

Town Center Expansion: A Fiscal Sustainability Crisis for Sammamish

The Red Ink Flows

Our beautiful City of Sammamish faces a serious financial challenge affecting every resident:

- **2025 Budget Gap:** \$10,319,000 deficit (\$57,287,000 in revenues vs. \$67,606,000 in expenses)
- **2030 Projected Overspending:** \$20,747,000
- **2030 Projected Funding Balance Deficit:** \$24,099,000

This persistent red ink has already led to new taxes for residents:

- A 6% utility tax has been implemented.
- A potential Metropolitan Park District tax is being considered to fund park expenses.

Will Town Center Costs Exceed Revenues?

The current Town Center plan (2008 Plan as Amended in 2020) allows for 2,000 housing units. The plan includes some information about the costs City taxpayers will bear:

Infrastructure Cost-Sharing With Developers

The Town Center plan states infrastructure will be "funded jointly" between the City, service providers, and private developers, but the exact cost distribution remains unclear:

"Infrastructure will be funded jointly by the City, service providers, and private development. Developers will pay for development costs; the City will pay for those elements where the general public enjoys the benefits;

and funding will be allocated according to the relative amount of public and private benefits."

What does this language mean for taxpayers? We're already seeing the implications:

- **SE 6th Street Development:** The City has committed at least \$2,500,000 for this single project, with millions more projected for future extensions.
- This new road will remove 13 parking spaces from Lower Commons Park affecting the community garden and playground while providing additional land to the developer.
- This represents how the City is interpreting "public and private benefits."

Staggering Capital Investment Projections

- The Town Center plan estimates \$52,646,000 (in 2007 dollars) for capital investment projects.
- Adjusted for inflation, that's **\$81,075,456 in today's dollars**
- While some investments like SE 4th have been completed, the City just added \$2.5 million for SE 6th this year.
- Since these projections are for 2,000 units, what new capital investments will be required for 4,000 housing units?

Nonspecific Operating Cost and Revenue Projections

The Town Center plan seems to combine projections for operating costs and revenues from the Town Center with those from the rest of the City. Without separate numbers, we do not know if Town Center revenues will exceed Town Center costs. We don't want more red ink!

- What are the operating costs and revenues for the current 2,000-unit plan for the Town Center only?
- What are the operating costs and revenues for the proposed 4,000-unit plan for the Town Center only? What is the impact of 4,000 units on stormwater, trees, parks, roads, water and sewer?
- What are the costs to the City for the projected affordable housing, including payments to ARCH and potential property tax exemptions?
- What are the sources of all projected revenues?

Additional Costs of Doubling Housing Units to 4,000

Besides additional capital investments and operating costs needed for 4,000 units, there are other costs to consider:

Public Safety Costs

- Fire and police services already consume nearly half the operating budget (\$46 million in 2025). How many additional personnel will be needed?
- New fire engines cost \$1-2 million each – will any be required?
- Emergency response times will be delayed because 4,000 housing units will add thousands of cars making thousands of trips to our roads.
- Car accidents are more likely.
- Gridlock prohibits an adequate evacuation plan.

Higher Utility Costs

- The Town Center plan projects that Sammamish Plateau Water and Sewer District will spend \$20 million (2007 dollars) for infrastructure.
- That's **\$30.8 million in today's dollars** – for only 2,000 units.
- Doubling to 4,000 units could significantly increase this amount.
- Either way, existing Plateau Water customers will face higher bills.

Growth Does Not Pay for Itself

All Sammamish residents deserve to know the costs they will bear. We urge the City Council to address these fiscal sustainability concerns before making any decision on expanding the Town Center plan. Our community deserves a complete financial picture that accounts for all costs – not just the benefits promised by developers.

Save Our Sammamish is committed to preserving the fiscal health and environmental character of our community. Join us in asking for transparency and accountability.