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Expected county growth won't pay for itself, report says

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MOUNT VERNON — An expected 100,000 more county residents in the next 50 years will come with a high cost to local governments and service providers.

New schools will have to be built, more roads constructed, and new water lines will have to be stretched to the new developments.

Planning for the cost of growth will take a deliberate effort from local governments, Lorelei Juntunen, from ECONorthwest, told Skagit County commissioners Tuesday.

When it comes down to it, growth will not pay its own way, she said.

Juntunen presented a report Tuesday on the financial impact of growth as it relates to the county's Envision Skagit 2060 project, which plans for the county's growth in the next 50 years. The report, commissioned by the county, explored the costs and revenues that could be associated with different growth patterns — from condensed residential development to one that accounts for more sprawl.

A contract with ECONorthwest and subsequent amendments states the county could pay the company up to \$45,000 for the work.

A 12-person citizens committee, a key of the Envision process, came up with recommendations on how to plan for that eventual influx of new residents. Some of those recommendations include clustering new homes and businesses, attracting outside manufacturing and promoting more collaboration of services among cities.

"You have to have growth to have a strong, vibrant economy — but that growth has impacts, and increasingly growth is not paying for itself in most local communities," Juntunen said. Attracting local manufacturers to the area will make it easier for cities, the county and other public agencies to pay for new growth, she said. While the presence of new industrial development by itself will not contribute more in property tax revenues, it could provide more jobs and keep sales tax dollars spent by those employees in the coffers of local cities and the county.

About half of all employed county residents commute outside of the county for jobs, said Tim Rosenhan, a member of the citizen committee.

"If people are leaving the county to go to work and they are spending their sales taxes (outside of Skagit County), then you're losing revenue," Juntunen said. "That's another reason to think more collaboratively on where you want to locate your industrial uses and what kind of industrial uses you want to attract."

Juntunen said it's less expensive to provide services, such as water, roads and sewer, to compact developments than sprawling neighborhoods. Governments could encourage that type of growth by enacting higher impact fees on construction that takes place farther from existing services.

Commissioners did not comment about potential policy changes.

"I like your ideas," said Commissioner Sharon Dillon. "I'm glad you were able to move this forward. It gives us food for thought and lots to think about and evaluate."