



County asks Land Bank for a loan

By Scott Rasmussen

Apr 30 2008

\$2 million would be used for stormwater projects

Islanders can expect the San Juan County Council to unveil a new set of stormwater fees sometime in July.

If approved, those fees would serve as a primary funding source for an estimated \$6 million in improvement projects countywide over a 17-year span.

But in the meantime, the council, in a 5-1 decision, agreed April 22 to ask the Land Bank for a \$2 million loan from its stewardship fund to back stormwater improvement projects slated for Eastsound over the next six years.

County Councilman Kevin Ranker, South San Juan, objected that Land Bank funds would be tied to Eastsound stormwater projects and voted against it.

Those 10 projects and a firm commitment to pay for them were touted two weeks ago by council members to convince state officials that the boundaries and plans for the Eastsound urban growth area are, for the most part, good to go.

North San Juan Councilman Rich Peterson, chairman of the council's stormwater subcommittee, said at the time that sanctions or penalties, like a temporary ban on building permits, could be imposed on the county unless a concrete financing plan for the Eastsound projects is put in place.

On April 14, county officials assured the Western Washington Growth Management Hearings Board that the projects would be funded through an internal loan as part of a progress report involving Eastsound. In a unanimous decision, the council also adopted the so-called Rasmussen Plan, a guide to combating runoff in Eastsound over the long-term, April 22.

Whether the Land Bank Commission will go along with the loan remains to be seen. County Communications Manager Stan Matthews said that the board, which oversees the

agency and its budget, is under no obligation to grant the loan regardless of its connection to county government and could reject it.

"Absolutely, they have veto power," Matthews said. "They're totally independent in a matter like this even though we're all are part of the same family."

The Land Bank relies on the stewardship fund to cover the cost of protecting, improving and managing the properties it purchases — and those that offer public access in particular. With each new purchase, a percentage of the cost is contributed into the fund to pay for management of that particular property. It operates as an investment fund and roughly \$350,000 was drawn from it last year for maintenance, administration and site enhancements; at the start of the year, the stewardship totaled roughly \$3.4 million.

Land Bank Director Lincoln Bormann expects the loan will be a hot topic when the commission meets May 16 at the Legislative Building in Friday Harbor. It would be new territory for the Land Bank, he said.

"I'm not really sure what's going to happen at his point," Bormann said. "I know the commissioners will be seeking a lot of input on it."

However, Peterson said the loan may prove unnecessary if all goes according to plan. He hopes a new set of stormwater fees will be in place later this year and will have generated enough revenue by the next to finance the first stage of projects. If not, payments on a loan, including interest would come from the county capital facilities account.

"If we work this right, we may not have to borrow anything," Peterson said.