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## Council hears public's takes on Sequim impact fees proposal

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Peninsula Daily News

SEQUIM -- It all came together in one night: Sequim's future, its past and its present struggle.

When will the economy rebound? How much should Sequim residents pay for parks and roads, and which residents should owe the most?

And what is the "elephant in the room" when it comes to talking about the city's situation?

Some two dozen speakers wrestled with those questions during a supersized Sequim City Council public hearing Monday night.

It was the long-awaited hearing on impact fees: more than \$9,000 in proposed charges for each single-family home built here.

### 90 minutes of comment

After some 90 minutes of comments, the council voted unanimously to put the proposed fee ordinances on its agenda for discussion and action March 22.

That council meeting will start at 6 p.m. in the Sequim Transit Center, 190 W. Cedar St.

If the council approves impact fees -- which would help fund improvements to city parks, trails and roads and help build a new city hall and police station -- Sequim will become the first North Olympic Peninsula city to impose them.

The four charges under consideration are a \$3,950 per-home parks impact fee, a transportation -- as in streets -- fee of up to \$2,893, \$718 per home to build a police station and \$1,476 for a larger city hall.

All of these facilities are needed, officials say, if Sequim's infrastructure is to keep up with its population growth.

In recent weeks, a flood of feelings about the fees has deluged City Manager Steve Burkett's office.

"The issue heard the most," Burkett told the council, "is that now is not a good time," to increase the cost of building a home; the construction industry here is already suffering enough, fee opponents say.

"Housing starts peaked at over 200 in 2005," Burkett reported. "Last year I think we had 12 housing starts."

Then came the procession. Dave Blake, a First Federal board member; Peter Black Real Estate co-owner Marguerite Glover; Realtors Bill Humphrey and Mike McAleer and others called on the council to consider the harm they believe impact fees will do to the local economy.

### **'Do no harm'**

"Please," said McAleer, "adopt a 'do no harm' policy to protect housing market activity."

If the city makes building a house too expensive, he added, it'll miss out on excise and sales tax revenues that come from construction, while contributing to the dearth of building-industry jobs.

"The strength of our economy and our economic recovery depend on a healthy housing market," McAleer said.

Sequim is a retirement mecca, Humphrey added -- but if the council imposes impact fees, retirees-to-be won't look to Sequim anymore.

When thinking retirement, Humphrey eyed New Mexico; then his partner read about Sequim in a magazine article.

"I decided I needed to be with him," so here they are, close to 15 years later.

Kevin Estes, a Sequim builder and developer, told the council most of his jobs are out in unincorporated Clallam County.

Impact fees in Sequim will make building outside the city even more attractive, he said.

Estes then asked whether the council truly believes that an additional \$9,000 in fees is a fair price for "quality of life," in the form of parks, roads and public buildings.

Builder Fred Grinnell said he's watched booms and busts hit Sequim. He wants the council to wait on the impact fees.

"I'd just relax a little bit," he said, adding that the economy isn't going to turn around as soon as people might hope.

### **Support for fees**

Yet the proposed fees also have strong support, from the League of Women Voters of Clallam County and from Sequim residents.

"Local governments throughout the United States are increasingly using impact fees," said League president Penney Van Vleet.

Standing in front of a chart showing dozens of Washington cities with significant fees, she added that they're helping to fund public facilities in many growing communities.

The fees are equitable, Van Vleet said, in that they lessen the tax burden on existing residents and distribute it among newcomers, who bring with them the need for more parks, better streets and more government services.

"I am grateful," added Sequim resident Judith Parker, that "I'm standing before a Sequim City Council with the vision," to consider fees to cover the long-term consequences of development.

### **'Elephant in the room'**

Andrew Shogren of the environmentalist group Sequim First thanked the council profusely for addressing what he called "the elephant in the room."

The elephant, Shogren believes, is the fact that impact fees put the cost on "the people who create the impacts," buy building homes here.

Otherwise, those who live in Sequim's existing houses and apartments -- seniors, families -- shoulder the burden, paying for city infrastructure via their taxes.

Lani McCarry, a land developer, home builder and Realtor, sprang to the podium after Shogren sat down.

Her voice shaking a little, McCarry said she's watched a stream of unemployed people come to seek work at her company, Westerra Homes.

There isn't anywhere near enough work for them, and "that," McCarry said, "is the elephant in the room."

She was the last speaker, and as she fell back into her seat, many in the packed council chamber applauded.

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