



Blaine-Birch Bay: Undiscovered no longer Last premiere shoreline creates an era of cooperation between government, industry, developers

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by Dan Aznoff



The Grand Bay Resort condominiums, developed by Homestead Northwest, are among the many developments sprouting up in Birch Bay as the area becomes a desirable retirement destination.

Realtor Mike Kent lived his own real-life mystery in the Northwest corner of Whatcom County, complete with plot twists and an ominous villain.

As the main character in his personal drama, Kent adores the Birch Bay neighborhood as the sleepy little seaside community inhabited by people who cherish nature and share his Northwest values.

As the producer of the production, he knew his paradise was destined to be a limited engagement. The potential for commercial development in Blaine and the significance of Birch Bay as the last pristine waterfront property guaranteed the community would earn its moment in the spotlight.

"The area is truly the very last rural waterfront on the West Coast, situated directly in middle of two metropolitan areas," said Kent. "The reason it has remained undiscovered until now is anybody's guess. But I'm just glad that I have been here to enjoy the untouched beauty while it lasted."

Kent fingers the Internet as the cruel scoundrel who leaked the secret of Blaine and Birch Bay to the outside world. Three out of every four potential buyers tell Kent they discovered the seaside community while doing research from their home computer.

"Nine years ago I could not have survived as a Realtor in Birch Bay," Kent said with a sly smile. "Now there are dozens of agents and I rarely need to leave my own neighborhood."

The strength of the Canadian dollar and the 2.3 million homeowners in Vancouver with equity have brought investors from British Columbia south of the border in search of second homes, investment property or the perfect place to retire, according to Kent. More affordable American real estate provides a welcome alternative for Vancouver homeowners when compared to the skyrocketing real estate prices in Victoria or the three hour ride to Colonia. Homes in Blaine and Birch Bay are literally half the price of comparable dwellings in Vancouver, said Kent. The majority of potential buyers from the lower 48 states are from California or other warm weather states looking for summer homes, creating the reverse of snow birds who traditionally move from northern climates to sunny destinations during the winter months.

Residents of Washington state are drawn by the romance of oceanfront property that is more accessible than Ocean Shores or the Olympic Peninsula. The Windermere Realtor expects prices to continue to rise, noting that there are more homes listed under \$300,000 in Whatcom County than anywhere on either coast of the U.S. or Canada.

"The lure to the area was obvious, but less than 25 percent of the people who actually looked at property on Birch Bay decided to invest because the town itself suffered from a severe lack of services," explained Kent. "The closest pharmacy or grocery store was 20 minutes away. "But now we have everything homeowners could desire. Even our very own Starbucks."

Fuel to the fire

Kent, host of Radio Real Estate every Saturday morning on KGMI (790AM) for more than six years, remembers 20 years ago when ownership in Birch Bay was close to 50 percent Canadian. That number has currently fallen to less than one-quarter of the residents, but Canadian ownership is making a comeback thanks, in part, to the weak American dollar in Asian and European markets.

The waterfront community of Birch Bay was a well-kept Canadian secret for second homes until the Canadian dollar began its steady decline in the 1990s. The Loonie currency eventually hit a low of 61 cents in 2002, before beginning its current resurgence.

Border hoppers now account for nearly half of the prospective clients who meet with agents in Blaine and Birch Bay every weekend. That is a pace not seen since 1986 when Vancouver hosted the World Expo. Anticipation of the 2010 Olympics in Vancouver and Whistler will only add fuel to an already blazing inferno, said Kent.

The growth in Blaine and Birch Bay has not come as a surprise to officials in Whatcom County. According to former Planning Director Hal Hart (he left the County as of June 1), the county learned from the mistakes made in other areas of Western Washington and started to revise zoning and building codes in advance of the influx of new residents. Beginning in 1999, the county began to prepare for its future by soliciting input from citizen advisory councils, developer Trillium, and British Petroleum.

The result has been improvements to the storm water runoff system, environ

A storm water utility district was created to guarantee the quality of water in Birch Bay. Zoning standards were established and efforts were mandated to move traffic away from the Bay itself. Each of the moves was made in cooperation with input from the Puget Sound Partnership.

Hart was proud to proclaim the waters in Birch Bay as healthy, exceeding the state and federal standards required for clams, oysters and other shellfish. "Developers from Vancouver are calling many of the shots when it comes to growth in Blaine/Birch Bay," said Hart. "Bellingham is a 28 minute drive, and the last thing developers wanted was another commuter neighborhood. Many of the region's development firms – including Homestead Northwest in Lynden – were interested in preserving the resort nature of Birch Bay. "The county worked together with developers to transform Blaine/Birch Bay from an historic collection of older buildings to a tricycle neighborhood, complete with its own tax base to support the growth."

Eye toward relocation

Unprecedented cooperation between private industry and government agencies has kept the building boom under control, according to Hart. He credits civic leaders for their dedication to the preservation of the quality of life that first attracted outsiders to the area. Hart compared his own vision of Blaine/Birch Bay to the Canadian community of White Rock and the Snohomish County city of Mill Creek. According to surveys conducted by the county, many of the new owners in the Blaine/Birch Bay community initially visit Whatcom County to enjoy vacation property or utilize timeshare properties in the area. Those visitors eventually extend their holidays with an eye toward relocating on the bay for retirement.

"Visitors will return to the resort with their boats. Sooner or later they will take advantage of the easy access to the Inside Passage and the destinations in the southern segments of the Puget Sound," said Hart. "This community is the Gateway to the northern Puget Sound and the Straights of Juan de Fuca. "Birch Bay suddenly becomes the perfect place to drop anchor for retirement."

Evidence of the cooperation from industry is the investment being made in the community by British Petroleum, which owns and operates the refinery at Cherry Point. Hart said BP has established itself as a good neighbor by purchasing buffer zones (including a portion of a local Heron rookery) around the refinery and has maintained the acreage in its natural state for recreational purposes including hunting and shooting.

Hart said the oil conglomerate has also given generously to support the Blaine School District in an effort to enhance the quality of public education. The logic for BP is simple: Superior schools will add to property values and make it easier for industry to attract and remain a desirable employee base.

"Companies that are viewed as pro-nature and pro-education are considered good neighbors, even if they happen to be an oil refinery," said Hart.

The county director said the Blaine/Birch Bay area has been a microcosm of the growth in Whatcom County. The community represents more than one-third of the building permits issued for single family homes over the past seven years. The county has preserved 100,000 acres of the area as agricultural (or rural), which leaves the remaining 100,000 acres for potential home sites.

Good for business

"There are many more reasons to move your business or your home address than just less expensive real estate," said Hart. "We (Whatcom County) had the luxury to plan for growth by working with industry and developers. Working together has helped us realize the goal that being environmentally friendly can actually be good for business."

In an attempt to deal with the inevitable, the county has already begun studies to examine the possibility of incorporation for the Blaine/Birch Bay community. Results of that study are due in December.

"All this was done in to showcase this area as a premiere investment opportunity for many years into the future," said Hart. "Everybody is in agreement that development is okay as long it does not harm the natural charm of the area or the environmental integrity of our region

"Growth was inevitable. It was our job to prepare for the invasion."

Teamwork seems to be the key to growth in the Blaine/Birch Bay area from the sales side of the real estate picture as well. After failed attempts to develop the area in the past, former competitors have come together with Realtors and financial institutions in a united marketing campaign that has brought harmony and prosperity to the community. The joint effort was the brainchild of long-time Northwest resident Ken Imus, president of the Rising Tide Group commercial development firm.

Imus remembered a time – not long ago – when he looked at a map of Washington state to determine the logical place to target his business efforts. With a long-term view of the situation, Imus reasoned any commercial venture must be built with three factors in mind: "First: historic buildings, second: a basic infrastructure (translation: no telephone poles), and third: a solid population base," said Imus. "I've always loved Blaine and Birch Bay. And it was right under my nose all this time."

Imus envisions the Blaine/Birch Bay area as "The Santa Barbara of the North," drawing new residents into the community thanks to its proximity to an international border, the Puget Sound and an interstate highway.

"The community has all the necessary ingredients, plus its own unique brand of charm," said Imus. "There are thousands of people who remember coming to this area when they were children when it was just a collection of swamps and camp sites that catered to families vacationing from Seattle and points south."

One-stop shop

The combined brain trust of developers and real estate professionals resulted in www.undiscoveredwaterfront.com, a Web site that features homes, condominiums and vacant land in Birch Bay, Blaine and Semiahmoo. The site is a one-stop shop for people on the hunt for vacation property, time shares, condominiums or retirement options.

In addition to property listings, the site spotlights recreational opportunities, shopping and dining, as well as an introduction to the financial options available to owners of second homes.

"Working together has many more upsides than working against each other," said Kent, who is the prominent Realtor on the site. "If one person fails, we all fail."

Recent articles in the Alaska Airlines in-flight publication and Sunset Magazine have generated even more buzz about the development of Blaine/Birch Bay, according to Kent. He added that Alaska has added direct flights to Bellingham in response to the number of potential buyers wanting to visit the area. Kent said other airlines have begun flights from hub airports, including direct flights from Phoenix, Palm Springs and Columbus.

"Homestead has purchased and revitalized the waterslide (a long-time community draw)," said Kent. "We are an improving community. But we also need to retain what brought visitors here in the first place.

"We need to bring fun back to the Bay."

Kent said the community currently has seven condominium projects available, and three more on the drawing board.

Built Green

In keeping with the environmentally aware green theme for builders, Fred Bovenkamp of Bovenkamp Development has completed the first phase of a master planned community that will eventually offer 650

units of upscale residential dwellings adjacent to the Semiahmoo resort. Homes will range from zero lot line duplex homes to luxury condominiums and town homes under the umbrella Horizon Village at Semiahmoo.

“Built Green is more than just a slogan for us,” Bovenkamp said passionately. “We believe it is what the consumer wants and what has become expected of top tier quality builders, even if it is done at considerable expense.”

The community includes water treatment for storm water runoff and homes will be built with respect to existing wetlands and wildlife refuges. Contemporary designs will take advantage of natural sunlight and minimize waste, while sustainable resources will be used whenever possible in the construction phase. Built adjacent to the Semiahmoo Resort and its two world-class golf courses, owners in Horizon Village will have the option of buying social membership to the exclusive club. Each house will have southern exposure to maximize solar potential, as well as take advantage of views to the north of Birch Bay and Mount Baker. The development will eventually include 100,000 square feet of retail space.

Gold Star Resorts Inc. of British Columbia has been active in the Birch Bay community since 1991, developing timeshare condominiums and commercial resorts for Worldmark, Trendwest and the Rain Tree Corporation.

Gold Star’s Ocean Breezes complex is comprised of 102 timeshare condos, built in two phases, with approximately 20,000 square feet of oceanfront commercial space. The Sandcastle Resort and Spa includes 49 timeshare units, a social club and approximately 25,000 square feet of retail. The Sandcastle project was completed this spring with the Whisper on the Bay spa, a restaurant, a sales office, a swimming pool and oceanfront patios.

The next phase of Gold Star’s oceanfront resort will include 68 condominium units and additional commercial space. Construction is scheduled to begin later this year.

Project Manager Peter Spencer estimated that the Gold Star-built timeshare complexes generate as many as 250 fulltime jobs that fuel the local economy. Many of the facilities are mixed use developments built to pamper timeshare owners, including on-site spas, restaurants, banks and even liquor stores. All of these amenities are open to the public.

Spencer added that Gold Star has dedicated large portions of ocean front property for public use as part of its commitment to the Birch Bay community. The Canadian firm has been responsible for more than \$70 million (U.S.) in construction in the Birch Bay area over the past 15 years.

Hart summarized the passion that has turned Birch Bay into the destination of choice for visitors from throughout North America: “Of all the beautiful places in Washington state – and there are many – but Birch Bay is the jewel at the center of the necklace.”

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