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Ferndale council weighs traffic fee, rebate on Monday

Ralph Schwartz / THE BELLINGHAM HERALD

FERNDALE - City Council members return to the drawing board Monday, March 12, when they reconsider how much to charge developers for the additional traffic their businesses create.

Under pressure at a March 5 public hearing from those who seek to build homes or lease vacant building space, the council backed away an increase in its traffic impact fees. The hearing was on a proposal to raise the fee to \$3,543 near the Interstate 5 interchange at Main Street, and \$3,358 in the rest of the city.

The fee is based on one rush-hour vehicle trip generated by a new store. A big-box store would pay roughly a \$1 million traffic impact fee to build in Ferndale now.

Two new fee proposals that will come before the council on Monday, March 12, are still more than the \$2,300 approved less than a year ago. Even if they approve a higher fee, council members may try to attract developers with an impact fee rebate, also up for consideration Monday.

The rebate would favor the largest retail stores, which Ferndale wants to attract to boost its tax revenue. A large retailer that brings the city more than \$500,000 a year in sales tax revenue would get the maximum rebate of 50 percent.

That's a compromise city officials hope will still enable the city have enough money to pay for traffic improvements needed as new businesses come to Ferndale over the next 20 years. The city anticipates spending \$109 million over that period on transportation projects, with \$39 million of that in the area of rapid development around the Main Street interchange.

City officials are planning for 1 million square feet of new commercial businesses in that area, beyond the normal level of growth.

The council meets in a special session at 6 p.m. Monday, at 5694 Second Ave. The meeting includes a public hearing on the fee rebate and a separate public comment period.