

Recent Decisions Will Severely Impact Property Owners

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The WHATCOM COUNTY COUNCIL placed moratoriums on Cherry Point industries and drilling previously exempt domestic-use wells. The moratoriums will have a dramatic impact on the tax base. Citizens should understand the impact. Every property owner in the County will suffer higher taxes or lower property values. The consequences are serious.

- Petrogas Energy in Ferndale just requested to reduce their assessed property value from \$262M to \$42M at Cherry Point, a \$220M reduction.
- The County Assessor was required by law to ask the council to set aside \$150,000 of taxpayer funds for legal fees to fight the request.
- Other Cherry Point industrial property owners are prepared to follow suit, potentially creating massive revenue gaps for the County.

The moratorium on well-drilling permits means the value of properties without existing access to water service will be significantly reduced – last year in Skagit County, similar devaluations averaged **75%** for effected properties.

- **The Whatcom County Council had until May 2017 to find a solution** before taking the extreme action to stop 100 to 200 in-progress permits.
- **In December 2016, the Council hurriedly re-affirmed the moratorium with no reasonable or economically viable solutions for property owners.**
- Domestic-use wells account for **less than 1%** of County Water usage.
- The County Assessor estimates between 1,000 and 1,500 properties are immediately affected. Over 5,000 properties may be impacted over 3 years.

The devaluations are the direct result of Council planning decisions restricting development at Cherry Point and the moratorium on domestic-use wells. Tax revenue needs are fixed – property owners not affected by devaluations **WILL PAY MORE IN TAXES** to offset the revenue losses – Skagit home owners are reporting **15%** increases.

The Council is costing businesses and individual property owners hundreds of millions of dollars in property values. Businesses are taking huge losses on property investments. Their ability to grow is restricted. Life savings, long held investments and hopes of building on rural properties are ruined for many locals.

Whatcom County has the highest cost of living versus wages in the State. We have an affordable housing crisis. We have an unpredictable and confusing regulatory climate. Many existing agricultural and small businesses are struggling. Our largest tax payers and best employers at Cherry Point are under politically motivated attack. Businesses will think twice before they move here. No new businesses, no new revenues.

The tax base conundrum is the result of the Council's efforts to stifle growth. The updated County Comprehensive Plan outlines policies that restrict the heavy industrial base and property development for housing. The County will use taxpayer funds to fight revenue reductions they created themselves. The Assessor will be forced to redistribute the tax burden to other property owners, raising taxes throughout our County.

How will the Council pay for inevitable inflation and deteriorating infrastructure – raise taxes, again? The math doesn't work. No-growth may be idealistically appealing, but it is economically ruinous.

Council moratoriums unfairly punish our citizens and undermine our future. Planning decisions impact tax revenues that provide for schools, roads, services and safety in the community. Those same revenues protect our precious environment, parks and trails. Whatcom citizens cherish our unique environment, but the Council must protect our quality of life too.

The Council should be held accountable. With an election this November, more information and public participation, maybe Councilmembers will reconsider their recent actions. Take the time to learn what our local government is doing, participate, and vote. Ensure Councilmembers remember that citizens elect them to work for us, not against us.