

January 14, 2026

Whitefish Planning Commission
City of Whitefish Planning Department
418 E. 2nd Street
Whitefish, Montana 59937

Re: Vision Whitefish 2045 Community Plan Land Use, Economic Development, and Housing Elements

Commissioners,

Crandall Arambula, representing The Heart of Whitefish respectfully submits our issues, concerns, and proposed changes to the Vision Whitefish 2045 Community Plan. We request that the Economic Development, Land Use, and Housing Elements do not include Mixed Use or Neighborhood Center policies promoting retail use, nor zoning updates that include permitted or conditional retail use outside the Downtown Business District or other town areas where retail is currently permitted by right or conditionally.

ISSUES AND CONCERNS.

The need for more neighborhood housing is well supported by state mandated MLUPA policies and housing needs assessment data, however no growth policy rationale nor data has been provided to justify the need for retail use in neighborhoods. The proposed Vision Whitefish 2045 scenarios propose polycentric, mixed-use neighborhoods without assessing Whitefish's long-term supply and demand for retail, nor the impacts on struggling downtown retail businesses if neighborhood retail is permitted.

Permitting additional neighborhood retail businesses will exacerbate the downtown vacancy condition, weakening the Downtown Business District as a destination for local and tourist shoppers, and in turn reducing resort tax revenues. Our initial analysis indicates that there is not sufficient latent demand to justify expanding current retail supply outside the Downtown Business District. Currently there are 89,750 square feet of storefront parcel vacancies and retail sites available downtown (Attachment A). Moreover, based on our assessment of the Vision Whitefish 2045 growth scenario housing development areas, there are 3 areas where neighborhood retail use could be technically viable, resulting in up to 90,000 square feet of competing entitled retail use (Attachment B).

Neighborhood mixed use retail is difficult to finance and will tamper affordable housing developer interest. Rather than providing developers with predictability and certainty that building workforce housing will be financially feasible, including retail use as a component of neighborhood housing place types adds unnecessary financial and design barriers to existing hard to develop affordable housing sites. Adding well-intended but poorly conceived policy and zoning to sites where retail is not viable will result in little or no housing development and in turn, Whitefish's non-compliance with state mandated 2045 housing targets.

REQUESTED ACTIONS

Crandall Arambula proposes the following actions:

- Remove all references to retail in the **Vision Whitefish 2045 Economic Development, Land Use , and Housing elements' policy text and graphics**. Mixed Use Neighborhood and Mixed-Use Center Place Types are removed and replaced with an alternative residential 'Mixed Income' place type(s) or other place type(s) determined by town planning staff and the community.
- **Provide Downtown Retail Preservation Policy and Regulations.** Preserve and strengthen downtown as the sole focus for retail shopping in Whitefish by including policies and regulations that will direct planning, design, and funding of a new downtown supportive projects identified in the Downtown Business District Master Plan such as the 2nd and Spokane parking structure, and prohibition of any changes to the character and function of Central Avenue such as removal of existing motor vehicle roadway access and parking.
- **Add Transportation Element policy that directs the buildup of a robust town-wide active transportation network by 2045.** Complete and supplement Connect Whitefish Pedestrian and Bicycle Master Plan network connections to the downtown to ensure all neighborhoods have equitable, safe, direct, and convenient access to the Downtown Business District goods and services.

Reference information:

Crandall Arambula requested actions are supported by the firm's 28-year experience in downtown revitalization, including the Whitefish Downtown Business District Plan, numerous neighborhood planning projects throughout North America, and an intimate understanding of Whitefish's unique physical, economic, and social conditions. To aid your deliberations we have included attachments that include information about downtown retail land use that we publish as part of the firm's Revitalization Series planning and design educational materials that is available upon request at our website, www.ca-city.com

Whitefish is a community that we have both have a professional pride in our role in the revitalization of the Downtown Business District, and a personal attachment to this special part of America. We provide our input with the hope that we can aid the adoption of a bold yet realistic Vision Whitefish 2045 Community Plan.

Thank you,



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Attachment A

Downtown Business District Vacant Land and Storefront Vacancies. In December 2025, the Heart of Whitefish prepared a Downtown Business District assessment of vacant storefront and undeveloped retail sites within the Downton Business District.

A total of 89,750 square feet of storefronts and vacant parcels are currently available.

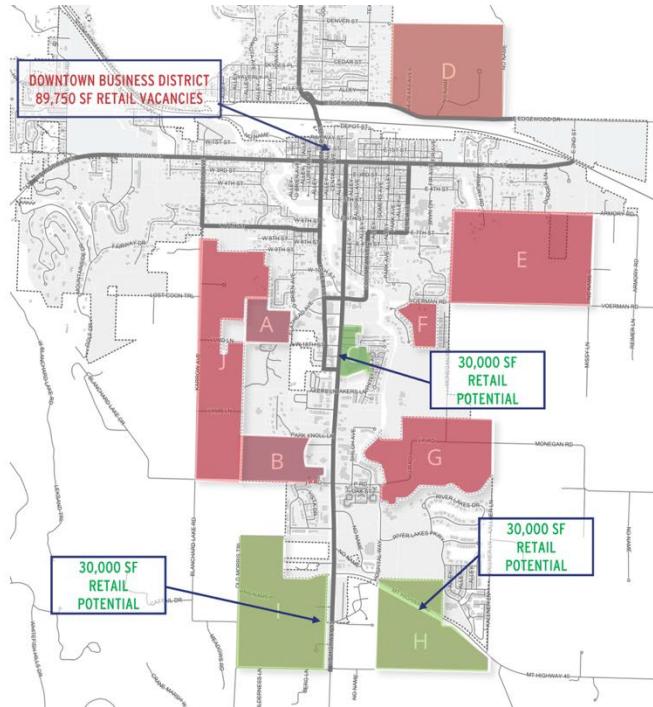


Attachment B

For the analysis of Mixed-Use Center proposals, Crandall Arambula has prepared a Main Street Retail Development assessment to determine the viability of retail, based on the firm's experience developing downtown and neighborhood plans over the last twenty-eight years. We offer the assessment as a tool to inform Vision Whitefish 2045 Place Type decisions.

The assessment indicates:

- **Punitive Development Policy.** Seven of the proposed areas identified (including areas within the current city limits and outside the city limits) will not meet drive-by traffic or population performance standards (See Attachment C) for neighborhood retail success. Any policy allowing retail by right in Mixed Neighborhood or Neighborhood Center Place Types policies will cannibalize existing downtown retail, therefore Crandall Arambula recommends that all neighborhood retail policy be removed from 2045 growth scenarios. Instead, we suggest a new 'Mixed Income' housing-only place type(s) that fosters a range of 'missing middle' unit types- townhome, duplex, tri-plex, small lot detached housing. Moreover, to provide essential walking and biking access between residential neighborhoods and retail goods and services in the downtown, we recommend robust pedestrian and bicycle network improvement policies and regulations as described in the Connect Whitefish Pedestrian and Bicycle Master Plan (gray lines).
- **Unwarranted and Unnecessary Retail Destinations.** Areas C, H, I lack nearby existing households nor sufficient developable land area to support a neighborhood main street retail destination. However, areas C, H, and I front busy highways, and as result can meet minimum drive-by traffic performance standards. Combined, these three areas represent up to 90,000 square feet of potential entitled new retail uses that would pose significant Downtown Business District competition. As such, without a market analysis indicating demand for additional retail use, we recommend that these areas designated as Mixed Income moderate density or other place types.



MAIN STREET RETAIL DEVELOPMENT ASSESSMENT

Performance Standards:

VIABLE: Meets Standards
NOT VIABLE: Cannot Meet Standards

SCENARIO AREAS

Area	Performance Standards	
	Drive-by Traffic	Population
A	NO	NO
B	NO	NO
C	YES	NO
D	NO	NO
E	NO	NO
F	NO	NO
G	NO	NO
H	YES	NO
I	YES	NO
J	NO	NO

Attachment C

The following pages include information concerning retail land use, including:

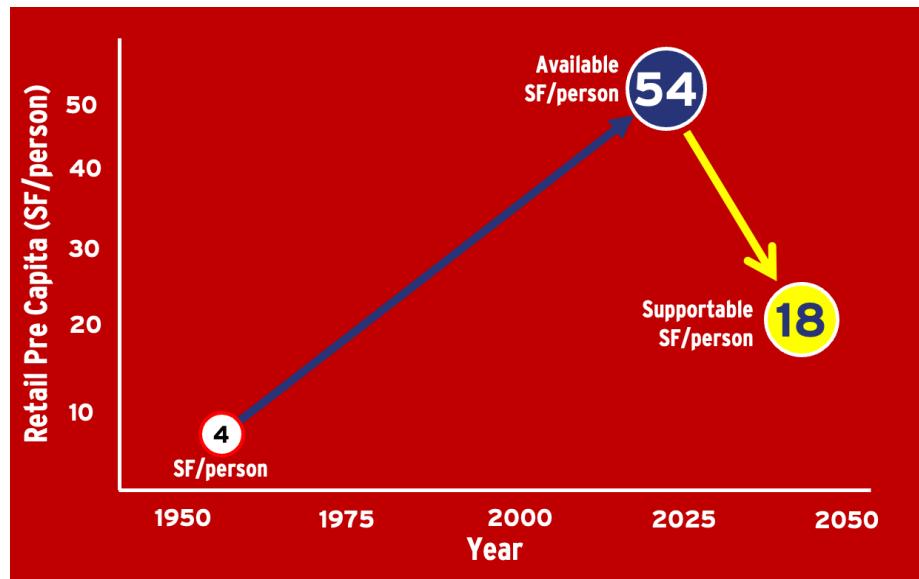
- Brick and Mortar Retail Trends
- Where People Shop
- Types of Retail Shopping
- Main Street Retail Performance Standards
- Main Street Design Standards and Guidelines

America is considered 'over-retailed'. Historically, the United States communities have maintained significantly more 'brick and mortar' retail space per capita than other nations, a trend that accelerated into the 21st century due to suburban sprawl, poly-centric community plans, and de-emphasis on downtown as the focus for retail development.

Crandall Arambula's retail research indicates that 12-18 square feet of retail building floor area per capita is a sustainable target range amount for a vigorous community.

Reliance on tax revenue.

Many communities rely on retail sales to provide revenue for public services. Competition for tax revenue has had a significant effect on retail growth, primarily by driving the "fiscalization" of retail land use—where local governments make land-use decisions based on their ability to generate tax revenue with disregard of the impacts on existing retail districts that have generated the revenue. **Healthy cities ensure that tax revenues benefit the districts that generated the revenue.**



Retail Policy Consequences.

Communities often require retail as part of district and neighborhood plans to improve livability without understanding the fundamental requirements for retail success.

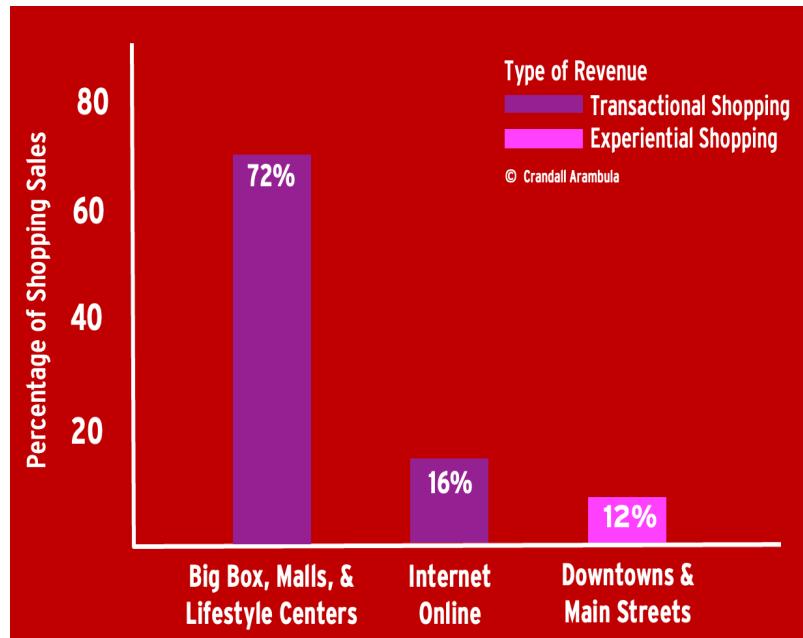
- **Mixed Use Mandates.** Project financing is difficult for neighborhood mixed use buildings where retail is required as a ground floor use, resulting in 'shelf plans' that are not implemented that in turn, lead to community frustration that their vision of active and vital neighborhood retail shopping destination is not realized.
- **'Ghost' Storefronts.** Where mixed use buildings are constructed without regard to retail development fundamentals, retail tenants are difficult to recruit, and if spaces are filled businesses often fail. Long-term, this results in vacant mixed use building ground floor storefronts that become an economic burden for the building owners and create inactive 'dead edges' along street frontages, resulting in visual blight and opportunities for vandalism and crime – reducing community livability, the very objective that they were intended to improve.

Americans still primarily shop in physical 'brick & mortar' stores, but the online share of sales is rapidly increasing and is the main driver of change in the retail landscape.

Downtown and Neighborhood Main Street stores account for a small share of shopping expenditures. While some growth has occurred in this segment, this increase is not likely to result in a significant uptick in the percentage of total retail sales.

Revenue by Segment (2025)

- **BIG BOX, MALLS, AND LIFESTYLE CENTERS.** In the U.S., 72 percent of all retail purchases occurs in this segment, with big box store transactional retail spending accounting for the vast majority of segment revenue.
- **ONLINE.** The most significant change over time has been the rapid rise of e-commerce, which has grown from under 5% in 2010 to over 16% of total retail sales in 2025.
- **DOWNTOWN/NEIGHBORHOOD MAIN STREET.** A study by the International Downtown Association indicates their relative minor shopping share. Using Census and tax data the analysis found that in cities with healthy downtowns can generate up to 12% of citywide sales tax revenue.



Revenue Trends

Overall, transactional & experiential shopping trips are declining.

- **Fewer Transactional Trips on Weekly Basis.** A good indicator is grocery shopping which the single greatest generator of shopping trips. The average number of grocery store trips per person has dropped from eight per month in 2022 to around six per month in 2024.
- **Transactional Shopping Trip Consolidation.** The reduction in trips can be accounted to consumers making larger purchases per trip, an increase in shopping at warehouse membership stores such as Costco and using online ordering for supplemental utilitarian purchases such as house cleaning supplies.
- **Experiential Trip Expansion.** The broader "retailainment" trips are projected to more than quadruple by 2035, yet the total number experiential trips will remain a small portion of all shopping trips.

Retail planning must consider and address objectives of a shopping trip. Transactional retail shopping is about efficiently acquiring a product, while experiential retail shopping is about the journey - the entire interaction and feeling associated with shopping.

'Transactional' Retail Shopping

The **primary type of shopping**, it includes local independent businesses but typically are regional or national brand stores and restaurants such as Walmart, Albertsons, Costco, RiteAid, Home Depot, McDonald's, Starbucks, or Olive Garden.

Primary shopper considerations are:

- **Availability of essential household goods and services purchased on daily & weekly basis**, such as groceries. Shoppers want to get in, get what they need, get out, or have it delivered.
- **Cost of goods, range of selection, and availability of specific features** (size, color, material).
- **Familiarity and trust of brands**, especially for eating and beverage establishments.



Primary requirements are:

- **Store adjacency, visibility, and access to high volume regional serving roadways** to serve residents from a regional capture area.
- **Site auto orientation, including large parking lots** designed for peak seasonal demand.
- **Stores are typically large** and designed with consistent brand architectural elements.
- **Store drive-through window** for food and beverage establishments.

'Experiential' Retail Shopping

The **primary objective is to participate in an entertaining shopping activity**. Businesses are more often independently owned and operated, but may include a limited number of national brands. These uses appeal to local clientele, but because of their authenticity and vibe, can draw out of town visitors and tourists.

Primary shopper considerations are:

- **The 'place' is integral to a store or restaurant purchase.** Streets and storefronts are designed to foster sitting, viewing, and window-shopping.
- **Stores that offer unique goods and services, rather than mass produced, formulaic products.** High-quality, premium products with local craftsmanship over value brands and disposable imported goods.
- **Restaurants and cafes create unique 'third places'** where social interaction and activities is fostered.



Primary requirements are:

- **Store adjacency, visibility, and access to moderate volume roadways** to serve residents from a town-wide capture area.
- **Shopping along walkable 'main streets' worthy of a postcard.** Pedestrian-friendly sidewalks with street-oriented buildings.

Designing Main Street Retail is a science. A unique and memorable retail experience requires stores be arranged in a tight knit, mutually beneficial collection of shops. Sustainable Main Street Retail requires either high populations within walking and biking proximity, or busy street adjacency. Ideally, a combination of the two should be provided.

Retail Floor Area Performance Standards

Downtown and neighborhood shopping destinations must be 'right-sized'. A 'critical mass' of contiguous retail shop floor area must be:

- **Downtown Main Street.** A minimum of 100,000 and a maximum of 150,000 square feet of floor area.
- **Neighborhood Main Street.** A minimum of 20,000 and a maximum of 30,000 square feet of floor area.

Population Performance Standards

Main Street retail floor area can be viable if adequate household population can be provided within the downtown or neighborhood. If residential population is below thresholds, Drive-by Traffic Performance Standards must be met.

- **Downtown:** 8,000 housing units are required within a town-wide retail capture area. Because downtown serves as the focus of city retail and residential development activity, more residential development must be provided to support a greater retail aggregation.
- **Neighborhoods:** 2,000 housing units are required within a neighborhood capture area, a 5-minute (quarter mile) walking distance.



Drive-by Traffic Performance Standards

Drive-by traffic increases the retail capture area where downtown or neighborhood population is not adequate to support retail shops. Minimum drive-by motor vehicle traffic ensures enough customers see storefronts. Too much traffic erodes the Main Street pedestrian atmosphere and becomes a nuisance and deterrent for window shopping and outdoor dining.

Average Daily Trips (ADT) 'sweet spot' for drive-by traffic:

- **Minimum Traffic.** 5,000 ADT provided along or perpendicular to Main Streets.
- **Maximum Traffic.** 15,000 ADT provided along or perpendicular to Main Streets.

Main streets in both downtown and neighborhood centers require strict adherence to design requirements. The requirements are not arbitrary, nor discretionary 'rules of thumb' or 'best practices'; rather they are indisputable proven rules that are non-negotiable.

Minimum Objective Design Standards.

- **Downtown Main Street Length.** Quarter-mile maximum – a 5 minute walk
- **Neighborhood Main Street Length.** A one block maximum
- **Ground Floor Use.** Continuous, uninterrupted, edge-to-edge retail stores and restaurants fronting on both sides of the street. Prohibited uses include street-level uses including banks, offices and housing.
- **Ground Floor 'Active Edge'.** Street fronting doors and windows must be transparent (75% of ground floor facade) to foster walking and drive by window shopping, especially for restaurants. Store finished floor elevations shall be no higher or lower than 30 inches above or below the adjacent sidewalk grade.
- **Pedestrian-friendly frontage.** Buildings must be oriented to the street with parking or driveways between the front facade and property line. Store front doors must be directly accessible from the public street. Doors must be universally accessible.
- **Pedestrian-friendly Sidewalks.** Publicly accessible sidewalks between the main street building facade and street curb line must be present. Sidewalks must be a minimum of 10 feet in width.
- **Shopper-friendly Parking.** Curbside parking must be provided along streets with retail ground floor use.

Subjective Design Guidelines.

Guidelines provide aspirational design direction beyond regulatory rules are capable of describing, addressing more nuanced and more ephemeral concerns such as authenticity, compatibility, and ambiance.

Architecture

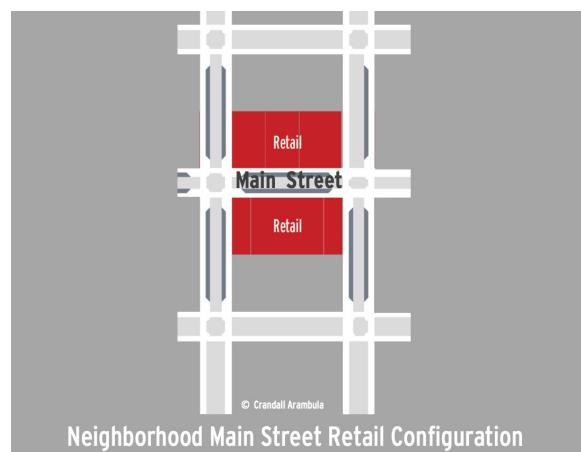
- Style
- Color and Materials

Site Guidelines

- Views
- Screening
- Publicly Accessible Space



Downtown Main Street Retail Configuration



Neighborhood Main Street Retail Configuration

