



**FERNDALE'S UGA PROPOSAL:
PREPARING FOR GROWTH;
PRESERVING COMMUNITY**



FERNDALE URBAN GROWTH AREA PROPOSAL: PLANNING FOR GROWTH, PRESERVING COMMUNITY

Quietly, Ferndale has changed from the rural, agricultural-based small town of the early 1900's to a home-base for refineries and heavy industry at Cherry Point in the 1960's and 1970's, to a bedroom community of Bellingham in the 1980's and 1990's. Today, Ferndale is a thriving city of over 11,000 people with a rapidly expanding diversity of businesses including light industrial, technology, manufacturing, retail, professional services, and many other fields. Ferndale is no longer a bedroom community, nor is it a community dependent on one employer or one industry. Ferndale has become a well-rounded, self-supporting city which values its small-town atmosphere, pioneering legacy, beautiful vistas, and unlimited potential. Ferndale's position within Whatcom County provides its citizens with the opportunity to participate in all elements of Whatcom County life – a lifestyle full of options and possibilities that is unique to Ferndale.

Ferndale's Commitment to Smart Growth

The City of Ferndale has encouraged smart growth policies for some time, including several recent amendments. Several years ago, Ferndale revised its Planned Unit Development policies to allow proposed residential plats to reduce minimum lot sizes, in order to meet minimum densities while preserving sensitive areas. Ferndale's critical areas ordinance permits development to perform off-site mitigation of certain sensitive areas, thereby allowing increased densities throughout the development. The City has established the City Center and Urban Residential zones within the downtown area which require dense, mixed development. In the last year, Ferndale has approved several innovative policies which require that commercial and retail development achieve higher densities, and that such development meet certain environmental and community objectives.

In the last month, Ferndale has approved three major changes to the development policies: implementing a cottage housing ordinance, which would permit higher densities through infill projects, repealing several low density zones, and designing a new water and sewer connection fee system which will provide incentives for dense development in the city core, while increasing development costs for low-density, sprawling residential development.

Ferndale's intent is clear: preparing for growth, while preserving the community. This proposal mirrors that intent, and is split into three areas: 1. A discussion of the Land Capacity Analysis in general, 2. Our proposal for the residential portion of the Urban Growth Area, 3. Our proposal for the commercial/ industrial portion of the Urban Growth Area.

Land Capacity Analysis Discussion: General

Ferndale, like all other jurisdictions in Whatcom County, has been required to make assumptions of future County Council actions without justification. The Whatcom County Council has not approved the Land Capacity Analysis methodology or its assumptions, but the cities have been required to plan specific UGA proposals under the assumption that the LCA has or will be adopted. Ferndale and most if not all of the other cities have a number of legitimate issues with the LCA methodology, and are reluctant to base a proposal to alter the UGA's on the assumption that the Whatcom County Council will

find no fault with it. As will be shown in the next section of this proposal, minor changes to the assumptions of the LCA will have a dramatic impact on the manner in which the UGA will be managed. Therefore, the first element of Ferndale's proposal is as follows:

The Growth Management Coordinating Committee (GMCC) should review and approve the Land Capacity Analysis figures for each jurisdiction prior to forwarding them to the Whatcom County Planning Commission and Council. The Whatcom County Council shall approve the proposed Land Capacity Analysis and gross size of the UGA as it relates to the City of Ferndale (as proposed by the City of Ferndale), prior to the City identifying a proposal for specific areas for reduction or expansion. If the Land Capacity Analysis is approved, the City of Ferndale shall prepare a specific proposal for expansion or contraction and provide it to the Whatcom County Council not later than October 30, 2009.

The Land Capacity Analysis is built on assumptions. The Western Washington Growth Management Hearings Board notes this, stating "this lack of precision permeates the entire process because the assumptions are largely qualitative, reach into the distant future, and reasonable people can disagree about them."¹ Therefore, though it is unreasonable to use the LCA as a crystal ball, it is still important to search for the best available, consistent data in order to improve the results.

Ferndale is concerned that several hidden assumptions have been applied to the methodology, including the general assumption that the various UGA's are oversized. Although in many cases this may prove to be true, conversations with County staff seem to reveal a presumption of guilt before innocence – a desire to prove the existence of large UGA's, rather than a desire to objectively review the UGA's. County staff has used qualitative data to prove their presumed outcome regardless of the impact to people and their community, as evidenced by a) The lack of legitimate discussion and vetting of the process by the GMCC, and, b) The extreme reluctance of County staff to alter the input numbers.

Ideally, in an effort to move from the general to the specific, the County would have first analyzed UGA's based on a four units per acre average throughout each city.² The County would also adopt standard reductions in all cities for infrastructure, market factors, household size, and more. If this general analysis had been completed as an initial scoping exercise, the County would have determined that Ferndale's Urban Growth Area was appropriately sized. The City and County would then have been able to constructively work together to determine whether a four units per acre average is appropriate, what Ferndale-specific deductions should be factored in, or if the densities should be greater (Ferndale proposes a slightly greater density). This was not the case – instead, County staff elected to construct a methodology based on the maximum potential growth within the individual zones – a methodology that would almost certainly result in a finding that UGA's are oversized.

¹ Petree v. Whatcom County, WWGMHB Case No.08-2-0021c (Final Decision and Order, October 13, 2008) p. 27 at 26.

² The four units per acre standard has long been the "bright line" in identifying urban densities, although recent court decisions have found that the definition of urban density varies between jurisdictions and can be higher or lower than four units per acre, depending on the community.

Additionally, though the LCA is expected to be used as a basis for discussing the size and location of Urban Growth Areas, it must allow a reasonable margin of error, to account both for inaccurate assumptions and changing market forces. Ferndale encourages the Whatcom County Council to consider the reasonableness of each City proposal, and the manner in which the proposed expansions or contractions will impact each city's ability to serve the UGA, to expand in a logical and responsible manner, and to preserve and protect our sense of community.

Land Capacity Analysis Discussion: Public Interaction

The Land Capacity Analysis is essentially a technical document which does not easily lend itself to public interaction or understanding. In addition the larger UGA review process is a complex, emotional issue which hinges on public involvement, as it is the public who will provide the appropriate context in defining community character and vision. The current County methodology, due in part to time constraints, has removed legitimate public participation from the process in both of these areas.

Aside from the monthly GMCC meetings, which occur during business hours, most of the public meetings and open houses (including Ferndale's) were not focused on the methodology of the Land Capacity Analysis. Few, if any opportunities were provided for the public to interact or make comments on the results of that methodology.

Due to its non-compliance with the Growth Management Act, Whatcom County has been placed in an unenviable position: the Hearings Board timeline places an additional burden on the County and cities, special interest groups are vocal and active, and the County risks losing additional funding from the State.

Although Ferndale sympathizes with the County's position, it must be pointed out that the Hearings Board decision did not find that Ferndale's Urban Growth Area was not in compliance. Ferndale is concerned that in an effort to meet these abbreviated timelines and to regain compliance with the Growth Management Act, Whatcom County staff is proposing a process that is critically flawed. Ferndale believes that the UGA review should be complete and accurate, rather than short and minimally defensible.

Ferndale believes that the County Council should avoid the tendency to assume that the LCA conclusions are the result of an accurate, precise, or consistent methodology. The City would point out that the 2005 Ferndale Buildable Lands Inventory reached substantially different conclusions related to future capacity than the County's methodology. In fact, the proposed County LCA methodology would result in significantly different conclusions with relatively minor changes to the assumptions.

The City is concerned that the land capacity analysis, which is intended as an important element in the decision-making process, is being utilized as the fundamental basis for these important land use decisions. Although no buildable lands inventory can be one hundred percent accurate, the substantial discrepancies between the City's projections and the County's analysis indicate a need to reconcile the differences. The fact that Ferndale's UGA has never been challenged, and that the conditions which

initially supported the UGA remain valid, would also suggest that a dramatic reduction of the UGA is unnecessary, ill-advised, and potentially ripe for legal challenge.

It has become apparent that there has been a presumption on the part of County staff that not only are many of the UGA's too large, but that their size is incompatible with the Growth Management Act, will lead to sprawl, and must therefore be reduced. The City of Ferndale contends that, though there may be opportunities to resize the Urban Growth Area, a relatively large UGA is not necessarily a bad thing. In fact, a UGA which is capable of supporting a range of densities, from dense multi-family development to residential neighborhoods consisting of single family residences will better address the housing need in Whatcom County than a UGA which is too small to provide a mix of housing options. By reducing UGA's in an effort to force dense development, the County's proposed action will force those residents who wish to reside in single family housing to seek refuge in the unincorporated County. This trend is evidenced by the large percentage of new homes built in the rural areas of Whatcom County.

The County LCA methodology is fatally flawed with regards to the assumption that development will be built to the maximum net densities allowable in the code. This assumption can be roughly equated to the assumption that a vehicle that can achieve a top speed of 160 miles per hour will always go 160 miles per hour. It is much more appropriate to utilize either achieved densities or projected average densities. County staff have suggested that a land capacity analysis based on net densities would "institutionalize" or legitimize inappropriate development practices within cities. However, it would also penalize cities such as Ferndale, which have developed to relatively high densities, far exceeding the traditional "brightline" of four dwelling units per acre.³ The goal of the County staff appears to be to shrink UGA's, without providing a reasonable discussion of why previously-compliant UGA's should be reduced.

The County methodology also lacks consistency in its analysis, mixing existing conditions with planned assumptions, or making extremely precise estimates of future conditions based on existing conditions. For example, the methodology projects the occupancy rate of individual jurisdictions twenty years into the future. Occupancy rate is a snapshot in time and is reflective of a variety of factors such as new construction activity, market upturns or downturns, the time of year, and more. In order to arrive at a more accurate estimate, it would be appropriate to either apply a multi-year occupancy average, or to assume the same occupancy rate for all jurisdictions. The same assumptions apply to household size as well. In some cities, the County has selectively allowed amendments to the Land Capacity Analysis, generally when those amendments would support conclusions for smaller Urban Growth Areas.

The County has consistently pushed the individual cities to complete reviews of the methodology, to provide additional information, to hold public meetings, and to make proposals in order to meet the original deadline of June 30, 2009. The cities consistently requested more time and have demonstrated

³ The County has also determined that it is appropriate to aggregate the remainder of parcels together. For example, a one-acre parcel with wetlands covering eighty percent of the land is shown to be twenty percent buildable. This remaining area – roughly 8,000 square feet – is combined with "remainders" from other parcels. As a result, if this example were replicated five times throughout the city, the LCA would estimate nearly a full acre of developable land (40,000 square feet), when in reality future development on any of the land is unlikely.

that the original timeline was insufficient to a.) become familiar with the methodology to the extent that the cities could make comments/ criticisms of it and the methodology b.) provide valid data related to critical areas, development patterns, floor area ratios, pending projects, and more c.) present initial findings to decision makers and elected officials, d.) provide the opportunity for public comment and interaction, e.) combine the information gathered from elected officials and the public to develop a preliminary proposal for County review, f.) present the proposal to City officials.

The Cities are thus forced to focus their time on analyzing the (often-changing) numbers, rather than exploring the intent of the GMA or the potential impacts of the Land Capacity Analysis. By focusing on numbers-crunching, the planners are essentially forced to “plan by computer,” which will no doubt result in a flawed and troublesome result.

As Director Stalheim has indicated, the process has been “flip-flopped,” so that land use decisions precede the revision to County-wide planning policies. The process has also moved forward without resolving fundamental errors within the various alternatives.⁴ Ferndale must point out that the process appears to ignore several of the existing countywide policies, including the following:

1. Acknowledgement of local community character has largely been ignored, which is contrary to Whatcom Countywide policy C (3) b.
2. Whatcom Countywide Policy D4 : requires that population shall be absorbed at a range of densities consistent with the citywide vision.
3. All cities should grow in an efficient manner while maintaining their character (Countywide policy D5).

Ferndale is also concerned that the public comment period for the Environmental Impact Statement does not end prior to the submittal of proposals by the cities. The changing nature of the Land Capacity Analysis and the uncertainty over the EIS has made formulating a proposal a moving target. Finally, the fact that the EIS comment period overlaps the time in which cities must make their proposals forces the individual jurisdictions to focus on one process or the other.

Therefore, Ferndale’s proposal for the residential Urban Growth Area must, at this time, be limited to a technical review of the Land Capacity Analysis. Once the County has established a final land allocation for Ferndale, the City will hold a series of public meetings in order to develop a final proposal for UGA boundaries.

⁴ For example, the Alternative Y scenario is designed to promote additional growth within the small cities, reducing the reliance on Bellingham for future growth. However, Alternative Y also features a larger percentage of growth in the rural areas. There is no alternative that provides for additional growth in the small cities while reducing growth in the rural areas. Also, Alternative Y fails to provide an employment allocation to the small cities that is reflective of the higher population growth the scenario estimates. This perpetuates (and in many cases increases) the small cities’ position as bedroom communities.

Land Capacity Analysis Recommendation: Residential Assumptions

The Alternative Y population allocation for the City of Ferndale is generally consistent with the population trends analyzed in the City’s 2005 Buildable Lands Inventory, and the City does not dispute this population projection.⁵ However, the City does dispute the results of the proposed Land Capacity Analysis, specifically four assumptions within that analysis. The City proposes specific changes to those assumptions, based on adopted standards associated with the Ferndale Comprehensive Plan and/or current Office of Financial Management estimates.

The four changes to the Land Capacity Assumptions are as follows:

1. Multi-Family Occupancy Rate

According to the 2008 OFM estimate, multi-family units (3 or more units) in Ferndale have an occupancy rate of 91.7%. The LCA assumption was 93.3%. **Ferndale recommends that an occupancy rate of 91.7% for all residential units be adopted.**

2. Residential Density Assumptions

Whatcom County staff has requested that the cities provide a reasonable density assumption for future development. These estimates could be in the form of either planned densities (the densities required by code), achieved densities, or a mix of the two. Development in many of Ferndale’s zones has been relatively low, so it has been difficult to arrived at an accurate “achieved density” based on such a low sample. Ferndale Municipal Code identifies maximum densities, which were modified by the County and placed in the proposed Land Capacity Analysis.

In 2007, the Ferndale City Council approved the 2005 update to the Comprehensive Plan. Included in this update was a Buildable Lands Inventory (BLI), which was based on methodology suggested and approved by County staff. The BLI (essentially a land capacity analysis) identifies specific residential density assumptions, which remain relevant in the context of this discussion.⁶ The Buildable Lands Inventory Assumes an average net density as listed below. **Ferndale recommends that the following residential densities be adopted.**

Ferndale Recommendation for Residential Density Assumptions

Land Use Designation	Vacant Densities Per Acre	Partially Developed Densities Per Acre
Low Density (including UGA)	4	2
Medium Density	7	3.5

⁵ The City of Ferndale estimated a total UGA population of 18,949 in 2025, the Alternative Y Allocation would be 20,706 in 2029-2031

⁶ The conditions assumed in the adopted BLI inventory are similar to the conditions found today. In addition, the LCA is a “snapshot in time” to June 2008, approximately one year after the Ferndale Comprehensive Plan, and BLI methodology, were formally adopted.

High Density	12	6
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Ferndale believes that this methodology remains accurate and is a reasonable, objective projection of future average development densities within the City of Ferndale and its Urban Growth Area. **Based on these numbers, Ferndale’s overall density would still exceed an overall average of four units per acre.** It is inaccurate to base projected densities on maximum potential development or on achieved densities for a relatively low number of projects.

3. Infrastructure Deduction

Whatcom County has developed an estimate of infrastructure deductions based on data provided by the City of Ferndale. However, upon closer review, it is clear that the proposed calculation for infrastructure deduction fails to accurately estimate the true reductions that have been experienced and can be projected into the future for single family residential development.

In general, infrastructure includes streets, storm water, and critical areas, and is intended to identify those areas of a parcel that are not dedicated to actual buildable lots. Ferndale has estimated that approximately 42% of gross lot area is dedicated to infrastructure, while the remaining 58% is reserved for buildable lots. The County infrastructure deduction of 19.3% does not capture the extent of all deductions, and **Ferndale recommends a 29.3% infrastructure subtraction.** A combination of a 29.3% infrastructure subtraction and the County-proposed 13% (on average) critical area subtraction will equal the 42% total infrastructure subtraction. Without this change, the Land Capacity Analysis will continue to over-estimate the capacity of residential land in the city and its UGA.

4. Inappropriate Inclusion of Pending Projects

Early in the Whatcom 2031 process, Whatcom County staff requested cities to document projects which had been proposed but not yet developed. Included in this data was a proposed multi-family development project in downtown Ferndale, which more than doubled the anticipated densities in that area. Due to economic uncertainty, this conceptual project has not proceeded to the point of formal application. To count the proposal without a formal development application is inappropriate. **Ferndale requests that this project be removed from the LCA.**

Residential Assumptions Conclusion

The City believes that the preceding recommendations are consistent with the intent of the Land Capacity Analysis. They are based on objective data established by the City of Ferndale, and/or assumptions made by the independent Office of Financial Management. The City of Ferndale has demonstrated its commitment to increasing density and housing choices within the City by establishing dense mixed use zones in the downtown core, by establishing an innovative “cottage housing” ordinance, increasing densities in the Residential Office Zone, eliminating three large lot zoning designations from the Ferndale Municipal Code, and implementing a new water and sewer fee schedule which promotes dense residential development in the downtown core.

Based on the existing Land Capacity methodology, Whatcom County staff has estimated that the current UGA is 234% of the size necessary to accommodate future residential growth. County staff has indicated that the City would be required to reduce the UGA from 2,354 gross acres to 231 net acres.⁷

If adopted as proposed by the City, the revised Land Capacity Analysis would suggest that the City of Ferndale’s Urban Growth Area is oversized and is currently 118% of the area required to meet future capacity. While the City disputes the argument that a larger than necessary Urban Growth Area is inherently undesirable, the City is prepared to initiate a proposal to reduce residential land area, contingent on Whatcom County Council approval of the following:

Based on Ferndale’s proposed changes to the LCA, approximately one third of the residential UGA would need to be eliminated in order to reduce additional capacity, from 2,354 to 1,416 gross acres. See “Reverse Land Capacity Analysis,” below:

Reverse Land Capacity Analysis - Ferndale Proposal	
Need Net Developable Acres	750
+ General Critical Areas (21.2%)	159
Subtotal	909
+ Future Public Uses (5%)	45
Subtotal	954
+ Future Infrastructure Needs (29%)	277
Subtotal	1231
+ Market Factor (15%)	185
Gross Residential Acres Needed in Ferndale UGA	1416

If the Whatcom County Council acknowledges that Ferndale should identify 1,416 gross acres to be retained in the UGA, the City will prepare a formal recommendation of specific areas for reduction no later than October 30, 2009. In making this recommendation to eliminate nearly 900 acres from the Urban Growth Area, Ferndale is preparing itself to make difficult land use decisions, in some cases reversing land use investments that have been made over the past fifteen years, based on Whatcom County’s previous land use decisions. Ferndale’s proposal preserves the ability of the City to establish logical service boundaries, to provide necessary transportation connections, to take advantage of existing infrastructure, and to allow growing neighborhoods to emerge around school campuses in the northwestern area of the City.

Commercial and Industrial Lands

The “Alternative Y” scenario identified by Whatcom County and its consultants provides Ferndale with the highest employment population growth of the various options, at 3,812 new employees for the period 2009-2031. This results in an average increase of 173 employees per year. The City of Ferndale

⁷ The 231 acres represents the net developable acreage – actual “gross” area could be larger if the City were to accept more unbuildable land.

early and consistently argued that this number is too low to accommodate anticipated employment growth in the City. Ferndale has proposed an alternative employment capacity of 4,747 employees. This alternative capacity is based on the expectation that Ferndale will receive an equal or greater percentage of overall employment growth than it does of population growth (equal or greater to 14% of the total employment growth for the County)⁸, as the city becomes more self-sufficient and desirable commercial and industrial areas are developed.

There are seven primary reasons why the City of Ferndale believes an additional employment allocation is necessary, and why limited expansion of the commercial/industrial UGA is justified:

1. The City of Ferndale's location is highly desirable for new commercial and industrial development, due to its proximity to the major population centers of Bellingham, Vancouver, the Lower Mainland, and the other small cities in Whatcom County. In fact, Ferndale has more population within a twenty mile radius than any city in Whatcom County, including Bellingham. In addition, due to its four freeway interchanges, Ferndale and its Urban Growth Area are extremely accessible both at a local and regional level. There are few, if any undeveloped freeway interchanges in Whatcom County that are as desirable as the Grandview and Slater interchanges for commercial or industrial development.
2. The Whatcom 2031 population allocation did not account for new types of commercial and retail and industrial development in Ferndale. Instead, it appears to be based on the existing mix of these uses. In a city such as Bellingham, with a wide range of commercial, retail, and industrial uses, it may be appropriate to project existing trends outward. However, in a city such as Ferndale, which does not yet have single commercial uses which generate large numbers of employees, this method will likely underestimate the future employment population, thereby artificially limiting the ability of new commercial and/or industrial to develop in locations for which they are ideally suited.
3. Whatcom County's retail base will not stop growing. Some have argued that Whatcom County now has "one of everything," and that retail development in the future will merely cannibalize existing retail by splitting off smaller portions of an unchanging pie. Certainly, retail development in Whatcom County in the late 1980's and early 1990's grew dramatically, as the result of a strong Canadian dollar, the expansion policies of major national retailers, and a perceived lack of retail options in this market. This growth leveled off in the late 1990's and early 2000's as the Whatcom County market reached a stage of maturity and options for Canadian customers north of the border diversified. However, as Whatcom County's population continues to grow, Whatcom County can expect a new round of retail development that will be focused on capturing a market share of the new population. Plus, as Whatcom County's population grows above 200,000 it may "open the door" for new commercial, retail, or industrial development which depends on a larger population.

⁸ The current methodology would allocate 11% of total employment growth to Ferndale

Ferndale believes that the “one of everything” philosophy is critically flawed, and would depend on substantial expansions of existing stores in areas, would generate cost-prohibitive transportation mitigation costs, and would not be located in areas that would serve the new populations. Put another way, in an industry such as retail which depends on affordability and convenience, the one of everything approach would offer little of either.

4. Ferndale is concerned that, although the Alternative Y scenario offers the largest population and employment increases, the ratio of population to employment perpetuates the “bedroom community” relationship to Bellingham. In fact, Alternative Y would increase Ferndale’s dependence on Bellingham. The proposed jobs/population ratio shows that Bellingham’s employment to population growth will be .7 jobs per person, an increase from the .57 jobs per person it currently enjoys. Alternative Y, in contrast, projects that Ferndale will experience a decline from .46 jobs per person to .42 jobs per person. Ferndale’s proposal to adjust the employment allocation to 4,747 would reverse this projected decline, improving the jobs/population ratio from .46 jobs per person to .54 jobs per person. This ratio would still be less than Bellingham’s existing ratio, but would be a step in the right direction.
5. Ferndale acknowledges that commercial and industrial employment projections are inherently difficult to estimate, as they depend on a variety of factors and assumptions. Ferndale’s estimates are no different, but center on three basic philosophies:
 1. Commercial and retail development generally is established at freeway intersections
 2. Ferndale includes four freeway intersections in its city limits or UGA
 3. At least one, most likely two large-format retail developments (200,000 square feet or more of retail space) will be built in Ferndale in the near future and certainly in the next twenty years.
6. As noted above, the Whatcom 2031 employment allocation of 3,812 would be more appropriate if the expectation for Ferndale’s growth was essentially maintaining the status quo. Ferndale has made it clear that the status quo is no longer an option, and that in order to provide the urban level of services and amenities expected by the citizens of Ferndale, it is necessary to have a retail sales tax capture rate of more than 23%⁹. It is not uncommon for a single large retail development (including an anchor store and supporting out-lot stores) to employ more than 1,000 people for all shifts combined. If one such development were to occur in Ferndale, it would reduce the remaining allocation to just 2,800 employees, or 127 new employees in Ferndale per year (ten per month). This rate of growth would clearly be unsustainable, as the population projections estimate a population growth rate of 380 per year. Essentially, Ferndale would be creating only one non-retail job for every three people living in the City.

⁹ Hart Hodges, of WWU and director of the Center for Economic and Business Research, has determined that Ferndale captures 23% of the retail tax dollars that would be expected for a city of its size.

7. The area east of Interstate Five and north of Slater Road has not been designated as an Urban Growth Area, although it is well-suited for urban uses. The area is currently utilized for large-lot residential uses and the grazing of cattle. Many property owners in the vicinity have initiated contact with the City of Ferndale and expressed a desire to become part of Ferndale and to redevelop their properties with commercial or industrial uses. Therefore, it is unlikely that the existing uses, particularly grazing of cattle, will continue to exist far into the future. It is also unlikely that new residential growth will occur (or be desirable) in the area, as Bonneville Power Administration power lines bisect the properties, the ambient noises of the freeway are quite loud, and the traffic volumes are expected to increase. The existing rural zoning is no longer consistent with the surrounding land uses, and the fact that the properties lie at a major freeway interchange within one hundred yards of two urban growth area boundaries, lends credence to the fact that these properties will begin to develop to urban densities in time. The Growth Management Act suggests that urban levels of development should occur only within municipal boundaries, with some minor exceptions. Therefore, the question is not if the area should be in an Urban Growth Area. It is no longer a question of when the area should be placed in an UGA – the only question remaining is which UGA? The City of Ferndale is able to extend urban levels of service to the area efficiently and cost effectively. The City of Bellingham, to the south, has expressed on several occasions an unwillingness to extend services to the north. Clearly, the area in question should be included in Ferndale’s UGA.

Ferndale Commercial Proposal (Five Parts):

1. Allocate no less than 4,747 new employees to the City of Ferndale and its Urban Growth Area for the period 2009-2031.
2. Designate approximately one hundred acres at the northeast intersection of Slater Road and Interstate Five as Urban Growth Area for the City of Ferndale.
3. Designate approximately eighty acres on the west side of Enterprise Road as Urban Growth Area for the City of Ferndale.
4. Discuss a possible transfer of UGA territory from the City of Bellingham to the City of Ferndale at and around the intersection of Slater Road and Interstate Five.
5. Deduct approximately 120 gross acres from the existing Commercial and/or Industrial area.