned by public agencies. The Public zoning designation intends to provide for public awareness of possible

land uses on public land, accommodate a variety of government-related uses, and to coordinate the plans of various public agencies with the City of Bellingham and the comprehensive plan.

Permitted Uses

Permitted uses in the Public zone include agricultural/arboretum, government services (including museums), senior activity centers and arts and crafts facilities, interim non-public uses, public housing, parks, open and recreation space, schools, and utilities.

Performance Standards

Performance standards are delineated for minimum yards, parking, signs, and landscaping. Parking must be provided per requirements of Section 20.12.010 of the BMC.

General Zoning Standards

Chapter 20.12 of the BMC contains general standards relating to parking, loading, landscaping and signs, among others.

Parking

The following lists the number of parking spaces required for some typical uses:

General Business, Personal Service Establishments: 1 per 250 sq ft

Eating and Drinking Establishments: 1 per 75 sq ft, minimum 7 spaces

Commercial Recreation: 4 per bowling lane, court, or billiard table

Museums, Art Galleries, Aquariums: 1 per 250 sq ft

Manufacturing: 1 per 5,000 sq ft or 1 per employee, whichever is greater

Warehousing and Wholesale: 1 per 20,000 sq ft or 1 per employee, whichever is greater.

Mini-Storage: 1 per 2,000 sq ft plus 3 for manager's office.

Community Center: 1 per 150 sq ft

Neighborhood Club/Activity Center: 1 per 150 sq ft

Loading

All new buildings and uses shall provide off-street loading berths per Section 20.36.060. Retail, wholesale, freight, industrial, and manufacturing buildings containing between 10,000 and 25,000 square feet will require one berth; over 25,000 will necessitate two berths. Buildings containing eating/drinking establishments or community activities will require one berth for 20,000-50,000 square feet and two berths for over 50,000 square feet.

Design Review

Design review, as outlined in BMC 23.26, is required for certain designated areas identified in the FNP.

See Figure 10 - Fairhaven Design Review District.

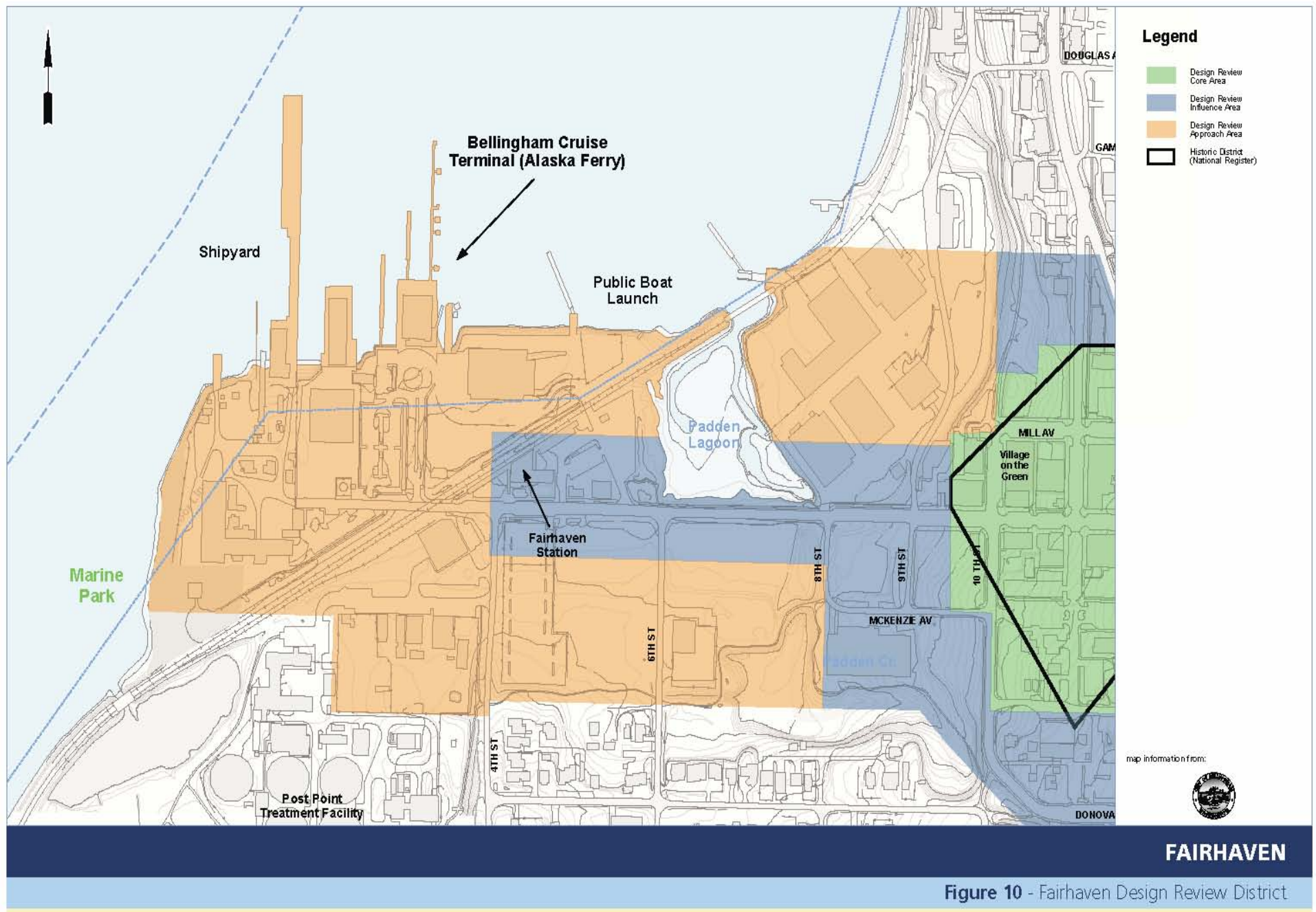
Design review is intended to promote the economic health of the area by reducing adverse aesthetic impacts to historic or architectural districts. Design review requires approval of the Design Review Board, and requires specific procedures outlined in BMC 23.25.030.

Within the Fairhaven neighborhood, there are three design review areas, two of which apply to the POB properties: Design Review Influence Area (Influence Area) and Design Review Approach Area (Approach Area). POB Planning Areas 1 and 2 are located within both the Influence and Approach areas. POB Planning Areas 3-5 are located within the Approach area.

Development must preserve the historic or architectural appearance when modifying existing buildings or, for new development, result in harmony of scale, architectural style, sidewalk level, use, and materials consistent with historic and architectural character of the area. Design review examines aspects of the development, including height and bulk of structures, orientation of the structure on the lot, materials, architectural elements, parking location and design, signage, lighting, and landscaping.

Applicability

In the Influence Area, any construction of a building or structure, addition or exterior alteration to an existing building, or installation of an exterior sign requires design review. In the Approach Area, the construction of a building or structure over 2,000 square feet or the installation of an exterior sign in the Approach Area requires design review.



Parking

In the Influence Area, parking should be located to the rear or to the side of buildings, never between the building and the street.

Architectural Features

In the Influence Area and, if practical, within the Approach Area, development should mimic or be compatible with architectural features of existing buildings, including such things as roof pitch, entry treatment, light fixtures, and other details.

Mechanical Equipment and Landscaping

For both the Influence and Approach areas, mechanical equipment should be located to the rear of buildings and screened. Period landscaping should be used.

Signs

In both areas, certain standards for signs apply. For instance, aluminum or plastic signs or fluorescent backlit signs are not considered appropriate.

City of Bellingham Critical Areas Ordinance – BMC 16.55

The City of Bellingham regulates activities within critical areas and associated buffers. The critical area regulations are contained in BMC 16.55. Critical areas include wetlands, critical aquifer recharge areas, frequently flooded areas, geologically hazardous areas, fish and wildlife habitat conservation areas, and critical areas of local significance.

See Figure 7 -Environmental Conditions.

Areas within 200 feet of shorelines of the state are regulated by the City of Bellingham SMP, discussed below.

The critical areas ordinance regulates activities within critical areas and their buffers. A permit is required for work within a critical area or its buffer, unless the work qualifies as one of several exemptions. Applications for permits require the submittal of a critical areas report prepared by a qualified professional. Standards applicable to critical areas include buffers, performance standards, and mitigation requirements.

City of Bellingham Shoreline Master Program

Areas within 200 feet of Bellingham Bay and Padden Lagoon are subject to the policies and regulations of the City of Bellingham SMP. The SMP is currently in the process of being updated. The new SMP will be codified as Title 22 of the BMC. The policies and regulations cited below are from the draft version of the SMP dated April 26, 2007. All development within the shoreline jurisdiction will be required to meet the policies and development standards of the SMP. Development within the shoreline jurisdiction that exceeds \$5,000 in fair market value may require a shoreline substantial development permit, shoreline conditional use permit, or shoreline variance.



Bellingham Shoreline

The SMP identifies several shoreline environments, three of which apply to the areas under consideration: Urban Conservancy (UC), Urban Maritime (UM), and Aquatic (A). POB Planning Areas 1 and 2 and part of POB Area 5 are within the Urban Conservancy environment; POB Planning Areas 3-5 are within the Urban Maritime environment. All work waterward of the Ordinary High Water Mark (OHWM) of any shoreline is within the Aquatic environment.

See Figure 8 -SMP Environment Designations.

The policies and regulations applicable to each environment are summarized below.

Urban Conservancy Environment (UC)

POB Planning Areas 1 and 2 and part of POB Area 5 are within the Urban Conservancy environment. The purpose of the Urban Conservancy environment is to:

Protect and restore ecological functions, open space, floodplains, and other sensitive lands, where they exist in urban and

developed settings, while allowing a variety of compatible uses. Urban Conservancy shorelines should provide opportunities for substantial numbers of citizens to have visual and/or physical access to the shoreline provided said access does not decrease ecological function (BMC 22.03.30.B.1).

Permitted Uses in the Urban Conservancy environment are:

- Water-related uses
- Water-enjoyment uses
- Non-water-oriented uses, including residential uses where allowed by underlying zoning
- Restoration and enhancement activities

Conditional Uses in the Urban Conservancy environment are:

- Water-dependent uses
- Water-enjoyment uses in or over water
- Those uses that are specified as conditional uses per BMC 20.16

Urban Maritime Environment (UM)

POB Planning Areas 3-5 are within the Urban Maritime environment. The purpose of the Urban Maritime environment is to:

Preserve areas for water-oriented public, commercial, transportation, and industrial uses. Urban Maritime shorelines are a finite resource and should be utilized for these purposes while protecting existing ecological functions, restoring previously degraded areas and providing the general public with maximum access opportunities. Development in Urban Maritime shoreline areas should be managed such that it protects existing ecological functions.

Permitted Uses in the Urban Maritime environment are:

- Water-dependent uses
- Water-related uses
- Water-enjoyment uses
- Restoration and enhancement activities
- Uses and activities as specified in BMC 22.08.10.
- B.3 – General Policies and Regulations [summarized below under Development Regulations]

Non-water-oriented uses, including residences, may be permitted provided they functionally support an existing water-oriented use(s). If the use that the non-water-oriented use supports is abandoned, the non-water-oriented use must also be terminated.

Conditional Uses in the Urban Maritime environment are:

- Public water-enjoyment or water-related uses proposed in or over water

Stand-alone non-water-oriented uses are prohibited.

Aquatic Environment (A)

Work waterward of the OHWM of Bellingham Bay or Padden Lagoon is considered to be within the Aquatic Environment. The purpose of the Aquatic Environment is to “protect, restore, and manage the unique characteristics of the aquatic environment.”

Permitted Uses in the Aquatic Environment are:

- Water-dependent uses (conditional in freshwater shorelines)
- Uses permitted per BMC 22.08.10, subject to the submittal of a critical area report, provided they meet applicable standards contained elsewhere in the SMP, including clearing, filling and

grading, shoreline modification and stabilization, roads, bridges, trails and rights-of-way, utility facilities, public flood-protection measures, in-water structures, stormwater conveyance facilities, and restoration and enhancement activities.

Development Regulations

Tables 22.110.30.B and D contain summaries of development standards applicable to the Urban Conservancy, Urban Maritime, and Aquatic environments.

Buffers

Urban Conservancy (POB Planning Areas 1, 2, and part of 5): 100-foot minimum buffer from the shoreline.

Urban Maritime (POB Planning Areas 3-5): No minimum buffer required from the shoreline.

Aquatic (waterward of OHWM): N/A.

Per BMC 22.08.10.B.3, some uses may be permitted within the shoreline area or buffer, subject to the submittal of a critical area report, provided they meet applicable standards contained elsewhere in the SMP, including clearing, filling and grading, shoreline modification and stabilization, roads, bridges, trails and rights-of-way, utility facilities, public flood-protection measures, in-water structures, stormwater conveyance facilities, and restoration and enhancement activities.

Setbacks

Urban Conservancy (POB Planning Areas 1, 2, and part of 5): 5-foot setback from the buffer.

Urban Maritime (POB Planning Areas 3-5): No required setback from the buffer.

Aquatic (waterward of OHWM): N/A.

Height

Urban Conservancy (POB Planning Areas 1, 2, and part of 5): Maximum height for all structures within the shoreline jurisdiction is 35 feet.

Urban Maritime (POB Planning Areas 3-5): No maximum height for structures.

Aquatic (waterward of OHWM): 25 feet from elevation of OHWM.

Public Access

Urban Conservancy (POB Planning Areas 1, 2, and part of 5): Required for all non water-oriented uses.

Urban Maritime (POB Planning Areas 3-5): Public access provided in this environment is subject to specific standards contained in BMC 22.08.70.

Aquatic (waterward of OHWM): Not required.

Standards for public access are contained in BMC 22.08.70. Public access shall be consistent with adopted plans such as the City of Bellingham Park, Recreation and Open Space Plan, and the FNP. Public access shall be designed per a plan reviewed and approved by the Planning and Community Development, Parks and Recreation, and Environmental Resources Departments. Public access shall not result in a net loss of ecological function. Public access shall be provided between the development and the shoreline and may be provided within a required buffer, to be reviewed on a case-by-case basis.

Habitat restoration

Urban Conservancy (POB Planning Areas 1, 2, and part of 5): Required for all non water-oriented uses.

Urban Maritime (POB Planning Areas 3-5): Not required

Aquatic (waterward of OHWM): Not required

BMC 22.09.160 contains policies and regulations regarding Habitat Restoration. Habitat restoration is “the improvement or reestablishment of impaired ecological shoreline processes or functions.” Where habitat restoration is required, the goals of the Restoration Plan (Appendix B to the SMP) should be considered. The Nooksack Tribe, Lummi Nation, Corps of Engineers, WSDOE, and WDFW should be consulted in the design and development stages of a restoration project. Restoration projects are allowed within critical areas, subject to requirements of the Critical Areas Ordinance, BMC 16.55. When feasible, restoration projects identified in Bellingham Bay Demonstration Pilot Project Comprehensive Strategy and Habitat Documentation Report and the WFG Framework Plan shall be implemented. Restoration projects that include structural modification or stabilization shall consider bioengineered techniques. Restoration projects shall not alter the height of an adjacent floodway.

The Restoration Plan, Appendix B to the SMP, contains goals, specific implementation strategies to achieve those goals, and restoration opportunities for specific areas. The Restoration Plan should be consulted for all restoration projects. Some specific opportunities for Bellingham Bay include treating stormwater entering Bellingham Bay, removing or replacing creosote piles, restoring eel grass beds, restoring native marine riparian vegetation, and removal of invasive vegetation, among other opportunities.

Mitigation sequencing is still required per BMC 22.08.100, even if habitat restoration is not required, and may result in required restoration. Mitigation sequencing means taking actions in the following order of preference:

- Avoiding impact altogether

- Minimizing impacts
- Rectifying impacts through repair, rehabilitation, or restoration to original conditions
- Reducing or eliminating impacts over time
- Compensating for impacts by replacing, enhancing, or providing substitute resources or environments
- Monitoring impacts and taking remedial action if necessary

Use Definitions

Water-dependent use: use or portion of use which cannot exist in any other location and is dependent on the water by reason of the intrinsic nature of its operations. Ship cargo terminal loading areas, ferry and passenger terminals, and marinas are examples of water-dependent uses.

Water-enjoyment use: a recreational or other use facilitating public access to the shoreline as a primary characteristic of the use. A water-enjoyment use must be open to the general public and the shoreline-oriented space within the project must be devoted to the specific aspects of the use that fosters shoreline enjoyment. Parks, piers, and interpretive centers are examples of water-enjoyment uses. Restaurants, museums, and other uses may be considered water-enjoyment uses if they conform to the definition above and the standards of the SMP.

Water-related use: a use or portion of a use which is not intrinsically dependent on a waterfront location but whose economic viability is dependent upon a waterfront location. Examples of water-related uses include professional services serving primarily water-dependent activities or warehousing of goods transported by water.

Non-water-oriented use: use having little or no relationship to

the shoreline.

Use Policies and Regulations

In addition to development standards relating to all permitted and conditional uses within shoreline environments, there are use policies and regulations that apply to specific uses. Uses for which specific standards apply include boating facilities, commercial, industrial, residential and recreational development, in-water structures, piers, floats and pilings, clearing and grading, landfill, lighting, parking, signage, restoration and conservation, roads, railways and utilities, and stormwater management facilities.

The policies and regulations relate to such things as location and extent of parking, impervious surfaces, public access, and impacts to ecological functions.

Federal & State Regulations

Development in or above marine environments generally also requires permits from federal and state agencies. Permits are usually required when impacts to navigable waters or fish and wildlife habitat are anticipated. Development activities waterward of the mean higher high water (MHHW) for tidal waters are regulated by the U.S. Army Corps of Engineers (USACE), WSDOE, and the WDFW. In addition, the National Oceanographic and Atmospheric Administration (NOAA Fisheries) and U.S. Fish and Wildlife Service (USFWS) must concur that any project requiring federal approvals (a USACE permit, for example) is consistent with the Endangered Species Act (ESA). These agencies will require that proposed projects avoid or reduce project impacts on certain fish and wildlife species through design and/or environmental controls or mitigate impacts through restoration activities.

See Figure 11 - Typical Land Use & Shoreline Permitting Process.

State Regulations

State Environmental Policy Act (SEPA)

A project or plan prepared by the POB will be subject to SEPA analysis. The Port is authorized by state law to act as its own lead agency. That means that, whenever the Port requests a land use permit, such as a shoreline permit from the City, it will be required to fulfill the environmental documentation requirements of SEPA. The port is authorized to prepare and submit to the WSDOE either an environmental checklist or an environmental impact statement, depending upon the complexity of the project. The preparation of SEPA documentation is required of a plan or permit application.

Department of Ecology – 401 Water Quality Certification

The 401 Water Quality Certification for in-water projects is typically issued in conjunction with the USACE permit process described below. Upland issues associated with 401 Water Quality Certification are handled directly by the DOE on an individual basis.

Department of Fish and Wildlife, Hydraulic Project Approval (HPA)

Any forms of work that use, divert, obstruct, or change the natural flow or bed of any fresh water or saltwater of the state, requires a hydraulic project approval (HPA) from WDFW. Saltwater activities requiring an HPA include construction of bulkheads, fills, boat launches, piers, dry docks, artificial reefs, dock floats, marinas, placement of utility lines, pile driving, and dredging. The state jurisdiction for an HPA is proposed construction or work waterward of the MHHW line

in salt water (See Chapter 220-110 WAC).

A JARPA application will be required for in-water projects at the POB Fairhaven properties. Drawings of the proposed project are submitted along with the JARPA form to WDFW for review and permit issuance.

Federal Regulations

US Army Corps of Engineers

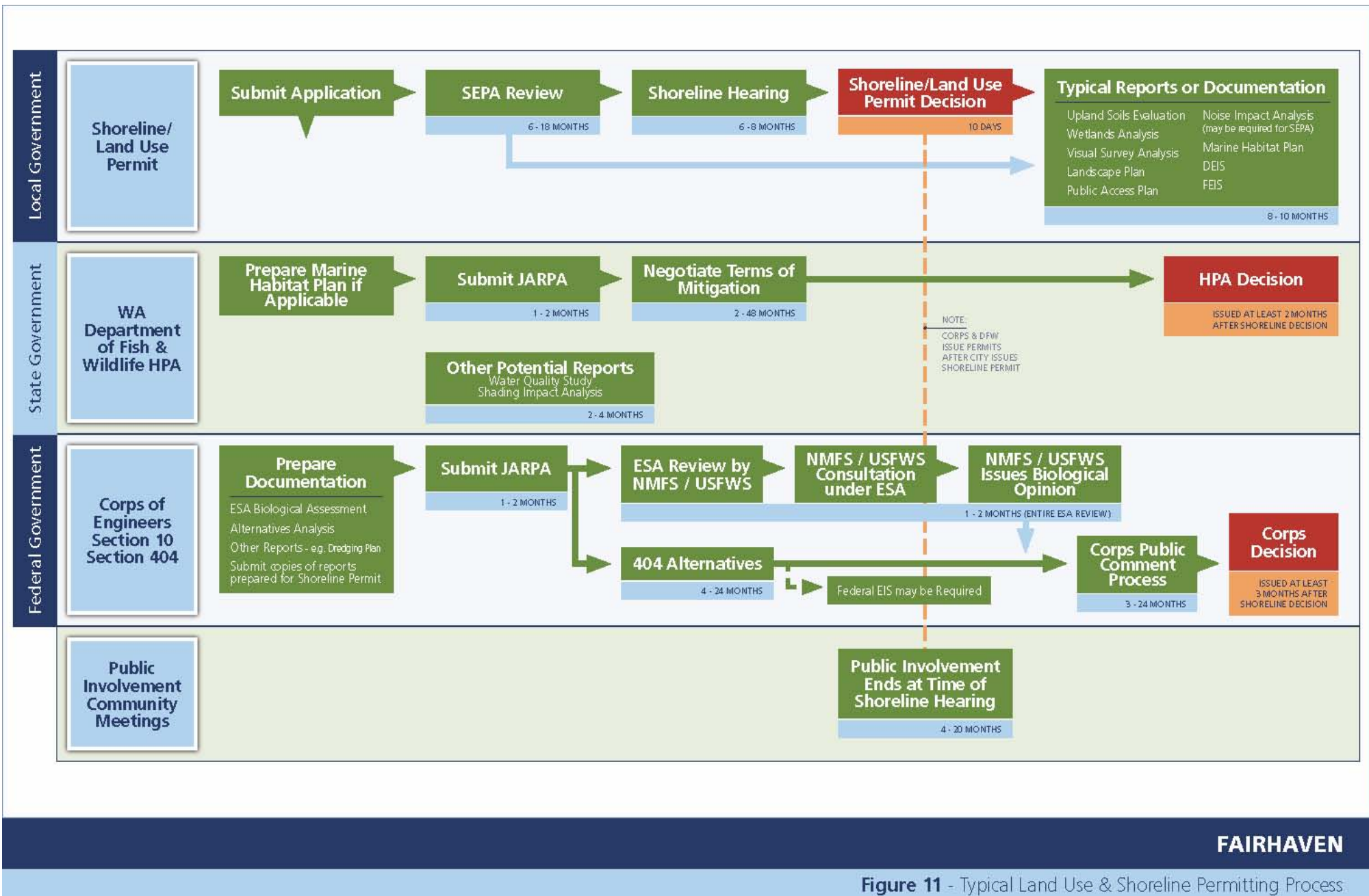
A Section 10 permit is issued for piers and docks, and a Section 404 permit is issued for fill. Bulkhead work is usually subject to both a Section 10 and a Section 404 permit. However, bulkhead repair and maintenance or dock and pier maintenance is usually subject to a Nationwide 3 permit for repair and maintenance of existing structures. This is a modified permit process unlike the individual permits issued by the Corps. There are no notice procedures, and the Corps authorizes the work so long as the project complies with the methods defined for Nationwide 3 Permits.

The Corps must coordinate its efforts with two other federal agencies. Since the listing of salmon under the ESA, projects requiring federal permits or involving federal dollars must also submit a Biological Evaluation (BE) to comply with ESA requirements.

National Marine Fisheries Service (NMFS) and U.S. Fish and Wildlife Service (USFWS) are given responsibility for review of the ESA “taking” permits. They do not issue permits – they give authorization that a permit may be issued without violation of the ESA. Typically, a BE is performed by a biologist on behalf of the applicant and the BE report is submitted to the Corps, who will review the BE and send their approval to NMFS/USFWS. NMFS and USFWS will review the Corps’ decision and, if they concur, will provide a

letter of concurrence. Where a project only requires a Nationwide permit, the applicant may be required to prepare an abbreviated form of the BE report and an informal ESA consultation is done. The BE report will be included as part of the permitting documentation to the Corps.

The application for Corps permits requires the preparation of a JARPA application (same as the one submitted for an HPA) and a set of drawings (same as the one submitted for an HPA) and a BE.



Transportation, Access, Parking, Public Services/Utilities



Harris Avenue looking west

Access

The POB Fairhaven properties lie at the northwestern edge of the historic Fairhaven district. The Fairhaven district, located on the south side of the town of Bellingham, is reached from I-5 by exiting at Exit 250 (Chuckanut Drive/Fairhaven) from the south, or from Exit 252 (Samish Way) from the north. Fairhaven is located approximately 1 mile from I-5 to the west, and is easily accessed through major arterials from I-5, such as HWY 11/Fairhaven Parkway or the Bill McDonald Parkway. The district itself is easily accessed from the major north/south connector, 12th Street, through the south side of Bellingham. Large commercial or industrial vehicular access from the freeway is accommodated off I-5, down HWY 11, across 12th Street to the 10th Street bypass, and left onto Harris Avenue.

See Figure 12 - Motorized & Non-Motorized Routes.

While access to Fairhaven is efficient and well-marked from I-5 and within Bellingham, the Port properties located in the Fairhaven area themselves have more limited vehicular access.

There is only one major access road to the properties, Harris Avenue, running from east to west. A more limited access road from 4th Street exists from the south. This access to 4th necessitates a connection through residential areas, so it is used less frequently, especially for Port-generated traffic. Access to all Port properties in Fairhaven lie primarily off this east/west street which gradually slopes down the hill to the water, eventually terminating at the Port-owned Marine Park. Within the Port district, access to the properties off Harris occurs through a series of improved and unimproved roads at 9th Street, 8th Street, 6th Street, and 4th Street.

Access to the Fairhaven Marine Industrial Park occurs off Harris Avenue at vacated 9th Street. This road is private, unmarked and unimproved. Additional curbcuts occur to the west of unimproved 9th Street, but are not marked as streets. These are the only existing vehicular access routes to the Fairhaven Marine Industrial Park.

Harris Avenue also acts as the major access route to the Public Boat Launch, the Bellingham Cruise Terminal/Alaska Ferry, the Fairhaven Amtrak Station, and the Harris Avenue Shipyard, as well as Marine Park. Well-marked, improved access drives off Harris allow the public to reach the Bellingham Cruise Terminal and the Amtrak Station. The public boat launch is located behind

the Amtrak Station and is somewhat more difficult to find. Harris Avenue terminates directly in the Harris Avenue Shipyards for the industrial users and to the left to Marine Park.

Port properties to the south of Harris Avenue flanking 4th Street can also be accessed off 4th Street, though, as mentioned above, it requires vehicular access through residential neighborhoods and hilly terrain. Currently, the major vehicular access for these properties is still off Harris Avenue.

Parking



11th Avenue

The POB operates several parking lots within the Fairhaven district for their various tenants and users. In addition to the major public parking lots located outside the Bellingham Cruise Terminal and the Fairhaven Amtrak Station on the north side of Harris, the Port also owns and operates the parking lot just east of the Fairhaven Station. This lot is the parking lot for the Public Boat Launch, including the various boat trailers that need access to the launch. Additionally, across on the south side of Harris there are Port-operated paid parking lots that act as overflow and long term parking for the Fairhaven Station and the Bellingham Cruise Terminal. The City of Bellingham encourages tourists to use these lots as overflow parking during peak summer periods.

These lots are also potential future development sites for the Port. There are parking spaces in these designated areas as follow:

Short term lot (BCT)

- 25 - near lockers / Berth 2
- 98 - pay lot (includes two reserved for ACB)

Long term lot (across from Fairhaven Station)

- 182 - (164 pay stalls)

Fairhaven Station

- 25 - boat launch parking stalls
- 21 - Amtrak / Greyhound stalls
- 55 - tenant parking lot across from Fairhaven Station

Opportunities for Future Improvements

While improvements to Harris, especially pedestrian improvements, are needed and can be foreseen in the future, additional major vehicular access routes are highly unlikely, if not impossible, given the existing topographical constraints and neighborhood patterns that surround the Fairhaven district.

However, direct access to Port properties off Harris Avenue could be improved, both for vehicles and for pedestrians. The examples of the Bellingham Cruise Terminal and the Fairhaven Station show the difference that signage, sidewalks, and landscaping can make to the ease of navigation down a street and into building entrances. Improving vehicular access into the Fairhaven Marine Industrial Park represents a major area of potential improvement, depending on the future development alternative that the Port wishes to embrace for these properties. However, whether or not the Port embraces a more public-

oriented long term use for the FMIP, the current vehicular access is inadequate and unclear. Ninth Street, especially, should likely be upgraded to City of Bellingham street standards and the Port's uses marked in order to clarify to the public the degree of accessibility. Currently, lack of clarity makes the street and the area ambiguous and confusing.

Opportunities for Future Development

The limited nature of the access to the Fairhaven POB properties create highly sensitive transportation issues for any future development, public or private, in the Fairhaven area. The numerous and very organized neighborhood groups are vocal and well-educated about the impact development makes in increasing traffic demands on their small, fine-grained, historic town center.

The existing road system within the western area of Fairhaven, limited to one point of ingress and egress, may be a concern. The existing road system within the west Fairhaven area appears to accommodate the existing traffic flow. As redevelopment of the private properties to the south of the Port properties occur, the traffic flow in these areas will require further analysis.

Parking is sufficient for the current tenants in the POB land holdings, including the Bellingham Cruise Terminal and the Fairhaven Station. Boat trailer parking, however, needs to be expanded for users of the launch; especially should the launch be improved. Additionally, should the major uses of the Fairhaven Marine Industrial Park change toward more public-oriented functions; parking will need to be balanced between the existing tenants of the FMIP and increased use of the area by the public.

Public Services/Utilities

Fire/Emergency Services

The City of Bellingham provides fire and emergency services to the POB Fairhaven properties. The property is located in Response Zone 2 and is serviced by Fire Station Number 2 located at 1590 Harris Avenue. The station has one engine unit and one medic unit.

Utilities (See Figure 13 - Existing Utilities)

Stormwater System

The City of Bellingham provides storm and surface water utilities to the POB Fairhaven properties. There are a number of stormwater mains shown in the Fairhaven Station area of the POB Fairhaven property. There is a stormwater outfall just to the west of the Public Boat Launch.

Sewer and Solid Waste

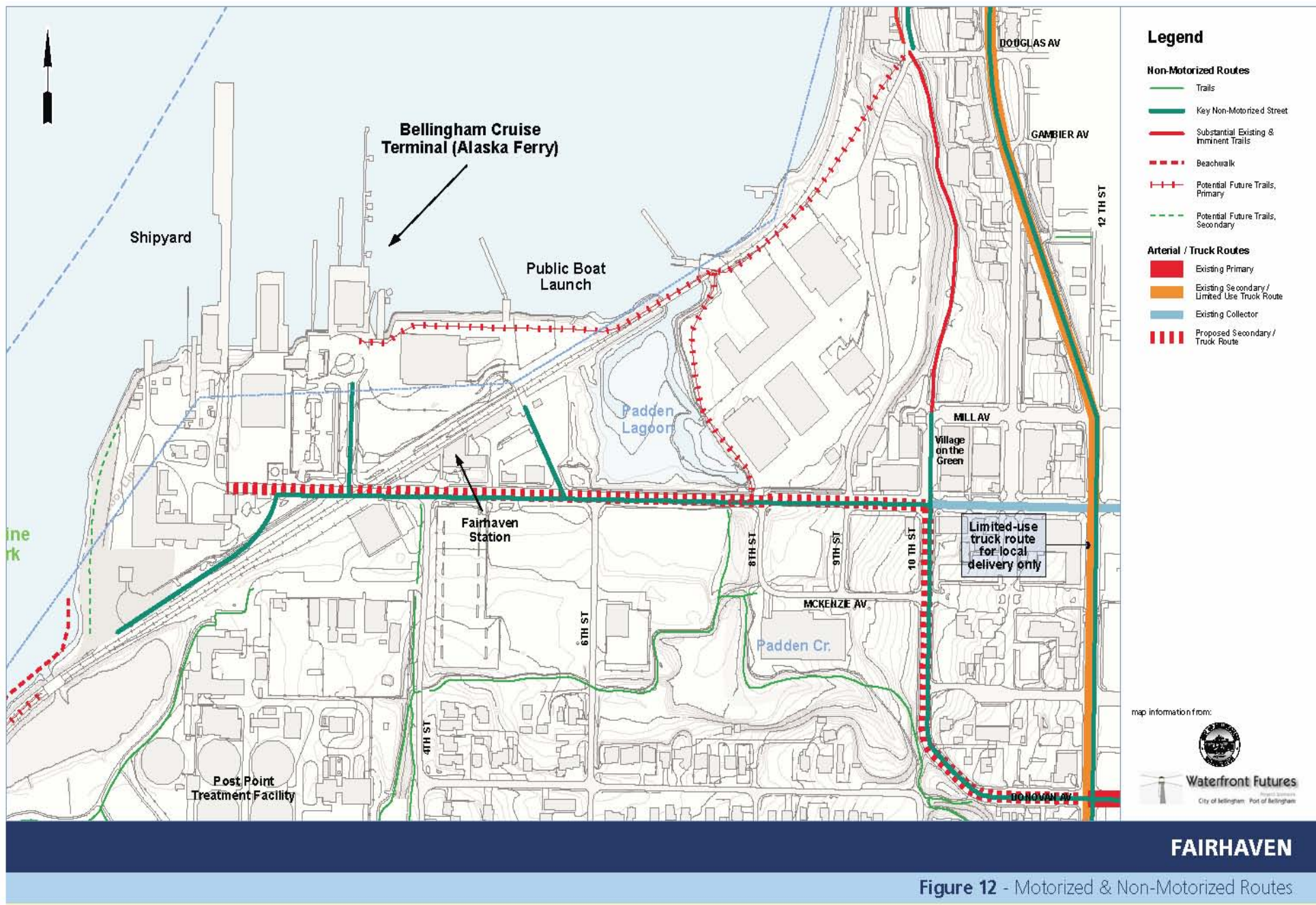
The City of Bellingham provides sewer and solid waste service to the POB Fairhaven properties. Sewer and solid waste both primary and secondary are provided by the Post Point Wastewater Treatment Plant at the southwest corner of the POB Fairhaven property. A sewer main runs east to west along Harris Avenue as well as along McKenzie Avenue.

Water

The City of Bellingham provides water service to the POB Fairhaven properties. Water mains run east to west along Harris Avenue and McKenzie Avenue. A water main also runs north from the west end of McKenzie Avenue up to the POB Shipyard.

Electricity

Electricity to the POB Fairhaven properties is provided by Puget Sound Energy.



Phone

Phone service to the POB Fairhaven properties is provided by Qwest.

Natural Gas

Natural Gas service to the POB Fairhaven properties is provided by Cascade Natural Gas.

Cable

Cable service to the POB Fairhaven properties is provided by Comcast.

Implications for Future Development

Any new development of the POB Fairhaven properties will create additional demand for public services and place an additional burden upon existing utilities. Detailed analyses of levels of service for public services and capacity of existing utilities will be necessary for all development proposals to determine what, if any, improvements should be made to existing systems.

Fire/Emergency Services

If new development draws additional users to the area, there will be an increased demand for fire and emergency services. The type of development proposed will determine whether current capacity is sufficient or whether additional capacity should be added. Maintaining the status quo in areas or increasing public access to the waterfront is likely to result in only minimal additional demand for public services. Other options which propose to add residences, commercial uses and public or tourist

uses that will draw users from outside the area are likely to produce a substantial increase in demand for public services.

Utilities

Utility providers to the area should be consulted to determine whether existing systems are adequate in capacity to handle the additional demand created by new development. For utilities such as cable, phone, electricity, and natural gas, improvements will be limited to extending utilities from current locations to serve new development.

For water, sanitary sewer, and stormwater, the capacity of existing mains may not be sufficient to handle additional demand. If this is the case, existing lines would need to be replaced with larger lines. Other considerations are whether the existing sewage treatment facilities have capacity to handle additional sewage and whether the existing water system has adequate pressure, fire flow, and looping to serve new development. For stormwater, detention or retention of runoff on site may be required per City standards.

In addition to a potential need for increased capacity of the stormwater system, new and/or improved water quality systems will be needed to meet City standards. Best Management Practices (BMP's) should be used to treat water for water quality. Low Impact Development should be considered where appropriate and feasible in order to reduce the amount of runoff generated by development proposals.

Demand by Waterfront Uses ¹



Fairhaven - early 1900's

From its beginning Bellingham's economy has been based on the waterfront, which greatly influenced the industries that located there. The Port's Fairhaven properties play an important part in the success of the area's water-dependent uses.

Ship Repair

Fairhaven Shipyards has successfully attracted a variety of public and private vessels to its Bellingham facility, including Washington and Alaska State ferries, US Coast Guard vessels, and NOAA vessels, among others. In order to improve its market opportunities, Fairhaven Shipyards is seeking to acquire another dry dock that would have capacity for larger vessels. With this expansion, the shipyard will need additional building space and upland space for lay down, storage and parking for employees and vendors.

Boat Building

Bellingham has had a strong presence in boat building since the early 1900s. There are numerous firms engaged in this activity at the present time. These firms have a demand for more upland and building space.

All American Marine (AAM) requires better access to the water and ability to use docks for final fit out and sea trials. AAM has expressed interest in the GP Tissue warehouse site for its future plans, because the ability to have flex space to expand production when needed was viewed as a positive attribute. However, AAM is also focused on its immediate needs during the near term future (up to five years), which include using the existing building and getting better access to the water to launch boats.

Aluminum Chambered Boats (ACB) is currently evaluating plans to build an 180,000 square foot state of the art manufacturing building. This growth is an outcome of additional marketing opportunities and its teaming relationships with Northrop Grumman and other partners. ACB is also being courted by several land-owners inside and outside Washington State. ACB has also indicated an interest in the GP Tissue Warehouse site but is keeping its options open at this time.

¹ -This section draws heavily from Bellingham Waterfront Lands Analysis prepared by BST Associates in January 2007.

Recreational Vessels

The supply of marina space is not keeping pace with the demand for facilities in Puget Sound. However, there are good opportunities to expand moorage in Whatcom County. The Port's plans for a new marina at the ASB will meet a portion of the demand for larger vessel moorage. In addition, there are potential expansions by Trillium at Semiahmoo and by the Lummi Tribe in Whatcom County. In our opinion, the long-term demand for moorage is strong enough to require all of these planned expansions.

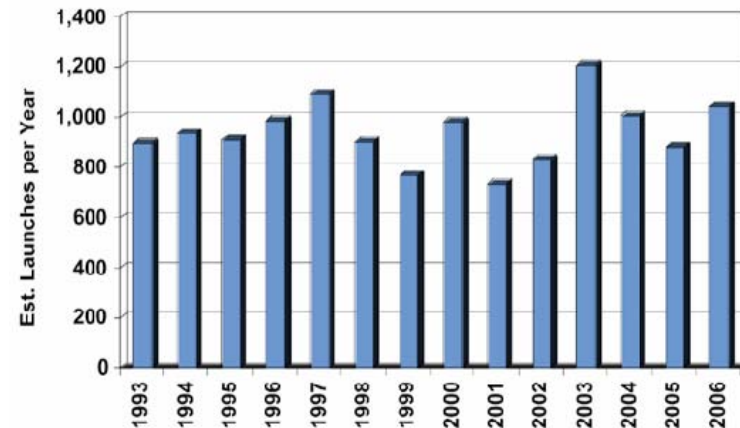
Small Boat Facilities

Launches are required by boats that are trailered and launched to the water as well as by hand-launched boats. Growth of the small boat fleet has been very rapid in Whatcom County. Kayaks, canoes, row boats, small engineless sail boats and other hand-powered or low power small boats have grown at 6.4% per year during the past decade. Small powered boats (representing a portion of the trailerable boat market) grew at 1.4% per year during the period but have been relatively stagnant since the mid-1990s despite an increase in 2000/2001. Many of these craft are used in rivers and lakes but there is also very active use of Bellingham Bay. The Port has helped in promoting kayak and hand-powered boat activities.

The Fairhaven boat launch serves the needs of smaller trailer boats and kayaks from April through October. The floats are removed during the winter months to prevent damage due to its unprotected nature.

As shown in Figure 18, the Fairhaven boat ramp has averaged around 940 launches per year, ranging from a low of 770 in 2001 to a high of 1,200 in 2003. These estimates are based on annual revenue and may under-count the use of the ramp. However, no other statistics on ramp usage are available.

Use of the ramp is likely constrained by seasonal availability, difficulty launching at certain tides and by the number of parking spaces. It is expected that an improved boat ramp would have greater utilization.



Boat Repair & Marine Services

Bellingham has a strong cluster of firms providing boat repair services and retail products for recreational and commercial boats. As the Port and other parties expand their marina facilities, it will lead to additional boat repair/ service market opportunities.

The existing space used by boat repair yards in Bellingham Bay (located in Squalicum, Hilton and Fairhaven) is approximately 7 acres. Due to additional boat moorage and loss of repair facilities in other areas, boat repair could increase to 9 acres in the long-term future (next 20 years).

Marine retail stores currently occupy approximately 13 acres of land in Bellingham Bay and could require 16 acres in the long-term future (next 20 years).

Commercial Fisheries

Bellingham has consistently ranked as one of the largest landing ports in Washington State, ranking third behind Westport and Shelton in 2003/4. There are currently around 20 to 25 million pounds of fish products delivered in Bellingham each year. In addition, a significant volume of fish arrives by truck.

Overall, the fish resources used by the commercial fleet and fish processors appear stable or perhaps growing, although some species are in decline.

Fishing vessels in Bellingham fall into two categories, those that are licensed in and primarily fish in Alaska, and those that primarily fish in the waters of Washington, Oregon and California. Regulatory procedures (such as individual fishing quotas) have led to a decrease in the number of fishing boats. The end result has been a trend toward larger boats working several permits in different fisheries along the West Coast. Bellingham is ideally located for these distant-water boats because it is equidistant to southern waters in California and to northern waters in Alaska. There may be an opportunity to attract more of the large multi-gear fishing boats to Bellingham.

The existing facilities for the commercial fishing fleet appear to be adequate to meet future needs.

Fish Processing Industry

Bellingham has several fish and seafood processors, most of whom are located on the waterfront or at inland site. These firms engage in fresh and frozen processing of a variety of products, including groundfish, halibut, sardines, salmon, crab, shrimp, and tuna, among others.

Discussions with industry sources² suggest that the level of processing in Bellingham is stable and not expected to exhibit substantial growth or decline in the next twenty years. Existing facilities on the waterfront generally meet the needs of the existing users. New facilities are being located at inland sites in Whatcom County.

2 -Personal communications with Arrowac representative.

Passenger Vessels

Ferries

The Alaska Marine Highway System uses the Bellingham Cruise Terminal as its southern terminus. The AMHS ferry runs once a week in the winter and twice weekly in summer and carries about 30,000 people a year between Bellingham and Alaska. No changes in existing operations are expected.

The “San Juan Island Commuter” provides service from Bellingham to Friday Harbor route with intermediate stops on a scheduled basis during the summer months. Other North Sound ferry routes are being evaluated at the present time, which could lead to a resurgence of the mosquito fleet. These could entail service from Bellingham to Friday Harbor; La Conner-Oak Harbor-Mukilteo – (Seattle); and possibly Gooseberry Pt. – Pt. Roberts – Blaine.

Large Cruise Vessels

The cruise ship market is differentiated between homeports and ports of call. A homeport refers to a vessel’s home base when it is in a particular market area. A port of call is one of the ports that will be visited during a cruise itinerary or when the vessel is re-positioning from one market to another. There are potential opportunities for cruise vessel calls at Bellingham when the vessel is entering or leaving the Alaska cruise market

(repositioning) or if there are berth conflicts in Seattle and/or Vancouver B.C. These calls could be accommodated at the Bellingham Shipping Terminal.

Small Cruise Ships

There is also a fleet of smaller cruise ships that serves the Alaska and Pacific Northwest (Gulf and San Juan Islands) eco-tourism market. Some focus on cruises to Alaska and could present an opportunity when repositioning in and out of the market.

Charter Boats, Excursions & Dinner Boats

There are several boat charters and rental firms located in Bellingham Bay. In addition, there are opportunities to rent kayaks, rowboats and small boats. These businesses are expected to grow as the redevelopment plans on the waterfront proceed. Planning in Fairhaven and New Whatcom is incorporating improved facilities for these operators.

Government & Related Vessels

The US Coast Guard has indicated that the Fairhaven facilities are not likely to meet their future needs. The Port of Bellingham is currently working with the Coast Guard to pursue the possibility of an expanded presence in Bellingham Bay. The Coast Guard will require approximately 4.3 acres to meet its needs. The port is also discussing plans for NOAA to relocate to Bellingham from its previous home in Seattle. This could occur at the vacant area west of the Mt Baker Plywood Plant site or at the Bellingham Shipping Terminal.

Summary of Demand

The long-term demand (in the next 20 years) for water-related uses in Bellingham is estimated to be approximately 112 acres

(low) to 134 acres (high). This represents an increase in demand over the existing land utilization (approximately 105 acres) by approximately 7 acres under the low and 29 acres under the high forecast scenario. This assumes that most land currently available for water-related uses will continue to be used or that other suitable land will be made available.

Waterfront Use	Existing	Forecast	
		Low	High
Marine Cargo	5.9	8.0	16.0
Fishing & Fish Processing	48.5	48.5	48.5
Shipyard	8.0	8.0	10.0
Boat Building	7.2	7.6	9.2
Boat Repair	5.5	5.5	9.0
Marina retail/services	16.4	16.4	20.5
Marina/storage	4.2	6.7	7.6
Passenger vessels	7.3	7.3	7.6
Government vessels	2.0	4.3	5.3
Subtotal	105.1	112.3	133.7
Additional acres for waterfront uses		7.3	28.6
% Increase (over existing)		6.9%	27.2%

Table 1 – Demand for Waterfront Land in Bellingham by Water-Related Uses (Acres) Source: BST Associates, Port of Bellingham

Area	Total	Other	Water related Uses			Comments
		Uses	Total	Occupied	Vacant	
Mt Baker Plywood	14.0	7.0	7.0	-	7.0	Area to the west of Mt Baker Plywood Site is vacant.
Squalicum	88.0	23.0	65.0	65.0	-	Includes Bellwether area. Assumes BW development pads are other than water-related uses.
Central Waterfront	105.5	74.0	31.5	20.5	11.0	Assumes a portion of GP main campus area and land adjacent to the Tissue Warehouse will be used for other uses than water-related uses. 5.7 of the 11 acres available is the tissue warehouse.
Bellingham Shipping Terminal	18.0	-	18.0	-	18.0	Continues to be available for water-related uses
Fairhaven	33.0	6.0	27.0	25.6	1.4	Continues with existing water related uses
Subtotal	258.5	110.0	148.5	111.1	37.4	
Percent total		42.6%	57.4%	42.9%	14.5%	

Table 2 – Existing & Future Supply for Waterfront Uses in the City of Bellingham (Upland Acres)

Note: excludes roads, utilities and open space Source: BST Associates, Port of Bellingham

Comparison of Supply & Demand

At the present time, there are approximately 113 acres that are primarily used by water-related uses in the City of Bellingham. Water-related uses account for 105 acres of this area with the remainder (8 acres) being used by non-water-related uses (non-water dependent firms and/or parks). There are expected to be approximately 149 acres available primarily for water-related uses in the City of Bellingham. Of this amount, approximately 36 acres are or will be available for new or expanded water-related uses.

The Port's Fairhaven District properties include 33 acres, with 27 acres utilized primarily by water-dependent and/or water-related firms as well as a 3.5-acre park.

City-wide, there is an expected demand of between 112 acres (low) and 134 acres (high) within the next 20 years and an expected supply of approximately 149 acres (with 36.0 vacant and available for new uses and/or expansion by existing marine-related firms).

There appears to be a sufficient supply of land to serve waterfront uses which would meet demand under both the low and high forecast scenarios. However, there may be constraints to utilizing the available supply, including:

- Some of the available parcels are relatively small and may not be adequately sized to accommodate larger users,
- Some of the parcels do not have good access to the water, and,
- Some parcels may be constrained by shoreline and critical area buffers, among other potential constraints.

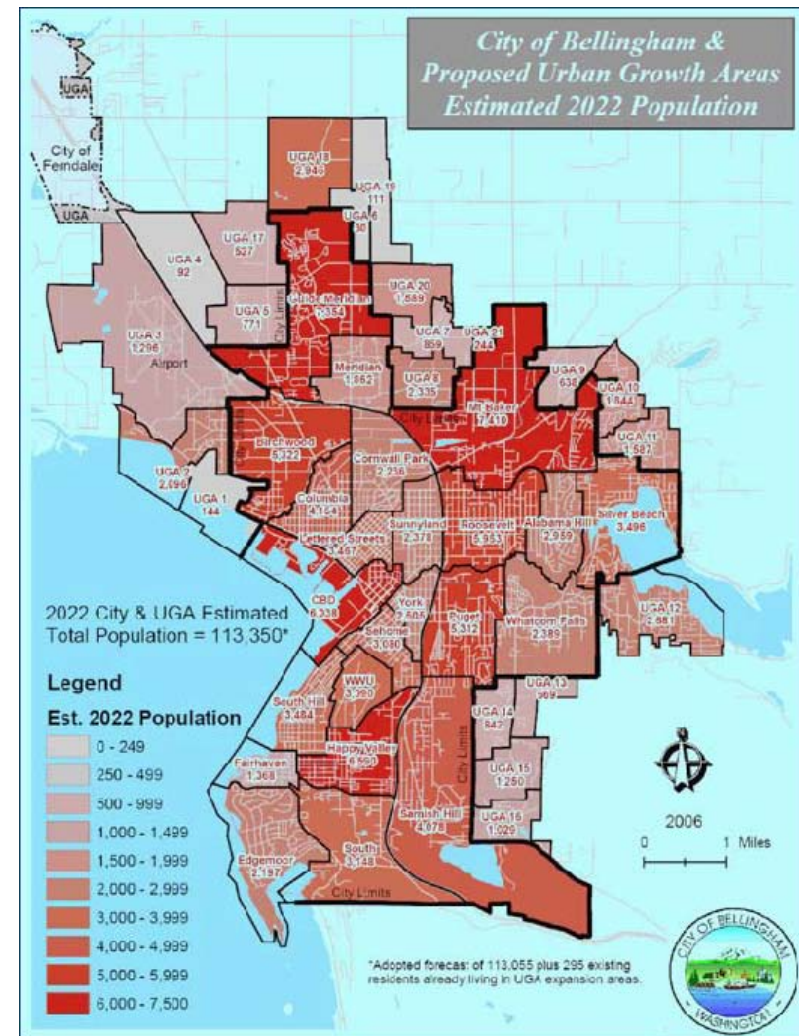


Figure 15 – City of Bellingham 2022 Population Forecast

Demand for Mixed-Use Options

The mixed-use options being considered for the Port's Fairhaven properties could include retail or office on the first floor and residential or office on the upper floors. The potential markets for these options are evaluated in this section.

Residential

The City of Bellingham is projecting a population base of 113,500 persons in 2022, which represents growth of additional 27,379 persons between 2006 and 2022. The Fairhaven District is expected to reach a population base of 1,368 persons, which represents growth of 363 persons between 2006 and 2022.

According to the 2000 Census, the Fairhaven District had a density of 2.9 persons per acre. This is less than the city-wide average of 4.2 persons per acre and significantly less dense than some districts in the urban core, which had a density of 9.5 persons per acre (Happy Valley) and 11.8 persons per acre (York).

Multi-family units represent a rapidly growing share of the area's housing stock. Between 1985 and 2005, the number of permits for multi-family units has averaged 58% of total permits. However, since the year 2000, multifamily permits accounted for 66% of total residential permits.

Sales of Condominiums have ranged between a low of 10 and a high of 80 units per month in the recent past. The market in Bellingham is relatively strong, averaging 45 to 55 units per month, owing in large part to desires by baby-boomers to downsize from larger houses.

The market for mixed-use with residential on the upper floors is successful in Fairhaven. As an example, the Harris Square project has approximately 100,000 square feet of residential and

commercial space, along with more than 30,000 square feet of underground parking. There are 90 condos range in size from 500-square-foot studios to 2,000-square-foot two-bedroom units. Demand for these units has been strong. McKenzie Square offers 60 upper-end apartments. Fairhaven Harbor, a mixed use development proposed for 8th & Harris, is under permitting at the present time.

A mixed-use development including residential uses would likely be successful at FMIP. However, care must be taken to assure that residential use does not conflict with industrial uses.

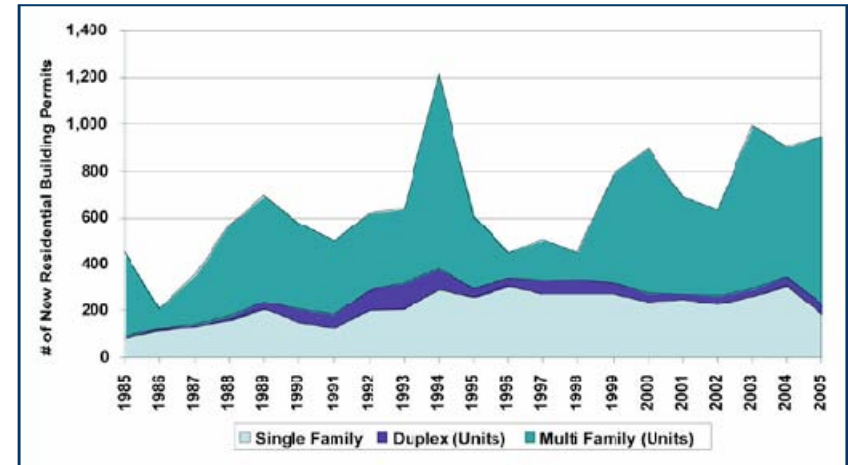


Figure 16 – Building Permits for New Residential Construction in the City of Bellingham

Retail Space

Retail space has long been an important component of the Fairhaven business community. Including all retail sectors, Fairhaven accounts for approximately 4.4% of retail sales and 10.8% of the employment in the City of Bellingham according to data from Dun & Bradstreet.



Harris Avenue - early 1900's

Fairhaven is particularly focused in sales of food (food stores and eating and drinking places), with sales of nearly \$8 million in each category. Fairhaven accounts for 18.8% of the restaurant sales in the City of Bellingham.

Other strong sectors include miscellaneous retail (gift shops, book stores et al), apparel/accessory stores and furniture/home-furnishing stores.



Fairhaven Retail

Another measure of the success of the retail sector in Fairhaven is the growing inventory of retail space. Between 1997 and 2006, Fairhaven's retail space increased from approximately 130,000 square feet to more than 200,000 square feet. This amounts to growth of 43,000 square feet during the time period or around 5,400 square feet per year. Fairhaven currently accounts for approximately 2.6% of the retail space in the City of Bellingham.

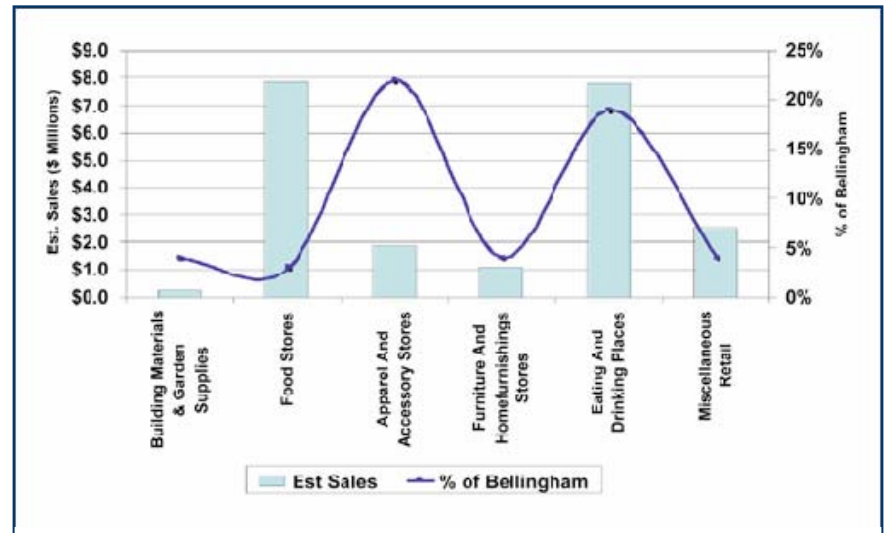


Figure 17 – Retail Business Activity in Fairhaven Source: Dun & Brad Street, BST Associates

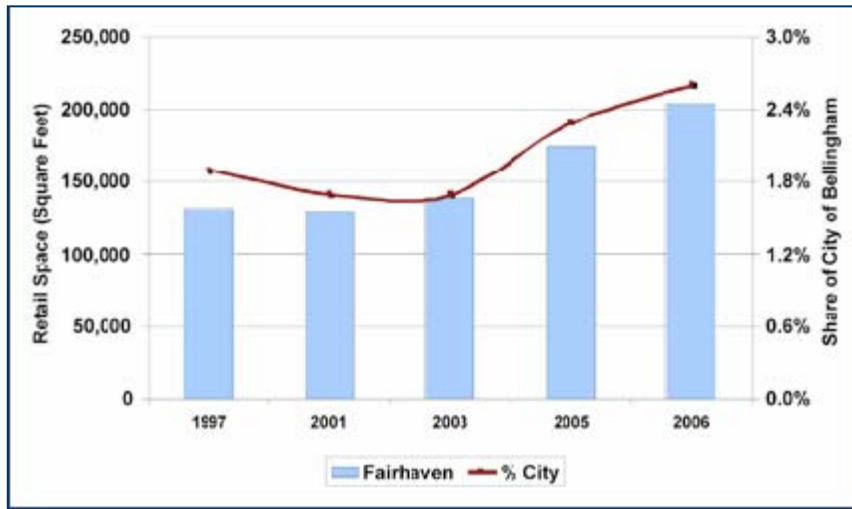


Figure 18 – Retail Space Inventory in Fairhaven Source: Whatcom County Real Estate Research Report

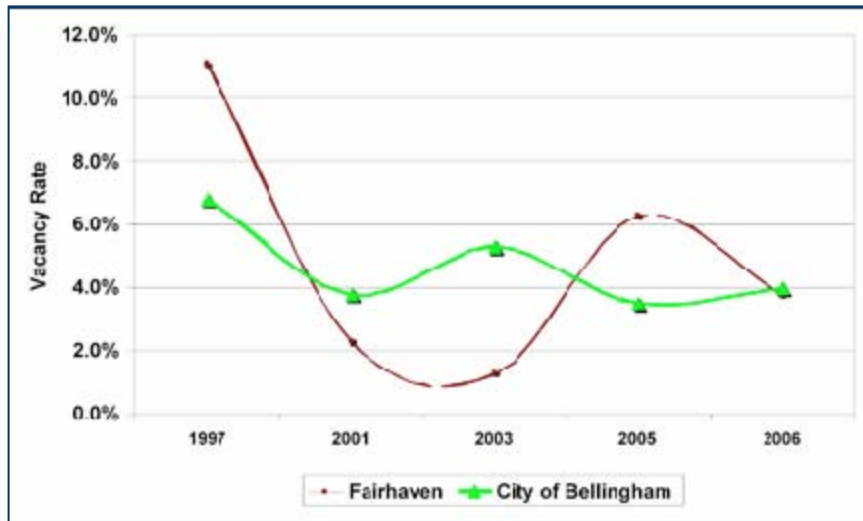


Figure 19 – Vacancy Rates in Retail Space

The vacancy rate in Fairhaven and the City of Bellingham was relatively low at around 4% in 2006. The vacancy rate can be volatile as space is constructed and then absorbed. This is evidenced by the rapid drop in Fairhaven from 1997 to 2001/2003. A smaller cycle occurred in the period from 2005 to 2006 as space was brought on line and then leased. According to some developers, Fairhaven has a surplus of retail space at the present time because of recent additions but the retail space is expected to be absorbed in the next few years.

Retail space in a mixed-use facility in the FMIP may be successful but caution is advised. The FMIP is not in the center of the urban village or on major transportation routes leading into Fairhaven. Retail space along waterfront communities has often been difficult to lease due to access issues, especially during the off-peak season. The Port of Bellingham has had some difficulty maintaining an operator at the café/ restaurant in the BCT but the gift shop in the BCT and the coffee shop in Fairhaven Station appear to function well.

There may be an opportunity to attract specialty marine retailers to the FMIP, including sales to larger recreational boats and hand launched boats as well as the general public.

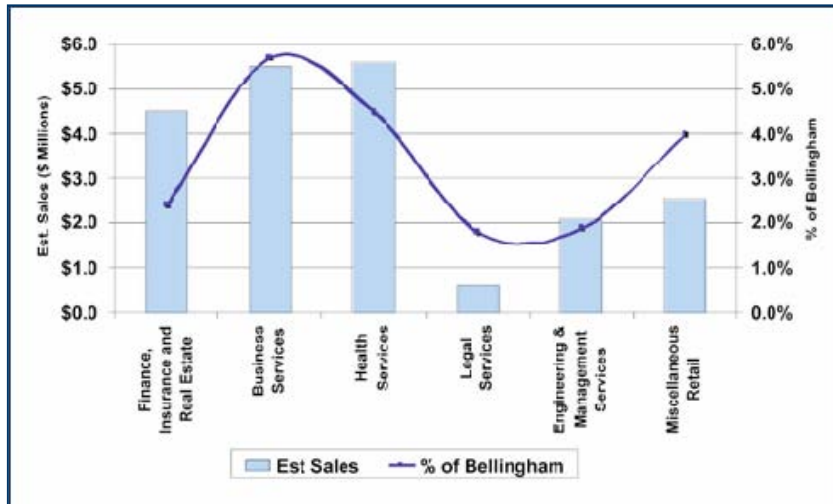


Figure 20 – Service Sector Activity in Fairhaven Source: Dun & Bradstreet, BST Associates

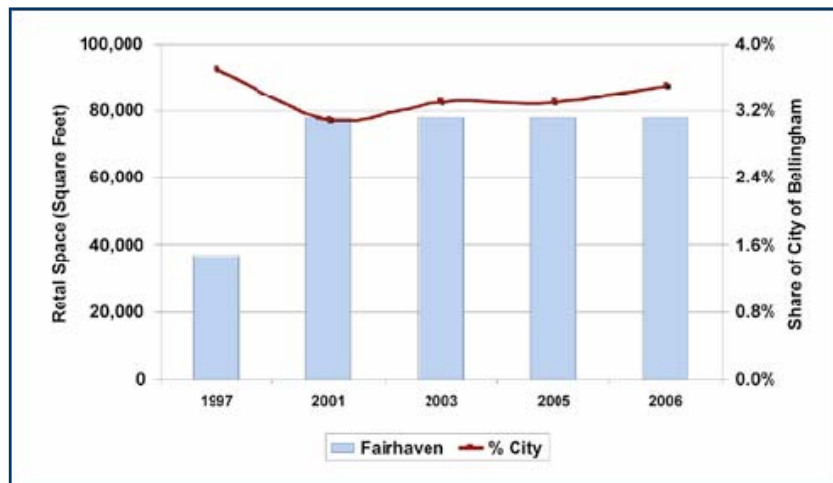


Figure 21 – Commercial Office Space Inventory in Fairhaven

Commercial Office

Fairhaven also has a strong base of professional services using commercial office space. The sectors included in this group include:

- Finance, insurance, and real estate (including banks, security and commodity brokers, insurance carriers, insurance agents, brokers, real estate agents and investment offices).
- Business and health services (including accountants, engineers, planners, lawyers, and numerous independent health practitioners).

As shown in Figure 14, Fairhaven accounts for approximately 2% to 6% of sales and employment in the business & related services in the City of Bellingham according to data from Dun & Bradstreet.

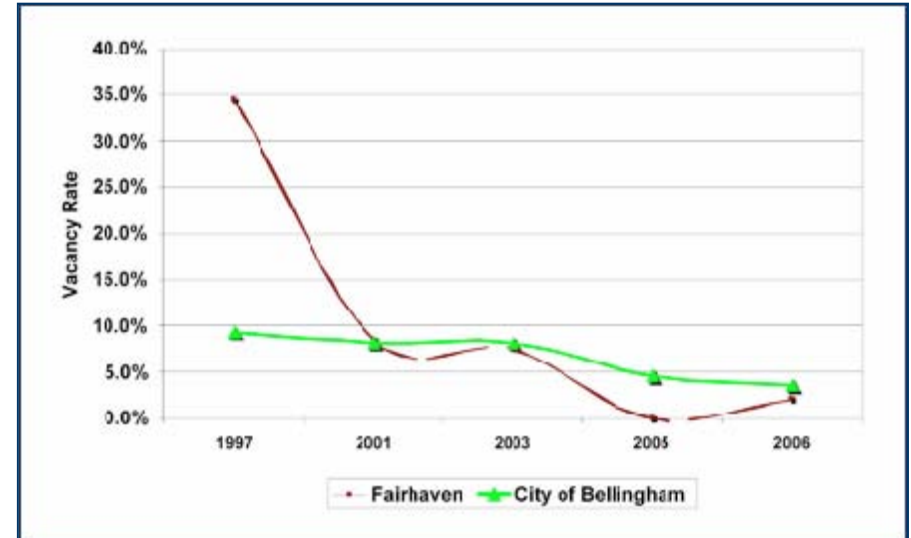


Figure 22 – Vacancy Rates in Office Space

According to the Whatcom County Real Estate Research Report, commercial office space in Fairhaven stands at approximately 80,000 square feet. Between 1997 and 2001, the inventory of commercial office space doubled and has remained at this level since. Fairhaven currently accounts for approximately 3.5% of the commercial office space in the City of Bellingham.

The office vacancy rate in Fairhaven and the City of Bellingham were relatively low at around 2% to 3%% in 2006. The vacancy rate for office space can also be volatile as space is constructed and then absorbed, evidenced by the rapid drop in Fairhaven from 1997 to 2001.

Parking Garage

Bellingham's Downtown Parking Commission is directed by ordinance to establish and maintain on- and off-street parking facilities for public use on a self-supporting basis. The City currently owns two parking garages (Parkade with 489 spaces and Railroad Avenue with 77 spaces) as well as several lots and on-street parking. The parking structures are relatively old (built in 1969 and 1972). In 2004, the Transpo Group conducted a Downtown Parking Management Study for the City of Bellingham Public Works Department, which recommended the following operational and structural options:

- **Short-Term Metered/On-Street Parking:**
 - Raise Parking Rates with scheduled periodic increases -Enhance meter enforcement
- **Long-Term Permitted/Structured Parking:**
 - Adjust permit rates to eliminate arbitrary fluctuations and to be more attractive than metered street parking
 - Enhance operations in the Parkade

- **Enforcement/Ticket Administration:**
 - Raise parking fines and undertake other enforcement efforts, as outlined above
- **Programmatic Modifications:**
 - Ensure that the revenue generated by parking related fees and fines is dedicated to the efficient operation and expansion of the parking system
 - Evaluate the boundaries of the current parking management zone and adjust as needed to ensure the impacts of downtown development are mediated by management of parking assets
 - Develop strategy to evaluate parking demand and plan for future expansion.

Many of these recommendations have been implemented. The City is currently evaluating the revenue bond capacity of the Parking Services Fund to determine whether it can support another structure parking facility in downtown Bellingham. The results of this analysis are not yet available.

There has been some interest mentioned in constructing a parking garage in the Fairhaven District by merchants and other interested parties. For the purposes of this study, this facility could be located at the foot of the bluff in the FMIP, with connections to allow pedestrian access directly into the Fairhaven District at the top of the bluff overlooking FMIP. It should be emphasized that the demand for such a facility has not been fully measured.

However, it is possible to consider the potential size and cost of a proposed parking structure in the FMIP. The minimum width of the building should be 116 to 120 feet, which would allow for two full rows of parking. The typical size of a parking stall is 325 to 380 gross square feet, which takes into account the parking space, access ramps and lanes, separation, screening, and other features.

Description of Alternatives for the Fairhaven Properties

The following is a description of the alternatives evaluated for each of the five different areas within the Port of Bellingham Fairhaven Properties. There are three different alternatives for Planning Areas 1 and 3 and only one alternative for Planning Areas 2, 4 and 5. For Planning Areas 1 and 3 the site development costs are given. These are the costs to the Port for preparation of the site for future development based upon the described alternative.

Planning Area 1 Alternatives – Fairhaven Marine Industrial Park

The costs identified for each of the three alternatives described for Area 1 below, only include the preparation of the infrastructure to create building sites. Not actual costs for building construction including parking for the building.

Option 1 - Water-Oriented Marine Industrial (See Figure 23)

Option 1 retains the existing industrial buildings in the main portion of the site. This option adds two (2) new marine industrial buildings pads to the site and includes extending a portion of the 9th Street access road through the site. Development costs include the demolition of an existing building, extending utilities to serve new building sites and extending a portion of the 9th Street access road.

- Preliminary Site Development Costs: \$715,000

Option 2 - Water-Oriented Industrial & Commercial Support Services - Including Tourist-Related Activities (See Figure 24)

Option 2 retains the existing industrial buildings in the southern portion of the site with the exception of one small building. Potential developments pads are shown in the northern half of the site for seven (7) new commercial buildings. A new commercial building could also be added in the southern portion of the site adjacent to Harris Avenue.

Developers of the site have space to provide parking for the new buildings by a surface parking lot. One building pad could be developed by a third party as a new 3-story parking garage with a green roof.

This option realigns the 9th Street access road through the site and improves the right-of-way to City standards. The right-of-way includes enhancements for pedestrian use through the northern part of the site.

A buffer will be enhanced with native landscaping along part of Padden Lagoon in the southwestern part of the site. An existing pedestrian trail south of the site will be extended on site through this buffer area.

Development costs include the demolition of three existing buildings, extending utilities to serve new building sites, constructing the new 9th Street right-of-way (to include paved surface, sidewalks, streetlights and street trees), installing a water quality system for stormwater runoff, installing landscaping and buffer enhancement and extending trail through buffer.

- Preliminary Site Development Costs: \$4.9 Million

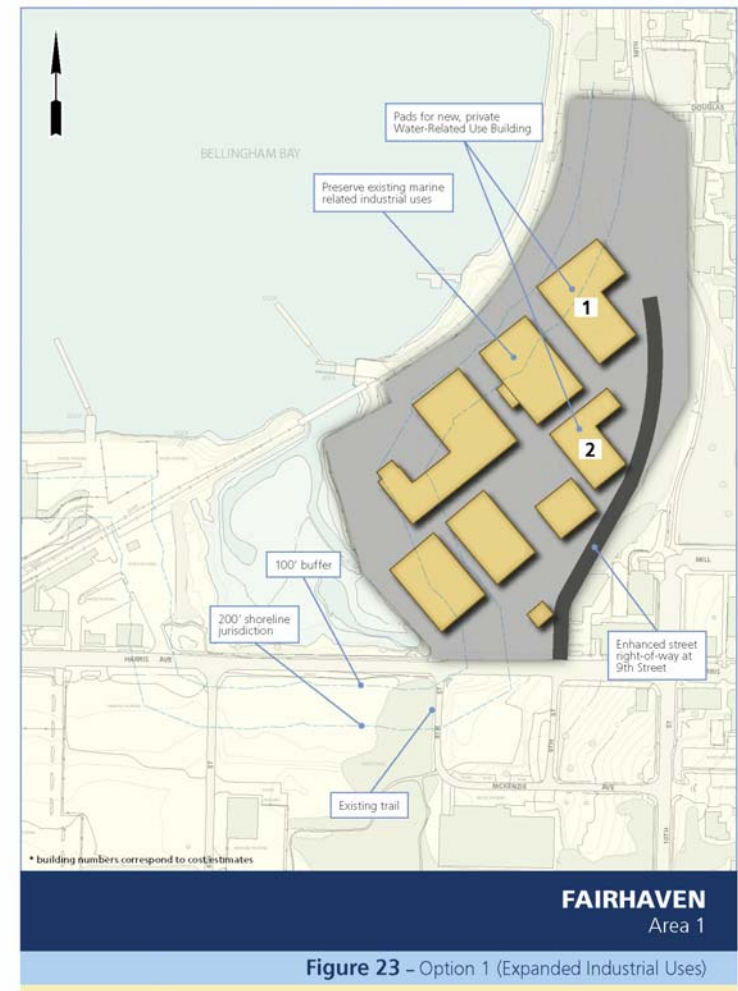
Option 3 - Mixed-Use, Including Residential, Commercial, Hotel, Retail & Museum (See Figure 25)

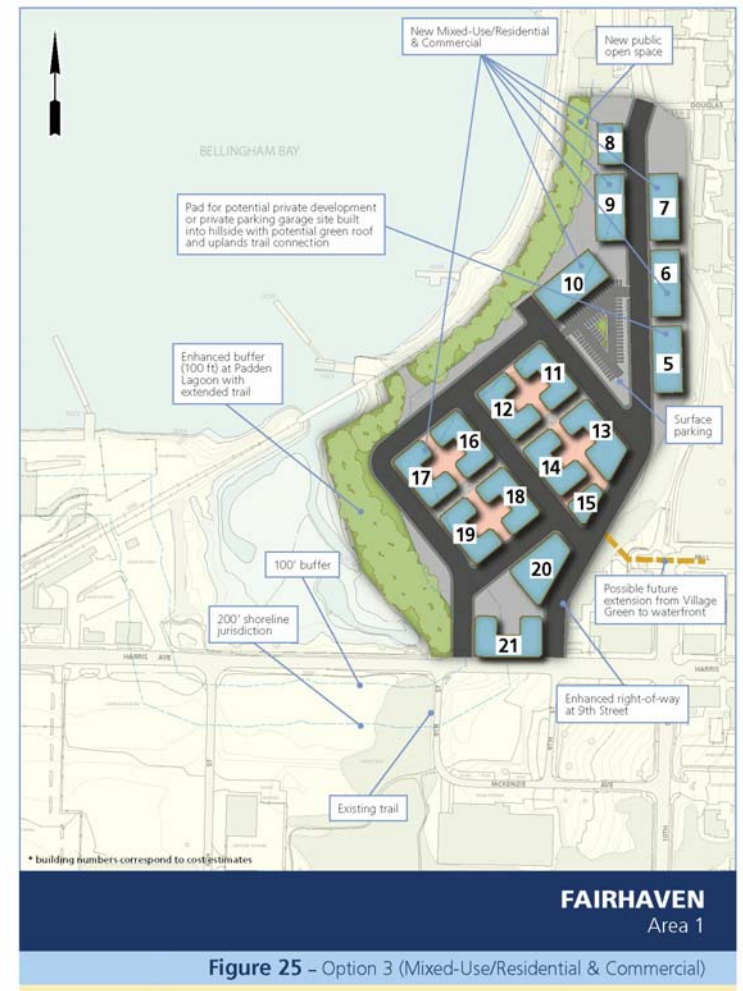
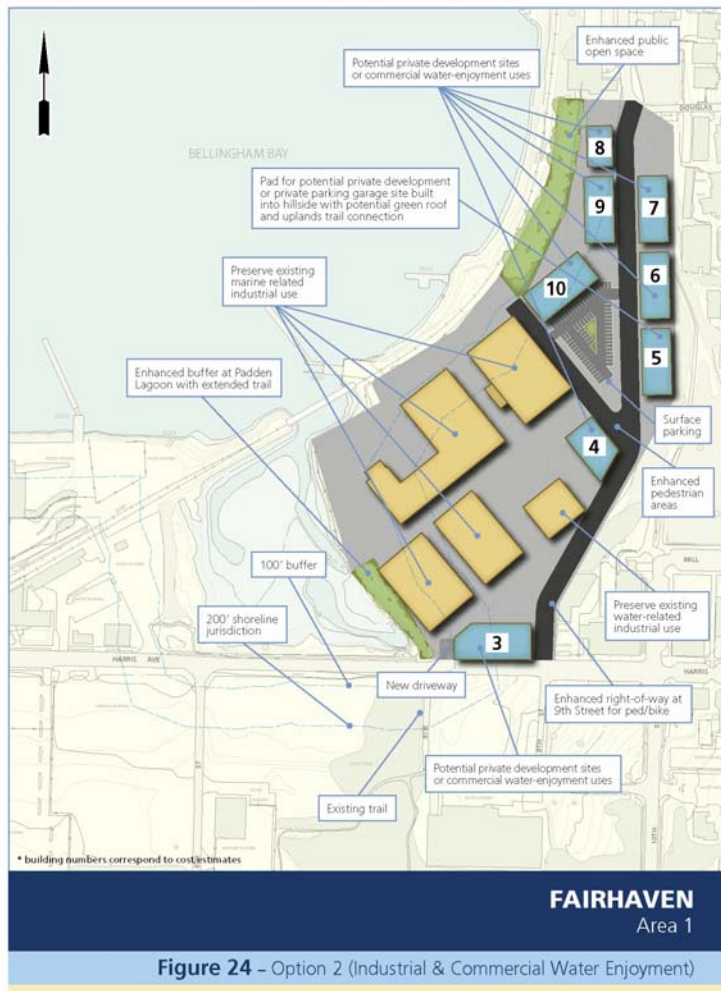
Option 3 demolishes all existing structures and creates a new mixed-use area that might include residential, commercial, hotel and retail uses. This option includes realignment of the 9th Street access road extended through the site. New streets are to be constructed to serve the new buildings and would be enhanced for pedestrian use. The site allows for developers to provide some surface parking as well as on-street parking. One building pad could be developed by a third party as a new 3-story parking garage with a green roof.

Landscaping is provided in the area within 100 feet of the shoreline. A 100-foot buffer will be created and enhanced with native landscaping along Padden Lagoon in the western part of the site. An existing pedestrian trail south of the site will be extended on site through this buffer area. The plan for the area leaves open the possibility of making a future pedestrian connection from the site to the Village Green that is located just east of the southern part of the site.

Development costs include the demolition of all existing buildings, extending and realigning utilities to serve new building sites, constructing the new 9th Street right-of-way and other new internal streets (to include paved surface, sidewalks, streetlights and street trees), installing a water quality system for stormwater runoff, installing landscaping and buffer enhancement and extending the trail through the buffer.

- Preliminary Site Development Costs: \$9.6 Million

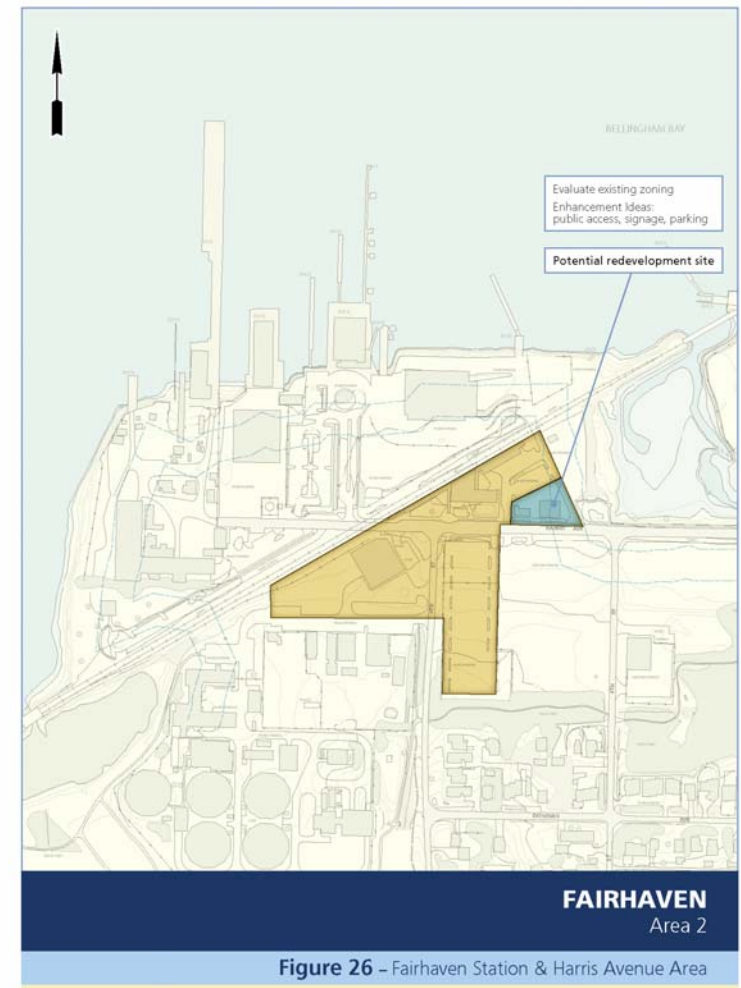




Planning Area 2 Alternatives – Fairhaven Station and Harris Avenue Area

Development in this area is limited to the potential redevelopment of one site on Harris Avenue between 4th and 6th Streets, evaluating the current zoning, and enhancing the area with public access, signage and parking.

See Figure 26.



Planning Area 3 Alternatives – Fairhaven Marine Industrial Park

For each of the three alternatives described for Area 3 below, the Port costs identify the preparation of infrastructure, grading, paving, signage and striping, construction of new floats and, in the case of Option 3, construction of a boat hoist.

Option 1 - Existing Boat Ramp

Option 1 retains the existing boat ramp and constructs a new access road with on-street parking, a vehicle turnaround, parking areas, landscaping and two new floats. Approximately 45 parking spaces could be provided by the proposed layout. The landscaping will include an open grassy area for use by kayakers and other users.

See Figure 27.

• Preliminary Site Development Costs: \$1 Million

Option 2 - New Boat Ramp

Option 2 constructs a new boat ramp, three new floats, an access road with on-street parking, a vehicle turnaround, a parking area and landscaping. Approximately 34 parking spaces could be provided by the proposed layout. The landscaping will include an open grassy area for use by kayakers and other users.

See Figure 28.

• Preliminary Site Development Costs: \$1.6 Million

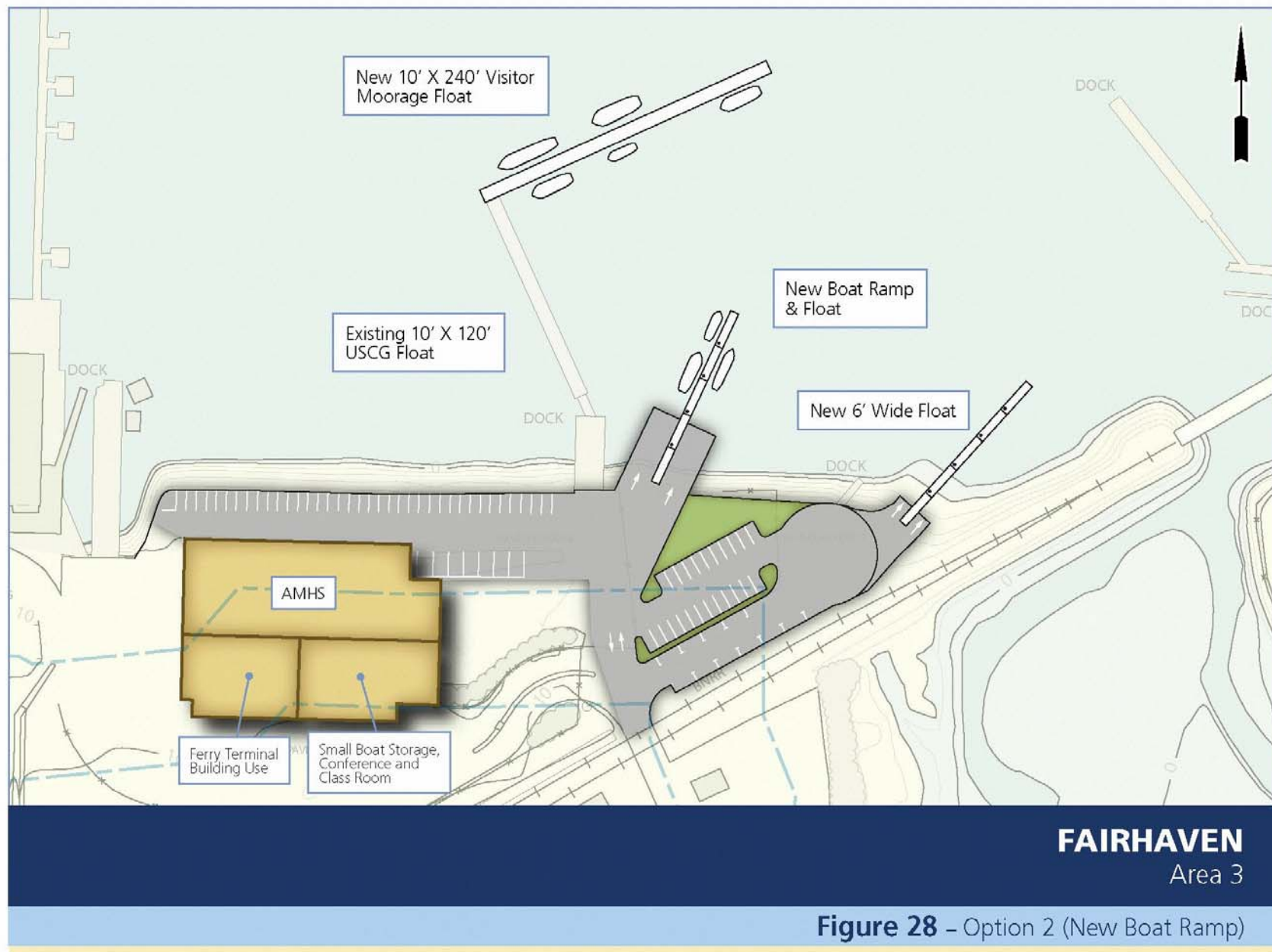
Option 3 - Boat Hoist

Option 3 retains the existing boat ramp and boat yard and constructs a new access road with on-street parking, a vehicle

turnaround, landscaping, a boat hoist and three new floats. Approximately 10 parking spaces could be provided by the proposed layout. The landscaping will include an open grassy area for use by kayakers and other users.

See Figure 29.

• Preliminary Site Development Costs: \$1.4 Million

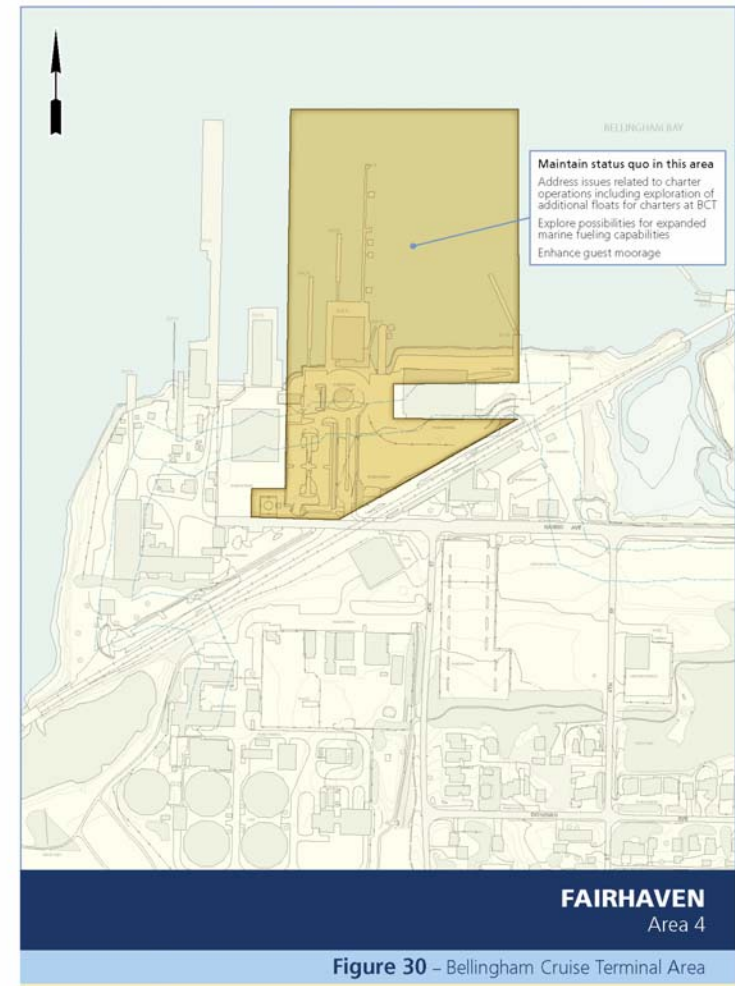




Planning Area 4 Alternatives – Bellingham Cruise Terminal Area

The goal for this area is to maintain the status quo, while addressing issues related to charter operations including exploration of additional floats for charters at BCT. Possibilities should be explored for expanding marine fueling capabilities.

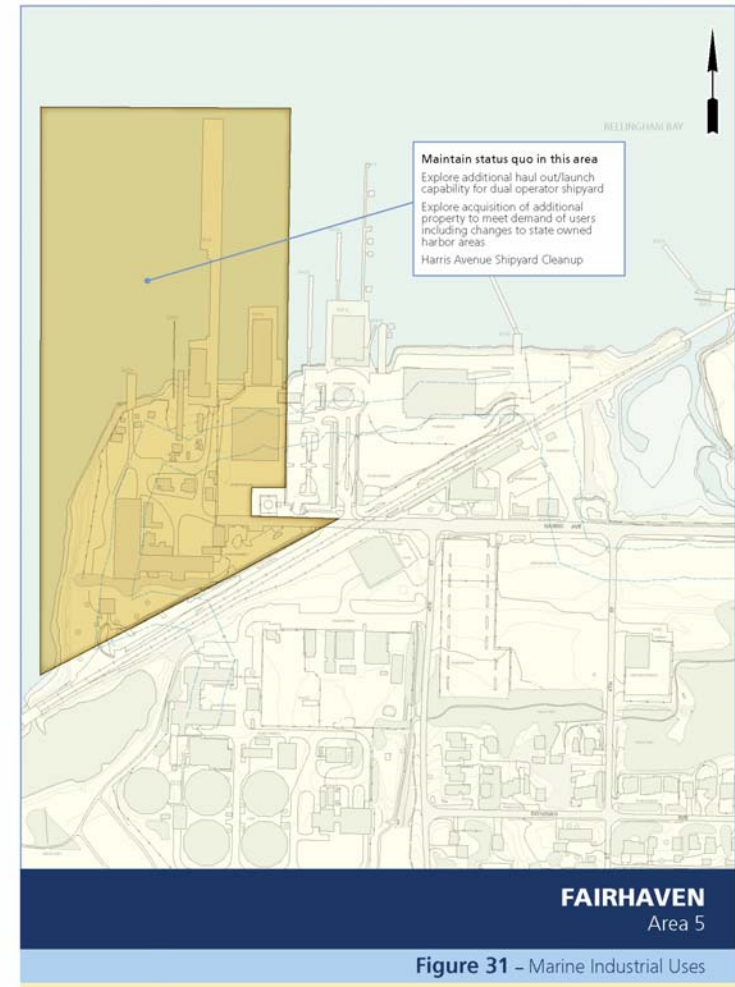
See Figure 30.



Planning Area 5 Alternatives – Marine Industrial Uses

The status quo should be maintained in this area as well. Additional haul-out/launch capability for dual operator shipyard should be explored. The Port should explore acquisition of additional property to meet demand of users including changes to State-owned harbor areas. Within Area 5 are the contaminated properties of the Harris Shipyard. The Port continues with clean up efforts on this land.

See Figure 31.



Recommendations

The Port's Fairhaven properties currently support a wide variety of uses. Much of the Port's property in Fairhaven is already developed. Future redevelopment configurations of certain Port facilities in Fairhaven could take many forms. Changing market conditions, environmental issues and long range use potentials are influenced by local, regional and national trends. The Port has little control over these issues.

Generally, the Port's near to mid term plan for its Fairhaven properties is to physically maintain its existing facilities, while promoting those projects which support future economic development & jobs, environmental restoration and public access to the water. Specific recommendations are centered round the following major areas:

Goals and Policies,
Land Use,
Environmental Restoration,
Public Access, and
Capital Repairs & Equipment

Goals and Policies

The following goals and policies should be utilized when implementing development in Fairhaven:

PROMOTE A VIBRANT WATERFRONT ECONOMY.

1. Provide priority for water dependent uses without excluding other uses.
 - a. Priority should be given to water dependent uses in shoreline reaches with naturally deep water.
 - b. Encourage a mix of water oriented uses in shallow shoreline areas and encourage non-water oriented uses to locate outside the State shoreline jurisdiction.
 - c. Explore ways to provide safe, convenient transitions between diverse uses.
2. Encourage maximum use of naturally deep water areas.
 - a. Explore relocation of the State outer harbor line adjacent to the shipyard to support development of a larger dry dock.
 - b. Explore alternatives for All American Marine to obtain dedicated proprietary launching capabilities.
 - c. Continue to support Bellingham as the Southern Terminus for Alaska Marine Highway System.
3. Promote and enhance tourism.
4. Create conditions attractive to jobs of the future.
5. Strengthen ties between local jobs and resources.

THE CHARACTER OF FAIRHAVEN SHOULD BE MAINTAINED AND ENHANCED WITH NEW DEVELOPMENT.

1. Uses should not segment any particular market niche but rather should promote diversity.
2. Uses should compliment neighboring uses.

3. With appropriate consideration for industrial function, new construction should compliment the historic character of Fairhaven.

ENVIRONMENTAL RESTORATION, WHERE APPROPRIATE, SHOULD BE UNDERTAKEN WITH REDEVELOPMENT.

1. Remediate upland and in-water contamination in conjunction with redevelopment projects.
2. Manage storm water to improve or protect water quality.
3. Restore shoreline habitat in conjunction with redevelopment projects.

IMPROVE PUBLIC ACCESS TO THE WATERFRONT.

1. Visual and physical access to the waterfront should be enhanced in conjunction with development projects, except in areas where there is a concern for safety or security.
 - a. Explore the viability of a safe pedestrian railroad crossing at the former location of the old log dump dock in the Fairhaven Marine Industrial Park to better link the Village Green and the South Bay Trail to the waterfront over the long term.
 - b. With increased access to the waterfront, explore ways to enhance beachcomber and boater safety awareness.
2. Public access should be coordinated and integrated with the open space plans of the City of Bellingham and Whatcom County.

Land Use

Planning Area 1 – Fairhaven Marine Industrial Park

Most of FMIP is located in the City of Bellingham's Fairhaven Neighborhood and zoned for Marine Industrial uses with the exception of the northeastern most part of FMIP which is located in the South Hill Neighborhood and zoned Heavy Industrial (Mixed). While no changes to the City's comprehensive land use designation of "Industrial" are recommended at this time, changes to the City's zoning use qualifier is recommended for those portions of the Fairhaven Neighborhood Plan and South Hill Neighborhood Plan relating to the FMIP.

The specific land use recommendation is to establish a new hybrid zone qualifier which would allow all light industrial permitted uses, except drive through facilities, and marine industrial uses which do not require deep water, such as, trailer-able boat building and repair, boat storage, web houses and net repair.

The preferred alternative for development of Fairhaven Marine Industrial Park is depicted in the development concept on the following page. In general, water oriented industrial uses along the shoreline should be encouraged with non water related or light industrial uses being located outside the State's shoreline jurisdiction adjacent to the bluff and fronting Harris Avenue. If the private road in the vicinity of the vacated 9th Street right of way is re-opened and improved, encourage a street design that will serve only local traffic by including traffic calming measures to discourage through traffic and reinforce a slower vehicle speed desired for sharing the street with pedestrians and bicycles.

The land use for South Hill Neighborhood portion of the site should be consistent with the proposed, adjoining Fairhaven

Neighborhood portion of the site. The Port should consider working together with both Neighborhood groups on a neighborhood boundary modification to include the entire industrial park in the Fairhaven neighborhood.

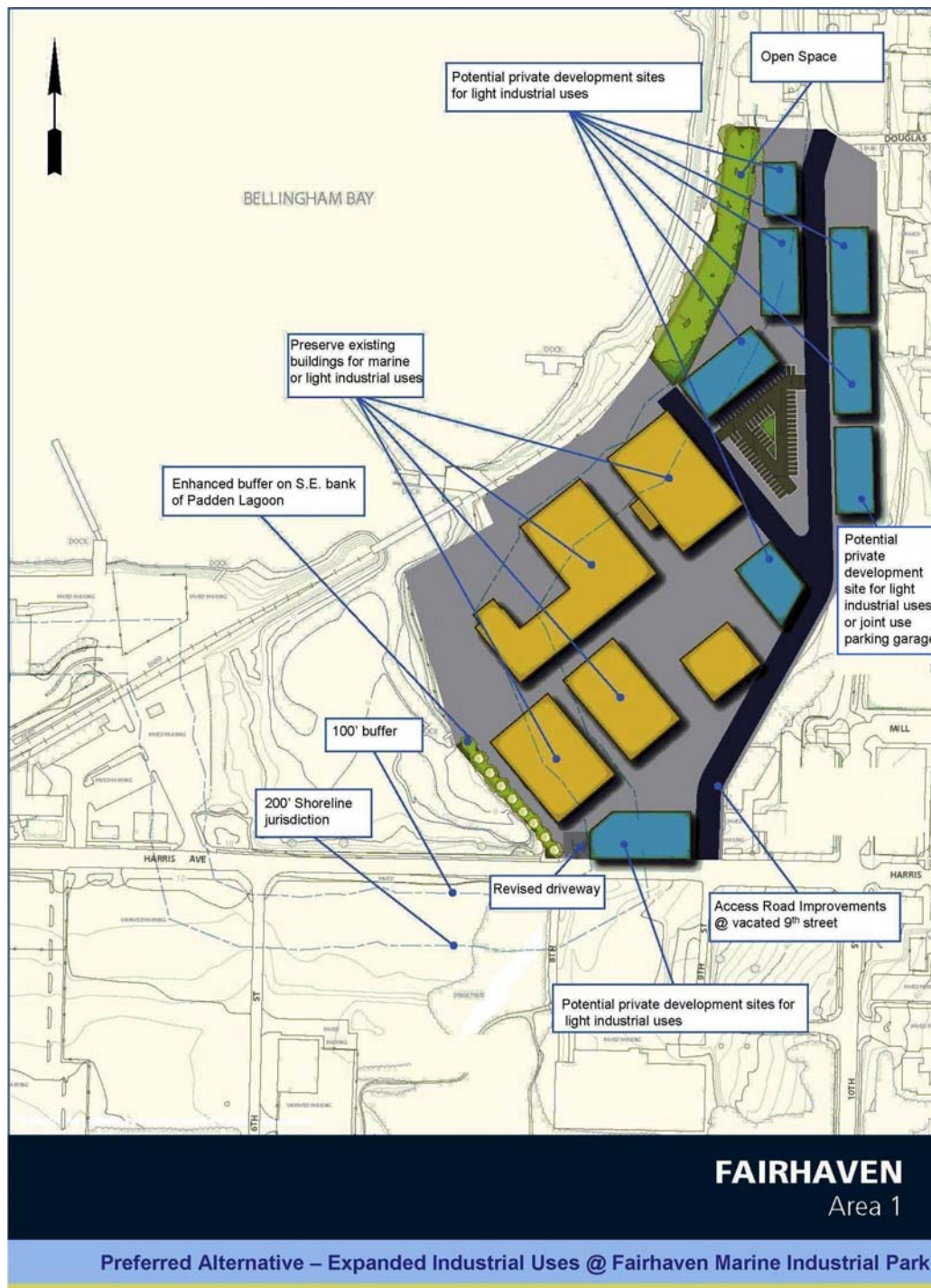
Planning Area 2 – Fairhaven Station and Harris Avenue

Planning Area 2 is subdivided by three different land use zones. The portion of Area 2 lying northerly of Harris Avenue which includes Fairhaven Station is currently zoned Marine Industrial.

While no changes to the City's comprehensive land use designation of "Industrial" are recommended at this time, a change of the City's zoning use qualifier is recommended for that portion of Area 2 lying to the north of Harris Avenue. The land use recommendation for this area is to expand the Planned Industrial zoning which currently applies at the neighboring Bellingham Cruise Terminal to the west. The planned designation applies only to commercial uses including but not limited to hotels, convention center, commercial recreation, restaurants, offices etc. While Marine Industrial uses are permitted outright, commercial uses are limited to destination and tourist types of activities which are compatible with or enhance the Fairhaven Business District. The easterly expansion of this planned industrial zoning designation is anticipated to abut if not include Padden Lagoon.

Planning Areas 3, 4 & 5

No Changes in the City's existing Comprehensive Land Use Plan or zoning use qualifiers are recommended at this time.



Environmental Restoration

Harris Avenue Shipyard

The Harris Avenue Shipyard site is located at 201 Harris Avenue in Bellingham. The Shipyard has been used by various parties for shipbuilding and ship maintenance since the early 1900s. In 1966, the Port of Bellingham purchased the property and has leased it to several different companies for use as a shipyard. The site is currently being leased by Puglia Engineering, doing business as Fairhaven Shipyards, and All American Marine (these companies are not responsible for the contamination at the site).

Sampling has been performed at the site over the past several years. To date, the main contaminants of concern include copper, zinc, polychlorinated biphenyls (PCBs), and phenol. Harris Avenue Shipyard is one of several cleanup sites identified in the Bellingham Bay Comprehensive Strategy, a bay-wide guidance document issued in 2000. The Comprehensive Strategy integrates sediment cleanup, control of pollution sources, habitat restoration and aquatic/shoreline land use on a bay-wide scale.

Ecology and the Port of Bellingham entered into an agreed order to perform a remedial investigation/feasibility study at the site. The documents were available for public review and comment through July 9, 2003.

The agreed order was signed by both Ecology and the Port in August 2003. The order outlines the work to be performed and ensures that the work is conducted in a timely fashion in accordance with all applicable regulations.

The draft RIFS is currently in the progress of being prepared. The following is a tentative schedule:

Complete RIFS: 2009;
Clean-up Action Plan & Consent Decree: 2009-2010;
Project Design & Permitting: 2010-2011
Construction: 2011-2012
Long Term monitoring: 2012+

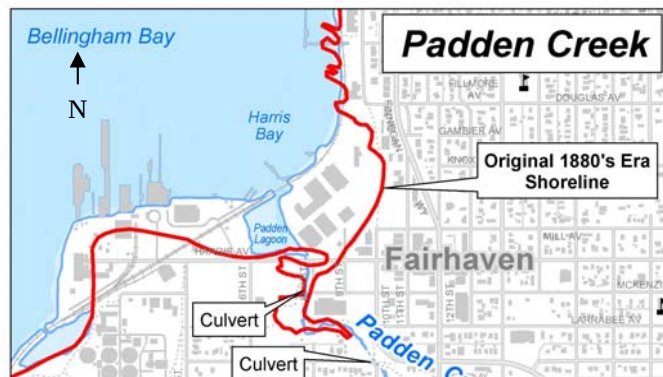
Total project costs for all PLP's (potentially liable parties) are estimated to be six million dollars.



Padden Creek Pocket Estuary

Padden Creek Estuary is located at the mouth of Padden Creek, south of the railroad tracks. Tidal flows within the estuary have been constrained by the railroad trestle but have one outlet to the marine waters near the boat yard. The primary freshwater input to this system is Padden Creek, a salmonid spawning stream. This system provides a relatively large mudflat habitat and is the largest area of this habitat type within City limits north of the Chuckanut Creek estuary. Fish residence within the estuary is likely limited, since the estuary drains regularly with the tides. Mudflat habitat is well represented and utilized by birds year round.

The estuary is located in a highly industrialized area. The City of Bellingham enhanced the west side of the estuary approximately 16 years ago. The enhanced area has a salt marsh, upland system that averages about 50 feet. A narrow, grass dominated, strip is present on south side of the lagoon along Harris Avenue. Approximately half of the east side of the lagoon has impervious surface to the edge of the rip-rap. The remaining half of the lagoon's east bank has a narrow vegetated, predominately grass and blackberry bushes, strip. There is little to no overhanging



vegetation over the shoreline.

The Port of Bellingham recognizes the potential and importance of the Padden Creek estuary for providing fish and wildlife habitat functions, but also recognizes the challenge of balancing economic opportunities with environmental restoration. During the life of this plan, the existing industrial development to the east of the lagoon will be maintained. Enhancement of the entire 50 foot buffer recommended in the City of Bellingham's Pocket Estuary Management Recommendations (February 2006/Revised September 2006) is unlikely during the next 10 years. However, the Port will take some intermediate steps to enhance storm water treatment and shoreline habitat on the site for the overall protection of the estuary until such time as the industrial site is redeveloped. To that end, the following is a list of potential intermediate projects that may occur:

- Separate stormwater drainage from the FMIP boatyard area and the Building 6 & 7 area to isolate different industrial use areas. Approximate project cost estimate \$25,000.
- Enhance stormwater quality treatment at boatyard. Approximate project cost estimate \$60,000.
- East bank restoration and vegetation enhancement. The Port could remove approximately 10' of existing pavement approximately 300' in length, along the westerly side of FMIP Building # 1 near the 8th street entrance from Harris Avenue to the boat yard leasehold and still maintain an approximate 20' wide paved area for ingress and egress. This would essentially double the existing vegetated area size of the east bank subject to minimum ingress/egress development standards for fire/safety lanes. Estimated project costs are \$75,000.

Public Access

Boat Launch

The boat launch is located on the south end of Bellingham Bay with access across BNSF tracks between 5th & 6th streets and consists of approximately 0.8 acres of land with a ramp having 2 lanes and restrooms. Mooring buoys are anchored off shore from May to October for transient boats. Use of the boat launch in Fairhaven is becoming constrained by silt from Padden Creek creating difficulty launching motorized boats at low tides. The limited amount of uplands associated with the launch also constrains the number of users at anyone time. User fees have been insufficient to completely recover operating costs. Other sources of capital would be needed to enhance the boat launch.

It is recommended to continue operating the existing boat launch as both a motorized & non-motorized small craft until either outside funding becomes available for improvements or it becomes no longer feasible to launch motorized boats.

The Port may consider partnering with a private club or commercial operation to build, operate or maintain facilities while seeking grant funding to address motorized boat launch capabilities in Fairhaven.

Proposed enhancement projects such as additional parking, enhanced vehicle turnaround and a grassy lay down area for non-motorized small craft would only be undertaken in conjunction with the private redevelopment of the boat rental/storage yard.

Due to the age and condition of the existing floats at the launch, new floats are anticipated in the mid term.

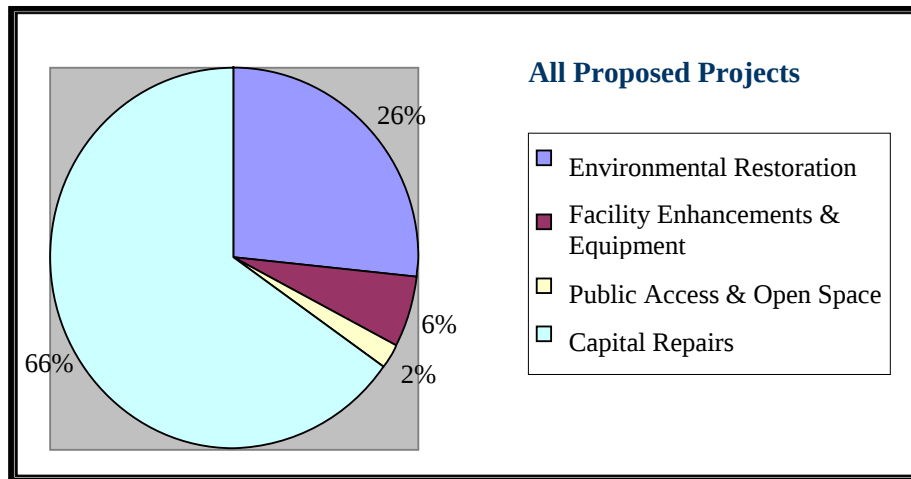
South Bay Trial Overlook

At the time the City of Bellingham vacated Gambier Avenue between 10th Street and the BNSF railroad right-of way, the Port paid the City for the value of the vacated right of way and agreed to install the 10th street trail segment between Mill Avenue to a point between Gambier and Douglas Avenues, as well as, provide a viewpoint with landscaping and seating (Ord. # 8961). The trail segment has been installed but the viewpoint or overlook remains to be undertaken. To date, the Port has not completed the overlook because of uncertainties with the 10th street trial design and other area construction. The Port will work with the City to completely meet its obligations for the vacation of Gambier Avenue. Estimated project costs are \$50,000.

Capital Repairs & Equipment

Major expenditures for assets including repairs that increase the useful lives of assets are capitalized. The Port's policy is to capitalize all expenditures used in the operation of the Port which are more than \$5,000 and have an estimated life of more than one year. Maintenance projects are capitalized if the work costs more than \$10,000 and increases the useful life or enhances the use of the asset. All proposed capital purchase and capital maintenance projects (greater than \$10,000) are approved through the annual budget process. The table in the implementation section of this chapter itemizes potential capital purchases and capital maintenance projects that may be acquired or undertaken in the near to mid term.

Summary of Proposed Projects



Implementation Plan

Planning

Over the near to mid-term, Port development will occur in conjunction with private development opportunities and/or in conjunction with grant opportunities on a project by project basis. With this approach, the Fairhaven Comprehensive Scheme of Harbor Improvements may need to be amended as either (i) specific private development projects are identified or (ii) in response to changing market conditions. Identification and mitigation of direct and cumulative environmental impacts will also take place primarily on a project by project basis for the near to mid-term. In the mid to long term the Port will revisit its need to plan, identify, and mitigate for the direct and cumulative impacts of fully implementing the WFG Vision and Framework Plan.

Funding Priorities

In general, funding improvements in Fairhaven should be prioritized in the following manner:

Priority 1: Capital repairs or equipment replacement of existing Port assets which maintain revenue or improves the efficiency of operations.

Priority 2: Improvement projects which promote economic development, environmental restoration or public access objectives and enhance Port net income.

Priority 3: Improvement projects which benefit the community by promoting economic development, environmental restoration or public access objectives but do not generate a positive return on investment.

Project Description	Division	Near term (0 to 5 yrs)	Mid-term (5 to 10 yrs)	Total
Environmental Restoration				
FMIP Storm water Separation Bldg 5,6 & 7	RE	25,000		25,000
FMIP Storm Water Quality System *	RE	60,000		60,000
Partial Padden Lagoon East Bank Restoration*	CC		75,000	75,000
Harris Avenue Shipyard - Cleanup *	ENV		6,000,000	6,000,000
Subtotal		85,000	6,075,000	6,160,000
Facility Enhancements/Equipment				
Security camera(s) at BCT LT parking	MS		75,000	75,000
Long term parking lot pay station	MS		75,000	75,000
New terminal seating at BCT	MS	150,000		150,000
Spill Response / Security skiff	MS		30,000	30,000
FMIP site work & Road re-alignment *	RE		1,100,000	1,100,000
Subtotal		150,000	1,280,000	1,430,000
Public Access & Open Space				
South Bay Trail Overlook	CC		50,000	50,000
New signage around Passenger Terminals and Boat Launch	MS		60,000	60,000
Replace B/L floats, lighting Bellingham Cruise Terminal *	MS		255,000	255,000
Dinghy rack installation at Fairhaven B/L *	MS	20,000		20,000
Boat Launch Parking Re-alignment & Landscaping *	MS	85,000		85,000
Subtotal		105,000	365,000	470,000

*Denotes projects cost, not financial responsibility, project may include grant funding or costs maybe shared with other 3rd party developers

Note: Estimated project costs are in 2008 dollars

Project Description	Division	Near term (0 to 5 yrs)	Mid-term (5 to 10 yrs)	Total
Capital Repairs & Maintenance				
Re-paint Arrowac Cannery Bldg.	RE		40,000	40,000
Condition survey - fuel farm tank & systems	MS	36,000		36,000
Turning dolphin at end of Catwalk*	MS	450,000		450,000
New roof warehouse #4	MS		350,000	350,000
Repair B/L floats at Bellingham Cruise Terminal	MS	50,000	10,000	60,000
Overgrown landscaping on easterly side of Whse. #4 adjacent to AMHS vehicle staging entrance		15,000		15,000
Paint FMIP Buildings	RE		275,000	275,000
Re-Roof FMIP Buildings	RE	2,100,000		2,100,000
Window replacement Fairhaven Station	MS	350,000		350,000
Resurface & Seal Floors at Fairhaven Station	MS		25,000	25,000
Paint all metal gutters, handrails, wood window frames, awning supports & trim @ Fairhaven Station.	MS	90,500		90,500
Shipyard pier - repair/rebuild*	RE		5,000,000 to 15,000,000	5,000,000 to 15,000,000
300 Harris Avenue re-roof	RE		150,000	150,000
Fairhaven Terminal Rip-rap Replacements*	INF	440,000		440,000
Fairhaven Terminal Bulkhead Replacements*	INF		880,000	880,000
Subtotal		3,531,500	6,730,000 to 16,730,000	10,261,500 to 20,261,500
Grand Total		3,871,500	14,450,000 to 24,450,000	18,321,500 to 28,321,500

*Denotes projects cost, not financial responsibility, project may include grant funding or costs maybe shared with other 3rd party developers

Note: Estimated project costs are in 2008 dollars

Environmental Checklist

Purpose of checklist:

The State Environmental Policy Act (SEPA), chapter 43.21C RCW, requires all governmental agencies to consider the environmental impacts of a proposal before making decisions. An environmental impact statement (EIS) must be prepared for all proposals with probable significant adverse impacts on the quality of the environment. The purpose of this checklist is to provide information to help you and the agency identify impacts from your proposal (and to reduce or avoid impacts from the proposal, if it can be done) and to help the agency decide whether an EIS is required.

Use of checklist for nonproject proposals:

Complete this checklist for nonproject proposals, even though questions may be answered "does not apply." IN ADDITION, complete the SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS (part D).

For nonproject actions, the references in the checklist to the words "project," "applicant," and "property or site" should be read as "proposal," "proposer," and "affected geographic area," respectively.

A. BACKGROUND

1. Name of proposed project, if applicable:

Adoption of the Fairhaven Comprehensive Scheme of Harbor Improvements

2. Name of applicant:

Port of Bellingham

3. Address and phone number of applicant and contact person:

Sylvia Goodwin, Planning & Development Director
P.O. Box 1677
1801 Roeder Avenue
Bellingham, WA 98227
(360)676-2500

4. Date checklist prepared:

October 24, 2008

5. Agency requesting checklist:

Port of Bellingham

6. Proposed timing or schedule (including phasing, if applicable):

The proposed Fairhaven Comprehensive Scheme of Harbor Improvement provides an overall strategy for Port development activities which might occur in Fairhaven over the next 5 years (near-term) and 5 to 10 years (mid-term). Generally, a thorough review of the plan is anticipated every five to 10 years to ensure the Plan remains current and reflects the Port District's needs.

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

No

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.

August 2003 Harris Avenue Shipyard Agreed Order
Harris Avenue Shipyard RIFS being drafted

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.

City of Bellingham Comprehensive Plan amendment filed by Fairhaven Neighbors.

10. List any government approvals or permits that will be needed for your proposal, if known.

City of Bellingham Comprehensive Plan Amendment
Department of Ecology Harris Avenue Shipyard Consent Decree

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.)

The Port's holdings in Fairhaven include approximately 33 acres of fee simple owned land and approximately 65 acres of State owned tidelands under Port of Bellingham management authority. Port facilities in Fairhaven consist of the Bellingham Cruise Terminal, Fairhaven Station, Fairhaven Marine Industrial Park, a shipyard, a fish processing facility, distribution and warehousing facilities, Marine Park, a public boat launch and associated parking areas. While most of the property is already developed, when adopted the Fairhaven Comprehensive Scheme of Harbor Improvements will guide future developments, capital improvements and purchases, as well as, environmental restoration, shoreline public access and recreation amenities in Fairhaven over the next 10 years.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.

Port property in Township 37; Range 2E , Sections 1 and 2 being adjacent to Harris Avenue between vacated 9th street and the westerly foot of Harris in Bellingham, WA.

B. ENVIRONMENTAL ELEMENTS

1. Earth

a. General description of the site (circle one): Flat, rolling, hilly, steep slopes, mountainous, other

Flat

b. What is the steepest slope on the site (approximate percent slope)?

The site is mostly flat, the steepest slope occurs at the bluff easterly of vacated 9th street which has an approximate 60% slope.

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any prime farmland.

Sand, silt, pebbly clay, with deposits of rock and gravel.

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe.

No

e. Describe the purpose, type, and approximate quantities of any filling or grading proposed. Indicate source of fill.

None anticipated.

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe.

Impacts from site clearing or grading will be reviewed on a project by project basis at the time of future development

g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)?

Approximately fifty per cent of the site is covered with impervious surfaces.

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any:

Future construction and grading will include measures to prevent temporary erosion, and all construction activity will be conducted in compliance low impact development guidelines and the Port of Bellingham Stormwater Management Plan.

2. Air

a. What types of emissions to the air would result from the proposal (i.e., dust, automobile, odors, industrial wood smoke) during construction and when the project is completed? If any, generally describe and give approximate quantities if known.

Future construction under this plan will result in minor increases in air emissions will result from operation of construction equipment during various portions of the proposed projects in the plan. Completion of all proposed projects in the Comprehensive Scheme would generate some additional air emission due to increases in traffic and parking uses

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe.

No

c. Proposed measures to reduce or control emissions or other impacts to air, if any:

None proposed.

3. Water

a. Surface:

1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into.

The project planning areas are adjacent Padden Creek Estuary and Bellingham Bay. Padden Creek flows into the Padden Creek Estuary which flows into Bellingham Bay which becomes part of the Strait of Georgia and the northern Puget Sound.

2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans.

Yes, many of the proposed projects envisioned in the plan, including new light industrial use facilities at Fairhaven Marine Industrial Park, a new commercial use facility at the corner of the AMHS Staging/ Boat launch entry road, significant

environmental clean up and capital repairs of the pier at the shipyard, Estuary east bank stormwater treatment improvements and public access boat launch improvements may be partially or entirely within 200 feet of the shoreline.

3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material.

With the possible exception of the shipyard clean up action which will be evaluated under a specific project EIS, no dredging or filling is proposed as part of the Fairhaven Comprehensive Scheme of Harbor Improvements.

4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known.

No

5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.

Portions of marine reach 11 as designated by the City of Bellingham's Shoreline Master Program, a.k.a. portions of Port planning area 3, 4 and 5 are identified on FEMA maps as occurring in the 100 year flood plain.

6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge.

No

b. Ground:

1) Will ground water be withdrawn, or will water be discharged to ground water? Give general description, purpose, and approximate quantities if known.

No

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals. . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve.

Not applicable

c. Water runoff (including stormwater):

1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe.

The Harris Avenue shipyard has a NPDES permit. Generally, stormwater is collected through a series of pipes and treated filtered on site before discharging into other nearby water bodies. The Fairhaven Comprehensive Plan provides for storm water treatment improvements at the Fairhaven Marine Industrial Park for runoff before it enters Padden Creek Estuary.

2) Could waste materials enter ground or surface waters? If so, generally describe.

No

d. Proposed measures to reduce or control surface, ground, and runoff water impacts, if any:

Future development is subject to City of Bellingham stormwater regulations.

4. Plants

a. Describe types of vegetation found on the site:

Shrubs and some lawn exist. There are a few deciduous and evergreen trees in specific planting areas. No wet-soil plants exist on the site. None of the planting areas are altered in this plan.

b. What kind and amount of vegetation will be removed or altered?

No natural vegetation areas exist on the site. Some existing landscaping may be altered and/or replaced as part of the projects envisioned in the Fairhaven Comprehensive Scheme of Harbor Improvement Plan.

c. List threatened or endangered species known to be on or near the site.

None Known

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any:

Not Applicable

5. Animals

a. Circle any birds and animals which have been observed on or near the site or are known to be on or near the site:

Birds: **hawk, heron, eagle, songbirds**, other:

Mammals: deer, bear, elk, beaver, **other**:

Fish: bass, **salmon, trout**, herring, **shellfish**, other:

There are hawks, eagles, songbirds, seabirds & gulls, salmon and shellfish on or near the site. Marine mammals are occasionally spotted in the near shore waters of Bellingham Bay. Additionally, the site is located in the Pacific Northwest Flyway, and is the heavily populated with migratory birds during the winter months.

b. List any threatened or endangered species known to be on or near the site.

Of the nine west coast salmon species listed as threatened under the Endangered Species Act (ESA), only one occurs in the vicinity of the project area. This is the Puget Sound Chinook Salmon. Bull Trout, listed as a threatened species under ESA, is a member of the North American salmon family. Other ESA listed species in the Bellingham Bay area include Bald Eagle, Peregrine Falcon, and Marbled Murrelet. While the project site and vicinity does not provide eagle habitat, it may serve as a food source for the bald eagle. The Port's Fairhaven property has no documented peregrine falcon nests. There are no known Marbled Murrelet nest sites along the shoreline of Bellingham Bay and no clear association exists between these birds and the project site. Limited information is available on the presence and residence time of marine mammals in Bellingham Bay. Bay wide four species of marine mammals have been reported. These are the harbor seal, Orca whale, gray whale and harbor porpoise. The North Pacific Southern Resident Orca whale population, specifically J, K and L pods, are listed as endangered under the ESA. Orca whales are occasionally observed in or near Bellingham Bay, though they are more typically observed in Rosario Strait and near the San Juan Islands. The other marine mammals are not threatened or endangered species under ESA but are protected from hunting under the Marine Mammal Protection Act.

c. Is the site part of a migration route? If so, explain.

Yes, portions of the site serve as a buffer area for the Padden Creek Estuary. Padden Creek, a salmonid spawning stream, is the primary fresh water source to the Padden Creek Estuary. The estuary generally drains completely at low tides, resulting in minimal fish refuge and forage function except during higher tides. Estuary mudflats are utilized as foraging habitat by great blue herons, dabbling ducks, Canadian geese and the occasional shorebirds year around. The Puget Sound area is part of the Pacific flyway, and birds that inhabit the area vary seasonally due to migration.

d. Proposed measures to preserve or enhance wildlife, if any:

Stormwater treatment improvements, east bank estuary buffer enhancements restoration and potentially lighter impact land uses at Fairhaven Marine Industrial Park, as provided for in the proposed Fairhaven Comprehensive Scheme of Harbor Improvements, will result in fish and wildlife habitat improvements.

6. Energy and natural resources

a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc.

No new energy requirements are proposed. Energy needs for developments described within the Fairhaven Comprehensive Scheme of Harbor Improvements are within existing capacities.

b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe.

No

c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any:

None Proposed

7. Environmental health

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste that could occur as a result of this proposal? If so, describe.

The Fairhaven Comprehensive Scheme of Harbor Improvements will not cause any hazards directly. As with any potential future development project, there is a small risk of accidental spillage of fuels, oils, or hydraulic fluids during equipment operation.

1) Describe special emergency services that might be required.

None

2) Proposed measures to reduce or control environmental health hazards, if any:

None proposed

b. Noise

1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)?

Existing sources of noise in the area include rail traffic, vehicle traffic on surrounding streets, upland activity such as boat repair and seafood processing, and occasional boat traffic noise.

2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site.

Existing businesses and individuals within the Fairhaven Terminal area will experience temporary increases in noise levels related to operation of construction equipment involved in grading, demolition, and construction of facilities described in the Plan. If all development envisioned in the plan occurs, there may be a slight increase in noise levels, but this increase is not expected to be significant.

3) Proposed measures to reduce or control noise impacts, if any:

None proposed

8. Land and shoreline use

a. What is the current use of the site and adjacent properties?

Uses of the site and adjacent properties include: seafood processing, ship & boat building and repair, fueling facilities, warehouses, net repair, restaurants, retail, parking, and water, rail and ground passenger transportation and public uses such as parks, trails and boat launching.

b. Has the site been used for agriculture? If so, describe.

No

c. Describe any structures on the site.

Port facilities in Fairhaven consist of the Bellingham Cruise Terminal, Fairhaven Station, Fairhaven Marine Industrial Park, a shipyard, a fish processing facility, distribution and warehousing facilities, Marine Park, a public boat launch and associated parking areas.

d. Will any structures be demolished? If so, what?

No, this proposal is a non – project action. However should light industrial development and subsequent re-alignment of vacated 9th street occur on the NE portion of the Fairhaven Marine Industrial Park as conceptually contemplated, two structures which are exempt under WAC 197-11-800(2)(f) could potentially be demolished .

e. What is the current zoning classification of the site?

Heavy- Mixed, Marine, Planned Mixed, Light- Mixed, Light & Public

f. What is the current comprehensive plan designation of the site?

Industrial & Public

g. If applicable, what is the current shoreline master program designation of the site?

Urban Maritime

h. Has any part of the site been classified as an "environmentally sensitive" area? If so, specify.

Yes, all shorelines of state wide significance are classified as environmentally sensitive.

i. Approximately how many people would reside or work in the completed project?

No residential uses are contemplated on the project site. Approximately 50 new jobs could be created as a result of the proposed development identified in the Fairhaven Comprehensive Scheme of Harbor Improvements.

j. Approximately how many people would the completed project displace?

None

k. Proposed measures to avoid or reduce displacement impacts, if any:

None Proposed

l. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any:

Developments and land uses described in the Fairhaven Comprehensive Scheme of Harbor Improvements are subject to permitting approval by the City of Bellingham. The Port intends to work with the Fairhaven Neighborhood Association for a zoning changes.

9. Housing

a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing.

None

b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing.

None

c. Proposed measures to reduce or control housing impacts, if any:

None Proposed

10. Aesthetics

a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed?

Potential drystack storage of boats could be the tallest proposed structure at +/-55' above grade. Other uses are likely to be +/- 35'. Exterior building materials for the industrial facilities would primarily be wood or metal siding with metal roofs. Exteriors for Mixed use buildings would likely be masonry units with metal roofs.

b. What views in the immediate vicinity would be altered or obstructed?

None, this proposal is a non – project action. However, it is anticipated that future developments would likely preserve views from upland areas through careful planning and location of uses, and buildings. As a result, significant obstruction of views is not expected. Future development projects would be separately reviewed for impacts under SEPA requirements.

c. Proposed measures to reduce or control aesthetic impacts, if any:

None Proposed

11. Light and glare

a. What type of light or glare will the proposal produce? What time of day would it mainly occur?

None, this proposal is a non – project action. However, it is anticipated that future developments would likely use shielded high pressure sodium lights from dusk to dawn. Future development projects would be separately reviewed for impacts under SEPA requirements.

b. Could light or glare from the finished project be a safety hazard or interfere with views?

Not Applicable

c. What existing off-site sources of light or glare may affect your proposal?

None

d. Proposed measures to reduce or control light and glare impacts, if any:

None, However, it is anticipated that future development projects will use light fixtures that are fully cutoff fixtures and shielded.

12. Recreation

a. What designated and informal recreational opportunities are in the immediate vicinity?

Besides informal water and boat viewing, the site includes a public park & beach (Marine Park) and a public boat launch.

b. Would the proposed project displace any existing recreational uses? If so, describe.

No

c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any:

This proposal will preserve water access and recreational opportunities by maintaining small boat launch capabilities and will maintain public access trails.

13. Historic and cultural preservation

a. Are there any places or objects listed on, or proposed for, national, state, or local preservation registers known to be on or next to the site? If so, generally describe.

No

b. Generally describe any landmarks or evidence of historic, archaeological, scientific, or cultural importance known to be on or next to the site.

None Known

c. Proposed measures to reduce or control impacts, if any:

None Proposed

14. Transportation

a. Identify public streets and highways serving the site, and describe proposed access to the existing street system. Show on site plans, if any.

Vehicular access to the site is via Harris Avenue. At its eastern end, Harris Avenue intersects with 10th Street, South to Old Fairhaven Parkway and the Interstate 5 interchange.

b. Is site currently served by public transit? If not, what is the approximate distance to the nearest transit stop?

Yes

c. How many parking spaces would the completed project have? How many would the project eliminate?

Potential development projects would provide parking pursuant to City of Bellingham code. No parking would be eliminated.

d. Will the proposal require any new roads or streets, or improvements to existing roads or streets, not including driveways?

If so, generally describe (indicate whether public or private).

The proposal potentially improves the vacated 9th street, private road. Configuration of light industrial uses on the north east end of the Industrial Park will result in improved vehicle and pedestrian circulation

e. Will the project use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe.

Yes, water, rail and ground transportation currently exists on site. The proposal anticipates these transportation uses to continue. No air transportation is anticipated.

f. How many vehicular trips per day would be generated by the completed project? If known, indicate when peak volumes would occur.

Additional project specific traffic analysis would be performed for permitting of specific project elements, and based on specific uses proposed. Peak volumes would be expected in summer months during peak boat and tourist use.

g. Proposed measures to reduce or control transportation impacts, if any:

None Proposed

15. Public services

a. Would the project result in an increased need for public services (for example: fire protection, police protection, health care, schools, other)? If so, generally describe.

No. Needs for public services generated by the projects in the plan are expected to be met with existing services.

b. Proposed measures to reduce or control direct impacts on public services, if any.

None Proposed

16. Utilities

- a. Circle utilities currently available at the site: electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, other.**

Fully serviced

- b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed.**

Needs for utilities generated by the projects in the plan are expected to be met with existing services and capacities.

D. SUPPLEMENTAL SHEET FOR NONPROJECT ACTIONS

Because these questions are very general, it may be helpful to read them in conjunction with the list of the elements of the environment.

- 1. How would the proposal be likely to increase discharge to water; emissions to air; production, storage, or release of toxic or hazardous substances; or production of noise?**

The proposal is not likely to increase noise, air emissions, production & storage of hazardous substances or water discharge.

Proposed measures to avoid or reduce such increases are:

The Fairhaven Comprehensive Scheme of Harbor Improvements allows for potentially lighter impact uses than existing uses at the Fairhaven Marine Industrial Park, plus enhanced storm water treatment and use of low impact development construction methods where viable.

- 2. How would the proposal be likely to affect plants, animals, fish, or marine life?**

The proposal will likely result in fish and wildlife habitat improvements.

Proposed measures to protect or conserve plants, animals, fish, or marine life are:

Storm water treatment improvements, east bank estuary buffer enhancements and lower impact land uses at Fairhaven Marine Industrial Park.

- 3. How would the proposal be likely to deplete energy or natural resources?**

The proposal will not deplete energy or natural resources

Proposed measures to protect or conserve energy and natural resources are:

Not Applicable

4. How would the proposal be likely to use or affect environmentally sensitive areas or areas designated (or eligible or under study) for governmental protection; such as parks, wilderness, wild and scenic rivers, threatened or endangered species habitat, historic or cultural sites, wetlands, floodplains, or prime farmlands?

The proposal will likely improve designated environmentally sensitive areas.

Proposed measures to protect such resources or to avoid or reduce impacts are:

Storm water treatment improvements, east bank estuary buffer enhancements and lower impact land uses

5. How would the proposal be likely to affect land and shoreline use, including whether it would allow or encourage land or shoreline uses incompatible with existing plans?

The proposal is consistent with proposed shoreline regulations. The proposal is inconsistent with existing zoning and would require a zoning change to allow for lower impact uses.

Proposed measures to avoid or reduce shoreline and land use impacts are:

Apply for land use changes which are consistent with proposed shoreline regulations.

6. How would the proposal be likely to increase demands on transportation or public services and utilities?

The proposal is not likely to increase demands on transportation, public services and utilities. Additional project specific traffic analysis would be performed for permitting of specific project elements, and based on specific uses proposed. Needs for public services and utilities generated by the proposal are expected to be met with existing services

Proposed measures to reduce or respond to such demand(s) are:

Not applicable.

7. Identify, if possible, whether the proposal may conflict with local, state, or federal laws or requirements for the protection of the environment.

Proposed Uses and structures contained in the Fairhaven Comprehensive Scheme of Harbor Improvements are consistent with local, state and federal regulations for the protection of the environment.