

Skagit Valley Herald

THE SKAGIT RIVER STORY • A SPECIAL REPORT

Water-logged Hamilton seeks higher ground

Federal agency providing money to buy out homes that flood on a routine basis

By BEVERLY CRICHFIELD
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HAMILTON — Dave Felix knows the future of Hamilton is somewhere else on higher ground.

When 3 feet of flood water rushed through his three-bedroom log house in October, forcing him to evacuate his belongings and move in with his brother, he began to doubt

whether he could put up with another high water event.

"This is no way to live," he said, standing in front of the green, spacious lawn that was a little more than a year ago submerged under brown brine and muck.

But leaving could be as tough as staying. Like anything, it costs money that Hamilton's large population of low-income

residents don't have. That's the challenge facing the town as it seeks a way to higher ground, said Lauren Freitas, a consultant hired by Hamilton to help create a relocation plan.

The Federal Emergency Management Agency (FEMA) recently awarded Hamilton \$66,000 to kick-start a planning process and another \$295,000 to buy out homes and property

that routinely flood. The town includes 22 of those properties.

Hamilton's Town Council voted this past October to create a public development authority (PDA) to oversee the long-term plan, find money, look for land for about 200 homes and handle grant applications for assistance.

"If Hamilton continues on this path of getting flooded

every few years, they'll eventually go bankrupt," Freitas said. "This is a great opportunity to turn things around and continue with a viable town."

This isn't the first time the locals have tried to move the town.

But this could be the first time that the concept has gained a wide base of support that includes legislators, FEMA, the state Department of Ecology, the local dike districts, the state Department of

Community and Economic Development and many Hamilton residents.

Efforts are under way to put together a governing board for the PDA, which could include representatives from Hamilton, Dike District 12, Skagit County and Skagit Community Action Agency.

A moment of fame

The flood of October, 2003

See **HAMILTON, ~~Page~~ C2**

Hamilton: Tiny town's regular battles with the Skagit draw national attention

Continued from Page C1

— which cost Skagit County an estimated \$14 million in damage and in flood fighting efforts — rekindled efforts to move the flood-prone town. About 90 percent of the town is in the floodway, which means that there's no dike protection for properties and that properties are almost guaranteed to flood during a high-water event.

U.S. Rep. Rick Larsen, D-Wash., toured the mud-caked streets of the town just days after the 2003 flood.

People struggled to scrape inches of sticky silt off the porches and rip dripping, stinking carpet off their floors. Dead chickens lay rotting in trees and bushes.

After the October 2003 flood, Hamilton's plight went national.

Media converged on the town, broadcasting tales of distraught homeowners and flood victims huddled at First Baptist Church, on the north side of Highway 20 in Hamilton.

"Everybody was displaced," Larsen recalled from his home in Washington, D.C. "There wasn't one basic service that could be provided. We saw the health hazard in the streets of Hamilton because of the flood waters."

Meantime, relief and emergency agencies, including the National Guard, the American Red Cross and Skagit County Emergency Management, were stretched to the limits, Larsen said.

With so many eyes on Hamilton, the question arose: "Why are people still allowed to live in Hamilton's floodway and why hasn't more been done to move them?"

Many obstacles to moving

There is a long history of failed attempts to move the town combined with a poverty culture that continues in Hamilton and is unlikely to change anytime soon, town officials say.

Many people choose to live in Hamilton because rent and housing is cheap relative to the rest of Skagit County.

About one-third of the town lives in travel trailers perched along the river.

Another third of the people live in their own homes — many of those who carry contracts with private sellers. The average mortgage is about \$800 per month, according to U.S. census figures.

Yet another third rent homes for between \$200 and \$400 per month for a once-flood-damaged mobile home or stick-built house, as opposed to the average \$750 to \$1,000 paid for a two- or three-bedroom home or apartment in the rest of Skagit County.

Many of the people — about half — are living slightly above or below the state poverty level. They don't have the money it takes to move and wouldn't be able to afford housing in Mount Vernon or Sedro-Woolley, Freitas said.

Hamilton's efforts to move go back years, but the first real attempts were made after the 1990 flood that devastated the town, said Margaret Fleek, Burlington planning director and Hamilton's town planner.

Two developers approached town leaders with the concept of annexing 240 acres on high ground a few hundred yards away on the north side of Highway 20, for a new town site, Fleek said. The annexation was successful.

But the developers and town leaders became embroiled in a fight over development requirements. In addition, developers had trouble meeting environmental regulations and finally, after a bitter court battle, the developers sold the land, Fleek explained.

"Private development isn't necessarily aimed

at helping the people who are there," said Pat Hayden, Sedro-Woolley city attorney who is also acting attorney for Hamilton. "The private sector achieves its goals by building lots and selling them. The private sector achieves its goal if it brings in people from Seattle to live there."

Hamilton tries again

In 1994, the seeds of a new town were sown again when the town council adopted the first 20-year comprehensive plan.

The plan included a temporary urban growth area — land outside the town limits slated for future growth and eventual annexation. That's where town leaders had hoped to start moving residents.

But in 1998, the Western Washington Growth Management Hearings Board rejected the proposed urban growth area, which included the annexed land north of Highway 20.

The state hearings board determined that the town didn't have enough justification to warrant such a large urban growth area. The town had what the growth board erroneously determined were about 400 "buildable" lots, most of which flooded regularly.

In addition, the growth board determined that town officials didn't specify how they would provide services to that area.

Meantime, FEMA has been buying property in Hamilton's flood plain in a piece-meal attempt to alleviate repetitive losses. The federal government hasn't offered any permanent solutions for the town's flood problem, Hayden said.

That, federal officials say, is an effort that has to come from local and state governments.

"Everyone, including FEMA is supportive," said Marty Best, hazard mitigation programs manager for the state Department of Emergency Management. "But once again, it's a budgetary matter. FEMA doesn't have the programs and money to offer much help."

So town officials have spent the past eight years regrouping and laying the ground work for a permanent move.

They managed to develop a \$1.6 million water filtration system on 20 acres north of Highway 20 about 200 feet above the town. The system will allow businesses and more growth in the Hamilton area.

The system was completed in 2003.

That's a major first step toward a whole package for moving the town, Hayden said.

Even with a new water system already paid for, moving the town — which includes building a sewer system and putting in new streets — is expected to cost about \$4 million.

Plan to move the town

The key to selling the moving package to federal and state funding agencies and legislators will be the stipulation that the new town not only would accept Hamilton residents who are in the floodway, but also residents from other flood-prone areas throughout Skagit County, Hayden said.

Spending \$4 million to build the infrastructure for 50-75 homes isn't cost-effective, he said. But building 200 homes would spread the infrastructure costs much more economically, he said.

The Hamilton PDA's first order of business will be to create a database of properties across Skagit County where flood damage occurs regularly to find out which properties need to be relocated with local and state funding. Then they will rank those properties according to the number of times they've been flooded.

Then the PDA needs to come up with a program for transfer of development rights, which would allow homeowners to sell the rights to build on their property for the right to build on the new town site or another location out of the floodway, said Freitas, Hamilton's consultant.

Once the development rights are purchased from the floodway, that property can never be developed again, she said.

The development rights program would need to be adopted by Skagit County, Freitas said. In addition, the PDA board must come up with ways to "buy out" properties, she said.

Federal buy-out programs are based on whether a property owner is covered by the National Flood Insurance Program, Hayden explained. Currently, 44 out of 94 Hamilton homeowners have flood insurance through the national program.

Many people in Hamilton are buying their homes through private contracts with a seller. Most banks require people living in flood plains to buy flood insurance before they can get a loan.

But private contracts don't require flood insurance, and many people can't afford it. That means those property owners aren't eligible for the federal buy-out program, Hayden said.

Finally, the PDA will have to look for suitable property near Hamilton to build a new town.

The board has examined several pieces of property, but hasn't made any real attempts to purchase them, Hayden said.

Fleek said moving the town is expected to be a 10- to 15-year prospect. But she's encouraged that town leaders have the support of Hamilton residents who are fed up with continued flooding.

Hamilton Mayor Tim Bates agrees.

"If we had a place where people could relocate to, even if it's just 25-30 homes, we could help people out and keep from having to pay to bail them out," Bates said.

He added with a laugh, "I've been here 30 years, but it wouldn't hurt me to move."



Daniel Silva is remodeling a home he purchased in Hamilton. The house sustained extensive damage during the October 2003 flood. Silva is one of many Hamilton homeowners who purchased his inexpensive home with cash, which means he won't be required to buy flood insurance.