

Lois A. Franco

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Sent: Monday, July 23, 2007 4:57 PM
To: 'Mike Myers'; 'Bonnie Onyon'; 'Ken Ely'; 'Charlie Hawkins'; 'Bruce Wolf'; 'John Liebert'; 'Jason Overstreet'; 'Gary Tomsic'
Cc: 'Terry Galvin'
Subject: Deferment of building permit and utility connection fees, etc., public hearing 7/23/07

To the City Council Members and Appropriate Staff:

Just two weeks ago at a City Council meeting, a request was made by Rick Osborne, on behalf of the owner of Harborside development, the property next to the City's Boardwalk Plaza, that the City Council approve the deferment of building permit and utility connection fees which are required of builders/developers wishing to gain approval and a 'go ahead' for their project within the City of Blaine. We were quite surprised by what appeared from our vantage points in the audience that there seemed to be a favorable Council response, and a decision was made to give further consideration to the request by scheduling it on the next Council meeting. So, it appears on the agenda, in a Public Hearing format, for further consideration and perhaps a decision, this evening.

First, it would seem that the consideration of such a serious matter - on behalf one developer - should be given significant further study and public notice/information, before deeming it worthy of a Public Hearing. Notwithstanding the article in the press, logic would point toward a thorough study and analysis of what the risks, as well as the benefits to the developer are, and similarly, what are the solid risks and potential benefits to the City? We, as with most of the residents in Blaine, would like to see an attractive and functional, 'focal piece' building built on that specific site, as well as elsewhere in Blaine, but the ramifications of granting the request are huge, far-reaching, and potentially very expensive for the City (failure to complete the project because of shifting market trends, potential for builder/owner problems or failure to pay upon completion of the project, suits from other developers/builders who have not or will not receive similar consideration, etc.)

We understand that the City Manager intended to develop guidelines under which such requests could be considered by the Council, but how can such guidelines be developed, vetted and provided for public response in such a short period of time? As truth has it, it can't be. The public, which might ultimately support such an exception in this case, or in others, does not have chance to properly consider and comment. This review process is seriously flawed.

With all respect to Mr. Osborne and the gentleman/company who purchased the property in question, and the deadlines for permits, fee payment, etc., discussed at the last Council session, we wonder why, if this is a viable consideration, was the request or some attempt to resolve this, not addressed at an earlier point? Just seems like the last minute nature of the request and the Council's hurry to respond is inappropriate.

Under what conditions might there be deferment of fees? Any fees? Perhaps that's a good question that needs response. but there needs to be not only time for adequate and responsible study and "due diligence" on the City's part, but there should be a serious question raised about whether the developer really is able to handle the fiscal requirements of the project, and if not now, why would he/the company be later - particular given the vagaries of the real estate market we all are reading about.

This issue reminds us of the 'concurrency' issue ~ the developer is enabled or permitted to proceed while the taxpayers absorb the costs - which are both long- and short- term costs.

Based on the discussion we've heard before the Council earlier, and given the ramifications, short term as well as long term, overall, for the City of Blaine, we urge the Council to either delay further consideration until the residents/tax payers of Blaine (who could left holding the bag on this) OR to deny the request outright.

Bob and Lois Franco