



COMMUNITY DEVELOPMENT COMMITTEE

MINUTES

4:00 PM September 18, 2024
2nd Floor Conference Room, City Hall

1. ROLL CALL

Council Members: Brent Lenssen, Gary Bode
Staff: Ted Brouwer, Heidi Gudde
Guests: Nicole Terpstra

2. APPROVAL OF MINUTES

Community Development Committee Meeting Minutes of 8/21/24 approved as presented.

3. DISCUSSION ITEMS

- a. Small Scale Mixed-Use Height Restrictions. Gudde gave an overview of the updates to the Mixed-Use code that were approved in 2021 and modified in 2022. The modification to the code, in error, deleted some sections of this code that were meant to remain.

In the process of restoring these sections Gudde also noted that staff would like to propose a modification to the maximum height of buildings that utilize the small-scale mixed-use code. The small-scale regulations were established to address small commercially zoned parcels in the center of the city that have continued to host single-family homes. The regulations allow these structures to be converted to include additional housing units but limit conversions or new construction to just 32 feet in height to respect existing neighborhood scale. Gudde noted, however that there are some exceptions to a smaller neighborhood scale such as the uses along the Grover Street corridor where there is a mix of various commercial uses and church facilities that have a much larger scale. Gudde suggested to the Committee that additional height could be granted, when appropriate, through a Conditional Use Permit (CUP). She noted that CUPs are currently an option to grant extra height in the large-scale mixed-use code.

Nicole Terpstra joined the Committee to reflect her interest in seeing the maximum height of the small-scale mixed-use code be revised to allow for

a site-specific review with the CUP. She owns a property on the Grover Street corridor that is flanked by large scale buildings with no residential homes that would be impacted by additional height if she redeveloped her property. Nicole indicated that her design team would like to move ahead with a 3-story building that would include commercial uses on the first floor and residential on 2 floors above. To achieve the architectural style they desire they would need 36-40 feet of height.

The Committee agreed that a new 48-foot tall building adjacent to an existing single-family home in the central core of the City would be insensitive to the historic neighborhood character. However, the group discussed the Grover Street corridor and the potential for other properties to utilize a height CUP. The group talked about the NewsRoom Pub building which is located nearby. Floors were added to this building to reach a height of about 42 feet. They also noted that if commercial properties are developed as solely commercial uses they are permitted to reach a height of 48 feet.

Conclusions: The Committee indicated support for including the option of additional height for small-scale mixed-use projects through a CUP. The review of the CUP would consider the context of the project and impacts. The Committee was supportive of the proposed potential for building height maximum of up to 48 feet as granted by a CUP.

b. Building Division Proposed Policy on Permit Expiration

Ted Brouwer, the City's Building Official, joined the Committee to discuss what the Building Division has been seeing regarding permit submittals and expirations. Staff desires to have a written policy on handling permits that languish so that it can be evenly applied to all applicants.

Bode asked what other cities were doing with this same issue. Brouwer explained that staff had looked at a number of cities and the county and gave an overview of those. Lynden has traditionally given 180 days to pick up an approved permit but extensions beyond that have been generous. Unfortunately, some permits have become quite dated and staff is concerned about the administrative burden of keeping these permits in a 'ready-to-issue' status.

Lenssen indicated that he wanted the city to collect some fees when a permit is submitted so that staff time is up to date. Brouwer confirmed that a deposit is collected to cover the time that goes into initial administrative

entry and staff review. Review does not begin until this deposit is submitted.

Bode expressed concern over the cost of construction and if permits need to be updated to new codes or resubmitted because they expired then the costs of construction go even higher. These costs, we know, are passed on to the consumers and housing becomes more unaffordable.

The group discussed the pros and cons of maintaining permits in a ready-to-issue status. Generally the Committee agreed that permits could be vested to an older code cycle but not extended beyond the 2nd code update. That is, permits vested under the 2018 code could be extended through the 2021 code update but would need to be initiated before the code updates to the 2024 code cycle.

Conclusions: Staff will create a formal policy memo to document the conclusions of the Committee as summarized below as they apply to residential and fill and grade permits. . Gudde will add to the Unified Fee Schedule a proposed renewal fee of \$500 which would not be officially approved or implemented until the start of 2025.

Extension of Permit Applications

- Permit applications which have been approved and are ready to issue may remain in a ready-to-issue status for 180 days.
- After 180 days the applicant may request an extension – at no charge - so that the permit remains in a ready-to-issue status for another 180 days. All requests for extensions must be made in writing (letter or email) prior to the permit expiring.
- After these two periods the applicant may request additional 180 day extensions but each one has a fee of \$500 (pending Council approval of the fee with the 2025 Budget in December).
- However, at no time may a ready-to-issue permit be more than one building code cycle behind. That is, if we are currently designing to the 2021 code then projects may only continue to be vested to the previous cycle, 2018, until the code is updated to the 2024 cycle. This may mean that a final extension is less than 180 days but the fee will not be prorated or reduced to a per month charge. We do have advanced knowledge about the final date for new code adoption and

we can let applicants know that they have a 'drop-dead' date before it arrives and we completely expire the permit.

Extension of Issued Permits

The policy on expiring permits which have been issued is very similar to the policy on ready-to-issue permits.

- The City will offer 180 day extensions to idle projects if they are requested in writing prior to the permit expiring.
 - The first extension is free but the 2nd extension requires a fee (which is proposed at \$500).
 - Projects cannot remain idle and also be extended beyond 2 code changes- in other words residential projects can be built to the last code cycle but not to the 2 code cycles ago.
- c. **Reinspection fees discussed.** Brouwer explained that a number of contractors are using repeated City inspections as a tool to establish checklists of needed items but not necessarily being diligent about completing these items.

Gudde explained that the reinspection fee of \$75 is currently on the books and has not been enforced.

The Committee discussed how often this was occurring if it was do-it-yourself sort of contractors / home-owners that were having multiple failed inspections. Brouwer reported that it has usually been seasoned contractors that have been using the inspections process inappropriately. Committee asked how the checklist of incomplete items were communicated to contractors. Brouwer indicated that these items are typically discussed with the contractor and added to an inspection report. The group talked about how the implementation of SmartGov will provide a more efficient tracking of inspections and failed items. These items can be entered onsite by the inspector and results of the inspection will be automatically emailed to the contractor when completed and saved to the permit file. Staff is working toward a 'go-live' date of the start of 2025.

Conclusions: Council supportive of the enforcement of the fee. Staff is prepared to notify and enforce the fee beginning October 1st.

- d. Updated Hearing Examiner Rules. Discussed the minor changes that are proposed to by the Hearing Examiner to the rules. Will appear on the 10-7-24 Council agenda as a resolution.
- e. Pepin Creek – Lenssen requested that staff provide updates on Pepin Creek projects and funding requests to CDC with an invitation to all of City Council.

4. INFORMATIONAL ITEMS

- a. Next CDC meeting to include Impact Fee Review.

Next Meeting Date: October 23, 2024