

# SEQUIM AT A CROSSROADS

WHY A RESORT COMMUNITY THREATENS OUR  
FUTURE



@Sequimby | [sequimismybackyard@gmail.com](mailto:sequimismybackyard@gmail.com)

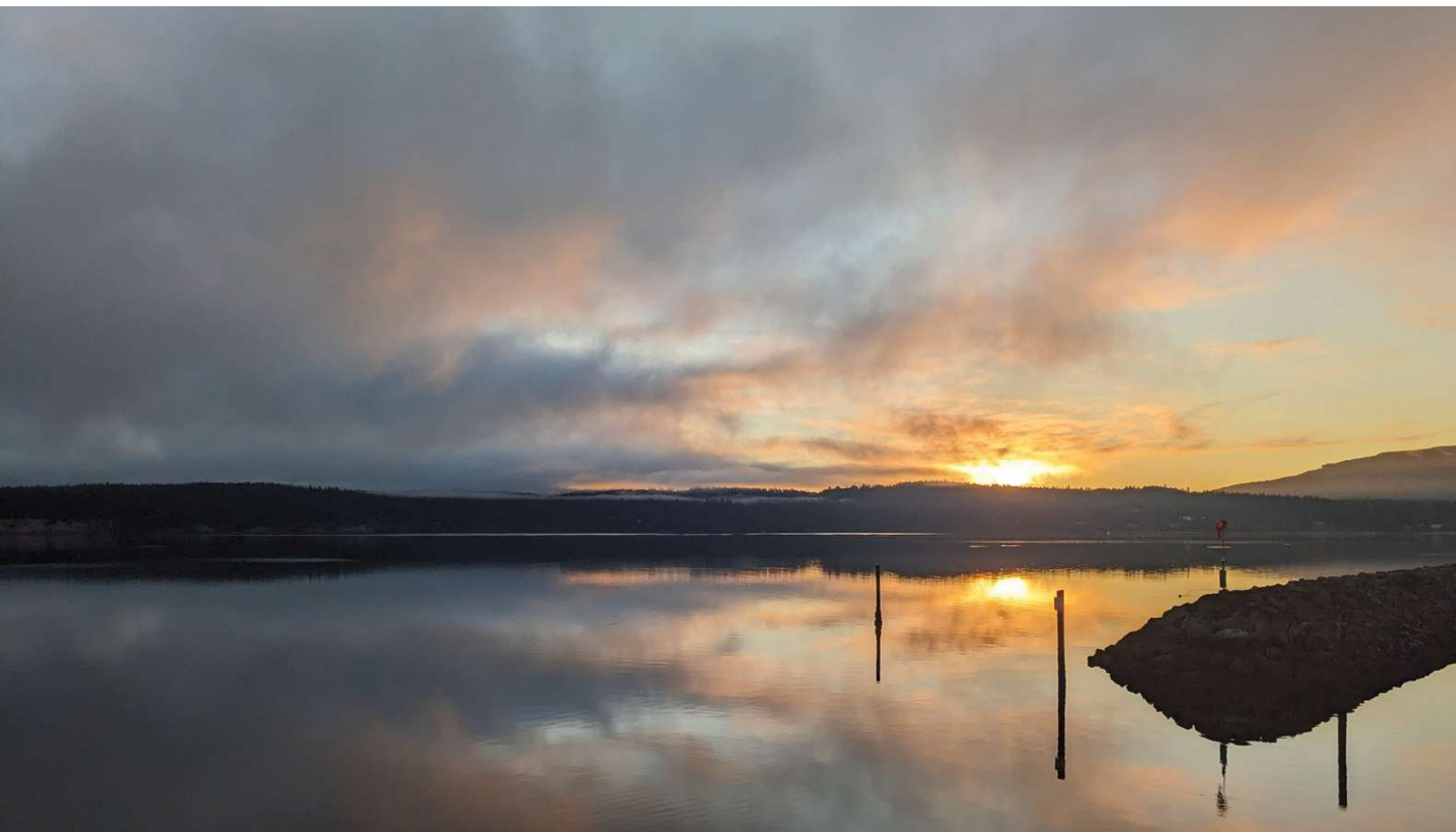
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# A PLACE TO LIVE OR A PLACE TO VISIT?

*A case for why the proposed Westbay LLC resort community threatens Sequim's future.*

Sequim is a complex, adaptive system—one where financial stability, natural resources, infrastructure, and community identity must stay in balance for the city to thrive. The proposed 650-unit Westbay LLC resort development threatens that balance across every dimension.

While marketed as a “walkable, mixed-use community,” the project would create a **resort enclave** perched directly above a Category 1 wetland, adjacent to Sequim Bay, and just minutes from downtown. For Sequim, a community of 8,125 with limited infrastructure capacity and a majority retirement-age population, the impacts would be significant, long-lasting, and in many cases irreversible.

This briefly summarizes the core concerns identified by residents, subject experts, environmental groups, and city data.

## 1. MASSIVE TAXPAYER COSTS WITH LITTLE PUBLIC BENEFIT

### Unfunded Infrastructure Burdens

To support the proposed Westbay LLC development, Sequim must build at least one major sewer lift station at an estimated cost of \$11–14.5 million—some of this debt will fall directly on residents. Annual payments are projected at \$600,000–\$650,000 per year, increasing the city's total debt load by nearly 50%.

These costs **come before** additional upgrades needed for:

- West Sequim Bay Road (widening, sidewalks, utilities)

- Emergency services (fire, police, EMS)
- Increased demand on schools, libraries, and roads
- Water and sewer extensions far outside current service areas

The developer’s contributions do not come close to offsetting these expenses.

### **Opportunity Costs: Housing We Actually Need**

Sequim needs 481 additional affordable homes to meet state mandates—but the proposed Westbay LLC project provides only 5% middle- to low-income units.

For the cost of Lift Station No. 1 alone, the city could instead build 50–60 affordable homes, directly addressing Sequim’s most urgent housing crisis.

The Westbay LLC project diverts capital away from residents toward a project that delivers no meaningful affordability and minimal community value.

## **2. WATER SUPPLY IS TOO UNCERTAIN FOR A PROJECT OF THIS SCALE**

### **Outdated Water Data**

Sequim’s water allocation is still based on 1990s Department of Ecology estimates, not current aquifer levels. No recent comprehensive study exists. We are approving development based on “paper water,” not verified “actual water”

### **Drought and Resource Stress**

Clallam County is under a multi-year drought emergency declaration. Snowpack now melts 2–4 weeks earlier than historical norms, reducing summer groundwater recharge. Nearby neighborhoods (e.g., Mariner’s Outlook) have already received water restriction notices because reservoirs reached critically low levels.

### **Shared Aquifers Increase Regional Risk**

USGS data show Sequim and Miller Peninsula share major aquifers. Increased pumping in one area affects the other—raising the likelihood of:

- declining well levels
- saltwater intrusion
- long-term water insecurity for existing residents

The city cannot responsibly add 650 homes (plus commercial space) without validating our real water supply.

### **3. TRAFFIC & SAFETY RISKS ON AN ALREADY DANGEROUS ROAD**

West Sequim Bay Road is already considered unsafe for pedestrians and cyclists. No traffic study has been conducted for the eastern half of the road in over a decade.

Westbay LLC’s own traffic submission was deemed “technically incomplete” by Public Works.

Key issues include:

- Traffic counts taken on a Tuesday in March (non-representative)
- No summer or tourist-season counts
- No accounting for Mariner’s Outlook II & III
- No modeling of emergency-response scenarios

Without significant upgrades—none of which are funded—WSBR cannot safely or effectively support thousands more daily vehicle trips.

### **4. PERMANENT ECOLOGICAL DAMAGE TO SEQUIM’S MOST SENSITIVE HABITAT**

#### **Clear-Cutting 90 Acres Above a Category 1 Wetland**

The project requires removal of 220,000 cubic yards of forest, eliminating the natural filtration and stabilizing systems that protect Pitship Pocket Estuary and Sequim Bay.

## Threat to Salmon, Birds, and Wildlife Corridors

Pitship Pocket Estuary:

- A Category 1 Wetland
- A federally recognized Important Bird Area
- A critical stopover for migrating salmon smolt
- A wildlife corridor for otters, deer, bobcats, bears, and more

Light pollution, runoff, altered hydrology, and noise from dense housing will dramatically reduce habitat quality.

## Water Quality Risks

Sequim Bay already experiences:

- E. coli from four streams
- PFAS contamination
- Increasing harmful algal blooms
- Eelgrass habitat degradation
- Shellfish closures

Expanding hardscape surfaces and increasing runoff above the bay accelerate all these threats.

This is not theoretical—leading salmon and orca recovery experts stress that shoreline development is one of the top drivers of species decline in the region.

## 5. CULTURAL & ECONOMIC SHIFTS THAT UNDERMINE THE CHARACTER OF SEQUIM

**A Parallel “Downtown” That Competes With Local Businesses**  
Westbay includes **30,000 sq ft of commercial space**, functioning as its own walkable mini-city. This creates a **direct competitor** to Sequim’s existing downtown, where vacancy challenges already exist.

## Short-Term Rentals and Housing Commoditization

Seabrook’s Moclips development now has more than **250 homes** functioning as vacation rentals. The same pattern is expected here.



John Wayne Marina facing southeast

This drives up land prices, displaces local workers, hollows out school enrollment, and accelerates the “zombie town” effect described by housing experts: a place that appears thriving, but where the people who make the community run can no longer afford to live.

### **The Risk of Becoming a Vacation Destination—Not a Community**

Sequim must decide:

Are we building a town for residents, or a resort town for visitors?

This project pushes Sequim firmly toward the latter.

## CONCLUSION: THE RISKS ARE TOO HIGH AND THE BENEFITS TOO LOW

The proposed Westbay LLC resort development is incompatible with Sequim's:

- Comprehensive Plan goals
- Environmental stewardship responsibilities
- Affordable housing needs
- Infrastructure realities
- Fiscal constraints
- Cultural identity and long-term vision

It would create permanent environmental harm, strain limited water resources, overburden taxpayers, and

and reshape Sequim from a community into a destination designed for visitors and investors—not residents.

Sequim deserves growth that strengthens, not destabilizes, the systems that support our people, our economy, and our natural resources.

**The prudent choice is clear: Sequim must reject this resort development and pursue a future aligned with the needs and values of the community we are building together.**

1. **MASSIVE TAXPAYER COSTS WITH LITTLE PUBLIC BENEFIT**
2. **WATER SUPPLY IS TOO UNCERTAIN FOR A PROJECT OF THIS SCALE**
3. **TRAFFIC & SAFETY RISKS ON ALREADY DANGEROUS ROADS (WEST SEQUIM BAY ROAD AND HWY 101)**
4. **PERMANENT ECOLOGICAL DAMAGE TO SEQUIM'S MOST SENSITIVE HABITAT**
5. **CULTURAL & ECONOMIC SHIFTS THAT UNDERMIND THE CHARACTER OF SEQUIM**

# WESTBAY LLC MASTER PLANNED COMMUNITY

*A brief overview of planned City within a City*



112 West Cedar Street Sequim, WA 98382  
City Hall (360) 683-4139 FAX (360) 681-3448  
Public Works (360) 683-4908 FAX (360) 681-0552

July 21, 2025

Sam Nielson  
VP of Engineering and Entitlements  
Seabrook Land Company  
4275 SR 109  
Pacific Beach, WA 98571  
sam@seabrookwa.com

Subject: Westbay Master Plan - Technically Incomplete

Dear Sam:

The City of Sequim has completed its technical completeness review of the Westbay Master Plan, located between Sequim Bay Road and SR 101, which was determined Counter Complete on June 23, 2025.

The submitted application was reviewed by the City's Development Review team. The review results in a **Technically Incomplete** determination as of July 21, 2025.

In reaching the technical incomplete determination, the City references SMC 20.01.130(B) "Review for Technically Complete Status" and the statement "The review for technically complete status will include, at a minimum, review of the submitted application, drawings, studies, and any other materials requested by the city." The City references SMC 18.30.035 Contents of master plan as the initial baseline for its technical complete review, as well pre-application conference summary and adopted City development standards.

Attached to this letter outline the deficiencies identified by the City Community and Economic Development and Public Works Department Staff that contributed to the technically incomplete determination.

Sincerely,

A handwritten signature in black ink, appearing to read 'T. Simmons'.

Travis Simmons  
Senior Planner

c: Jeff Gunderson, Seabrook Land Company

The following pages are intended to serve as an overview of the Westbay LLC Master Plan Application. Visuals referenced are from this document.

The Technically Incomplete letter featured left is from the City of Sequim website's page dedicated to updates on this major project. It is the first page of the City's document identifying gaps and errors in the application.

# WESTBAY LLC PROPOSED DEVELOPMENT

*"This application is for a 160-acre property adjoining the John Wayne Marina, located between Sequim Bay Road and Highway 101, and flanking Whitefeather Way. (Application, 2025)*



# MIXED USE COMMUNITY

## 650 HOMES ON 90 ACRES

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*Westbay LLC plans to develop a mixed-use community “including but not limited to the following uses:*

- *Retail*
- *Office*
- *Restaurant*
- *Multi-family residential*
- *Single-Family residential*
- *Live-Works*
- *Accessory Dwelling Units (ADUs)*



*While housing options with smaller square footage will be available (e.g. Multi-family, Live-Works, ADUs), pricing will not fall in-line with the state’s estimates for affordable housing.*

*Pricing at Westbay LLC’s initial property Seabrook’s website lists “current available homes and lots available to purchase...range from \$517,000 to \$2.6 million for a lot.” (Peninsula Daily News, 2025)*

# 30,000 SQ. FT. OF COMMERCIAL SPACE

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The proposed development includes up to 30,000 square feet of commercial space, establishing a competing “downtown” area including laundry/dry cleaning, coffee shops, office spaces, medical, dental, daycare, and more.

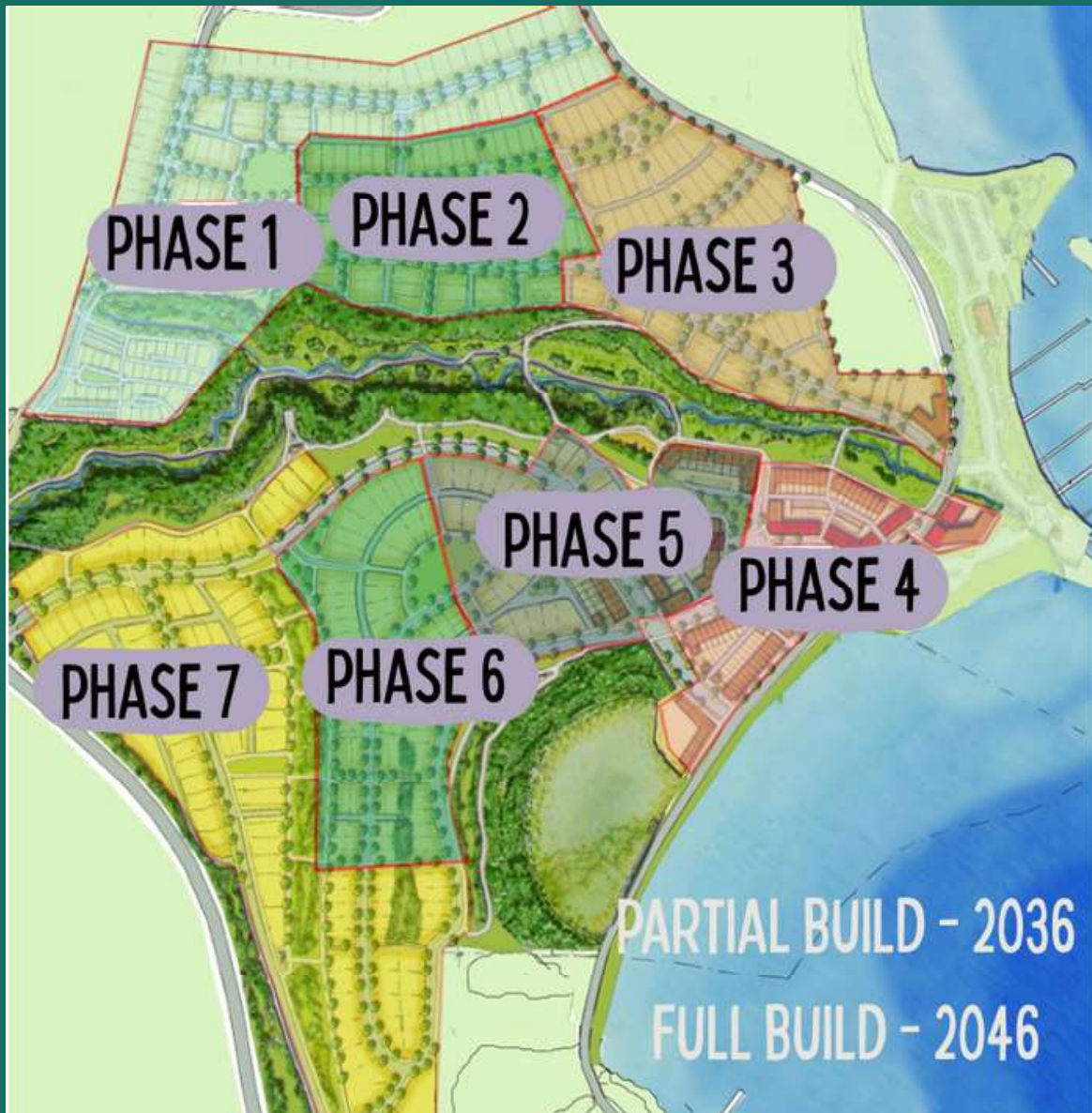


Commercial footprint in proposed master plan indicated in red and orange buildings.

# PHASED BUILD OVER 20 YEARS 2027 - 2046

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Standard practice in property development will be to clear cut all forested areas at the onset of the project. The 90 acres could potentially sit bare through 20 (or more) years of project development. Construction disruption will continue for 20 years (or more).



# TAXPAYER CONCERNS

*The Westbay LLC project poses additional significant and permanent taxpayer burdens.*

## FINANCIAL IMPLICATIONS

The proposed Westbay LLC project entails a number of significant potential demands on the City's already challenged financial resources. The infrastructure costs associated with this development also raise questions as to the potential alternative uses of the City's capital.

## WHAT IS A LIFT STATION?

Also called a pump station, it is a facility that uses pumps to move sewage or wastewater from lower elevations to higher ones, which is necessary when gravity-fed sewer lines cannot handle the flow.

## CONSTRUCTION OF SEWER LIFT STATION: WEST SEQUIM BAY RD & FORREST DR

At the time of publishing (November 2025), Sequim's Water and Sewer services do not extend throughout West Sequim Bay Road (WSBR). City lines address service to the development known as Mariner's Outlook inside the intersection of Keeler Road and Spy Glass Lane, approximately one mile from the proposed Westbay LLC development site. The proposed 650-home development will require construction of at least one lift station near the development. This construction cannot be completed until an initial lift station is constructed by the city at a designated location at the intersection of Forrest Road and WSBR, known as "Lift Station No.1".

# SEQUIM SEWER SERVICE MAP

The current Sequim Sewer system is truncated at Mariners View Drive. Additional proposed lift station placements are noted on the map.



Although estimates for the construction costs of the lift station seem to vary, a number of elements of the proposed project's infrastructure requirements were available in the City's tax increment financing ("TIF") draft project analysis report dated February 19, 2025 as submitted to the Office of the State Treasurer. (City of Sequim Project Analysis, 2023) This analysis included cost estimates for infrastructure improvements of approximately \$11 Million to \$14.5 Million for the construction of a sewer lift station No. 1 to be constructed at predominantly taxpayers' expense. The City anticipates that some portion of the cost of construction will be

recaptured by way of "late comers fees" which would be paid by developers of future residential projects (including the proposed Westbay LLC project) and by connection fees to be paid by the Pacific Northwest National Laboratory (PNNL). There have been no estimates of the amount of late comers fees that will offset the cost of construction, accordingly the portion of construction costs to be paid by taxpayers has not as yet been defined. **The City has stated that the unfunded portion of the cost of this project would be covered by utility cost increases.**

## NEWS

### City explores repurposing tax dollars for developments' lift stations

Fire district angered over possible impact to service response funding

By *Matthew Nash* • February 12, 2025 4:30 am



Asked about the city's obligation to fund lift stations for developments, Bucich said the city has a number of potential funding strategies. **-Paul Buchich, Public Works Director**

"In many cases the local jurisdiction will build the needed infrastructure if the overall service area is larger than any one development but the risk is that the utility ratepayers are covering the costs and speculating the development will occur," he said.

Additionally, there is considerable uncertainty as to the timing and magnitude of the latecomers fees as future developments will be subject to real estate market conditions in the future.

According to sources within the City, PNNL fees would only be available if PNNL has available federal funds, and that the portion of West Sequim Bay Road currently under Clallam County jurisdiction would be annexed by Sequim.

Annexation of that portion of West Sequim Bay Road will also bring additional financial burdens to the City for ongoing improvements and maintenance of the newly annexed road.

Annual debt payments on the \$14.5 Million lift station No. 1 is estimated at \$600,000 to \$650,000 per year (not including any PNNL fees).

The total 2025 spending budget for the City is \$58 million, of which approximately \$1.2 Million is for existing debt payments.

Lift Station No. 1 alone would increase debt payments by approximately an additional \$600,000 to \$650,000.

It's also important to note that the City's capital budget does not include any funds for additional infrastructure such as improvements to West Sequim Bay Road, incremental costs for first responders necessary to accommodate a large, highly dense development, incremental costs for schools and other such infrastructure necessary to support the new development.

#### ALTERNATIVE USES FOR SEQUIM'S CAPITAL

The city has long been concerned about the availability of affordable housing. The State of Washington Department of Commerce has established goals that 31% of new growth in Clallam County will take place within Sequim city limits for a potential total of 1,850 new homes. These 1,850 new units are then allocated by income bands consistent with the state legislature's planning directives.

The comprehensive plan currently under review includes goals to dedicate 33% of new homes to non-permanent supportive housing and 15% to permanent supportive housing - this housing type combines affordable housing with services for people with disabilities or chronic health problems. Affordable housing for those earning less than 80% of the Area Median Income of \$93,900 is 43%, or 795 houses total. The new home allocation for the Sequim Urban Growth Area (UGA) off WSBR is 298 units. Development of the UGA now relies entirely on the extension of utilities to this area. (cite council retreat)

In view of the potential capital necessary to fund infrastructure for the proposed Westbay LLC development that offers little to no affordability components, it seems appropriate to consider the highest and best use of capital to match the City's stated desire to promote affordable housing alternatives in alignment with the coordinated Clallam County growth allocations above.

According to LandSearch data the average cost of one acre of land within Sequim City limits is \$127,000. The City estimates the average minimum cost to construct a home is approximately \$170 per square foot which indicates a 1,200 square foot home would cost \$204,000. Given a density of 8 homes per acre, a one acre development consisting of 8 homes would approximate \$1.6 million, plus the cost of land, or roughly \$1.7 million to \$1.8 million for 8 entry level homes. It is conceivable that approximately 60 affordable homes could be constructed for the cost equivalent of Lift Station 1 alone.

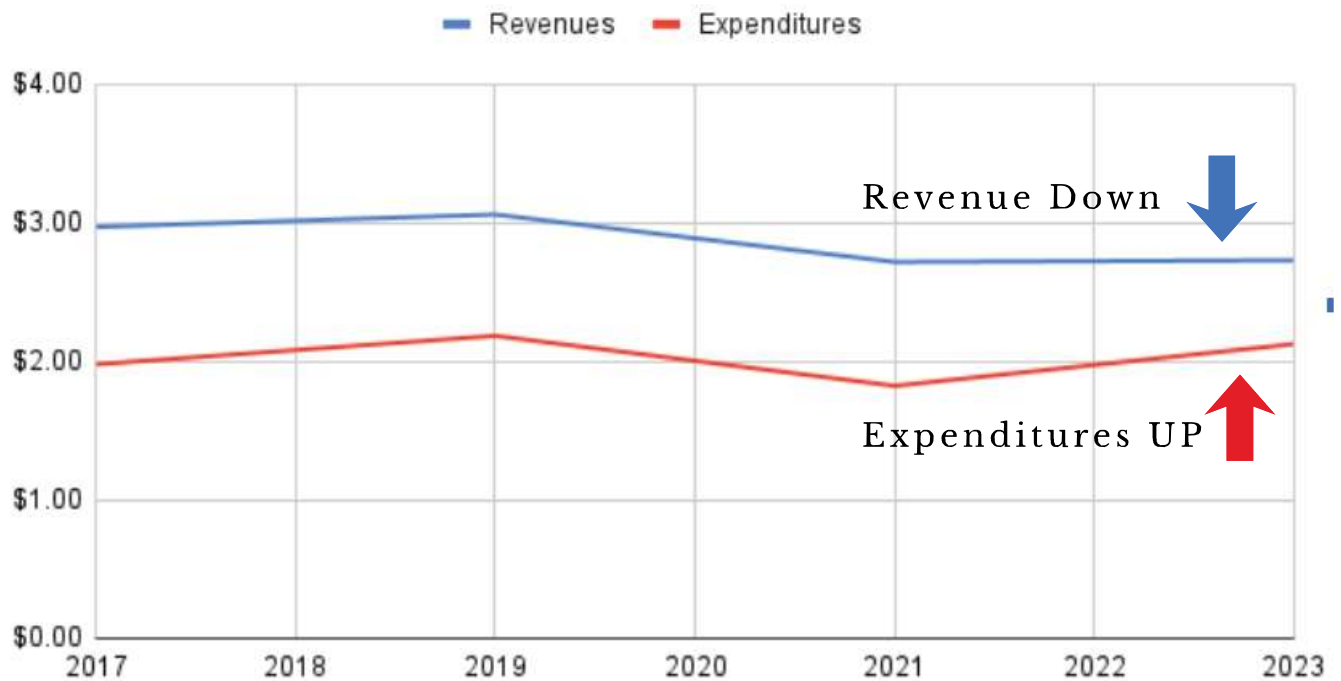
**“IF YOU’RE NOT GROWING,  
YOU’RE DYING”**

A common belief in municipalities (including Sequim) is that residential and business growth is necessary in order to maintain a thriving community. Sequim's trends would seem to indicate that population growth is not necessarily conducive to positive growth trends.

Since 2017 Sequim’s population has increased 12.8%. On a per capita basis, Sequim revenue has decreased from \$2.97 in 2017 to \$2.73 in 2023. Expenditures for the same period have increased from \$1.98 to \$2.13.

It seems clear that revenues are not keeping pace with the costs associated with increases in population.

Revenues and Expenditures Per Capita



# AFFORDABLE HOUSING

*A high-priced resort community does not serve Sequim's housing goals and draws city resources from much-needed affordable housing.*

The proposed Westbay LLC development—a vacation rental model—fails to meet the city's serious housing needs as only 5% are planned to be priced for those in the middle to low-income range.

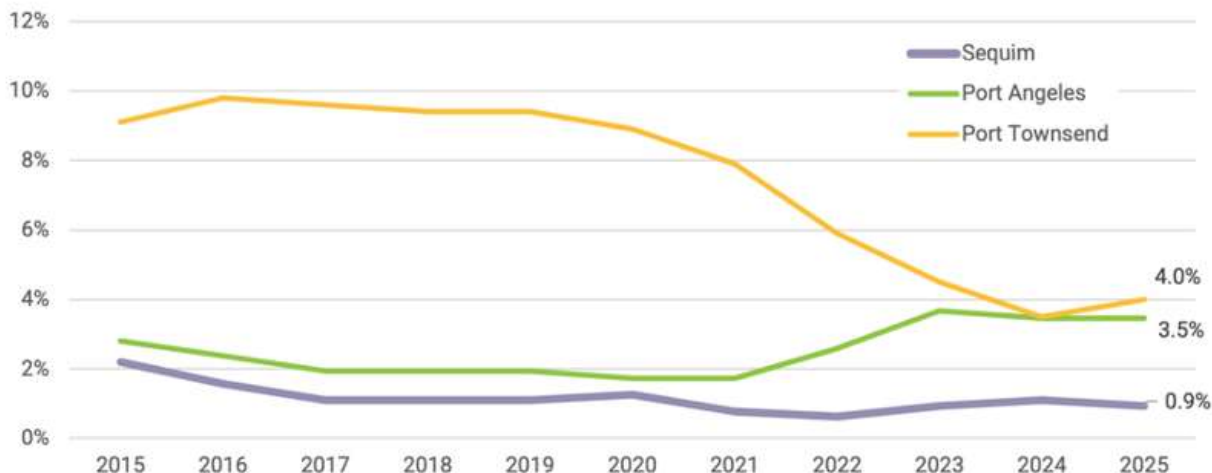
Affordable housing is mandated by the Washington State Department of Commerce and by the County. The city must provide the number of homes that are within at least 80% of the average median income (423 homes). (February 24, 2025 Sequim City Council Retreat) Even if the housing units in the proposed development are built, Sequim still needs at least 423 homes.

The average wage in Clallam County for in (sic) a workforce is \$52,854...an entry level home is over \$500,000 which that person, that average person, keeping in mind that half the people are lower than that, can only afford about half that amount. There's no way that person would be a homeowner today." (September 22, 2025 Sequim City Council Meeting, Public Comment: Colleen McAleer)

## CONCLUSION

The proposed Westbay LLC development will only exacerbate the current trend and block necessary housing solutions as the city's resources and debt will focus on one development while ignoring the real needs of the residents.

**Figure 57. Multifamily Vacancy Rate, 2015-2025**



Source: CoStar.

Between 2015 and 2025, the rent per square foot per month for multifamily properties in Sequim increased by 31.5 percent from \$1.11 per square foot per month to \$1.46 per square foot per month. Over that same period, the price of a two-bedroom apartment in Sequim grew by 35 percent, from \$859 per month to \$1,163 per month.

Credit: Economic & Housing Analysis Presentation for Planning Commission & City Council, Leland Consulting group. 11/17/2025

# WATER SUPPLY CONCERNS

*Will we have the water we need?*

Water is more than a simple life sustaining commodity; it is the lifeblood of our planet, essential for the survival and thriving of all flora and fauna. The average human survival time without water is ~3-7 days and without food and water ~1-2 weeks. All of our food is dependent on an adequate supply of water.

**“STUDIES PREDICT THAT WASHINGTON CAN EXPECT TO SEE SNOWPACK DROUGHT TO OCCUR 40% OF THE TIME BY 2050.”**  
([DROUGHT.GOV](https://drought.gov) JUNE 5 2025)

## CLIMATE CHANGE

In Washington, drought is declared when there is less than 75% of normal water supply and there is the risk of undue hardship or impacts on water users and the environment. “Undue hardship” to water users is the second requirement for an emergency drought declaration. These lower water levels impact not only residents, but agriculture and fish. In 2025, Clallam County (and the broader Washington state) experienced its third year in a row of major droughts. “The effects of those lingering dry spells is compounding” and officials are concerned. ([Seattle Times, 2025](#)) Snow melt across the Central and North Cascades began 2 to 4 weeks earlier than normal in 2025,



triggering an initial emergency drought declaration in April. On June 5, 2025, the Washington State Department of Ecology expanded its drought declaration to 19 more watersheds including Clallam County:

“Since the initial declaration, conditions in all of Whatcom and Skagit counties, and portions of Snohomish, King, Pierce, Lewis, Thurston, Okanagan, Chelan, Clallam, Jefferson and Ferry counties have deteriorated due to early and rapid snowmelt, combined with unusually dry April and May weather.” (State of Washington Dept of Ecology, 2025)

Streamflow forecasts were also low with major rivers throughout Washington running at as low as 48% of usual supply (Okanagan River) to 71% (Methow River). And the summer remained hot and dry in 2025.

“These impacts illustrate the ways that snowpack drought impacts our water supplies in Washington,” said Caroline Mellor, Drought Lead for the State of Washington Department of Ecology. (State of Washington Dept of Ecology, 2025)

Climate change has arrived at the nexus point where any historical basis for weather is no longer valid as a predictor of the future, near term, radical weather extremes. Historically, the availability of source water, or untreated water from natural bodies like rivers, lakes, reservoirs, and groundwater aquifers used for public or private drinking water systems, and its allocation for multiple uses on the Olympic Peninsula, was sufficient to adequately service all of our projected needs. This supposition is no longer valid. A new paradigm requiring validation of the adequacy and distribution of this most critical resource is required.

“PAPER” VERSUS “ACTUAL”  
WATER - DOES ANYONE KNOW  
WHAT’S REALLY THERE?

The Dungeness River basin's only water source is precipitation, falling as rain or snow. This precipitation is the foundation for all of our water sources, both surface and groundwater. It is essential that historically guided water rights and uses be subjected to a rigorous, data driven audit as the existing projections are insufficiently documented and may be inappropriate to serve all future water needs. The optimal solution is to treat the entirety of water uses and priorities as an interconnected and interactive water system. The zero-sum of water sustainability cannot be realized without protecting natural lands from unwelcomed development, mandatory conservation, and a modification of prioritized access rights.

Sequim currently bases its available water on an allotment from data generated in the 1990s by the Washington Department of Ecology. (USGS, 1999) This allotment has not been confirmed as the actual volume of water available in the ground. Further development and growth are predicated on this outdated data with no means to validate that it is able to deliver the water promised on paper.

In a 2023 study of Sequim’s water system, the city and partner Wilson Engineering acknowledged that the “population within the City of Sequim UGA is projected to grow at 3 percent annually for the next 20 years. Currently, the Sequim water system only serves customers within the UGA, however not all residents in the City or UGA are on the City water system.” (System Plan Executive Summary, 2023)

D. Availability of Public Services. There is sufficient capacity within public services, such as water supply, sanitary sewer, stormwater management, and police and fire services, to adequately serve the master-planned development in all future phases or there will be adequate capacity by the time each phase of the development is completed.

***Applicant Response: The analysis by the City of Sequim Public Works Department shows that there are adequate public services, including planned extensions of existing city utilities to meet the project demand.***

Developer response to the SEPA checklist in the application is based on outdated data from 1995.

The complex network that makes water available to Sequim residents has challenges in supply and distribution. Supply of actual water has become uncertain due to lower snow and precipitation levels and snow melts occurring at least one month earlier than usual.

This summer, homeowners in the Mariner's Outlook subdivision, next to the proposed Westbay LLC site, received notices from the West Bay Water Co., LLC "urgently requesting" water restrictions. The notice stated "...reservoirs have reached critically low levels due to the extended dry period." (See letter next page.)

Distribution throughout the UGA on WSBR is sporadic with many residential homes relying on wells for water where the city's system does not provide coverage.

There is no known record of water levels in existing wells on WSBR. In an interview with City Council Member Dan Butler, when asked if adjoining properties to the city developments experience water deficiencies due to city action, is the city required to make up their water shortfalls, Butler responded:

"The city staff were able to quote a state code (RCW) that requires a municipality to supply water to a legacy property on a private well if a city well denies them access to their water...the answer to the question is 'yes'." (Butler, 2025)

# WATER RESTRICTION

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In the summer of 2025, water use restriction letters were sent to residents of Mariners Outlook, located next to the proposed Westbay LLC development.

**Date:** July 25, 2025

**Subject:** Urgent Request for Cooperation in Water Conservation

Dear Valued Customers,

We are writing to inform you about an urgent matter that requires your cooperation and support. As you may be aware, our region is currently facing severe drought conditions, and the water levels in our reservoirs have reached critically low levels due to the extended dry period.

In light of these challenging circumstances, we kindly request your assistance in conserving water over the next few weeks. Your contribution to this effort will greatly help in ensuring a stable water supply for essential needs and maintaining the long-term sustainability of our water system.

**Effective Dates:** July 25, 2025 to August 7, 2025

**Conservation Measures:**

**Limit Outdoor Water Usage:** Please refrain from activities that consume significant amounts of water, such as car washing, driveway cleaning, lawn watering, and other high-water-usage outdoor activities. We understand the importance of these activities, but by temporarily reducing their frequency, we can collectively make a significant impact on water conservation.

**Fix Leaks Promptly:** Please check and promptly repair any leaks in your household plumbing or outdoor irrigation systems. Even minor leaks can contribute to unnecessary water wastage, which we must avoid during this critical period.

**Be Mindful of Indoor Usage:** While the primary focus of this notice is outdoor water conservation, we also encourage you to be mindful of indoor water usage. Taking shorter showers, turning off taps when not in use, and using appliances efficiently can all contribute to water savings.

**Why is This Important?**

The water supply in our region is a shared resource, and it is essential that we all work together to preserve it, especially during times of drought. By adhering to these temporary conservation measures, we can help replenish our reservoirs and ensure an adequate water supply for essential needs, including drinking water, sanitation, and firefighting.

# WATER RESTRICTION

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In the summer of 2025, water use restriction letters were sent to residents of Mariners Outlook, located next to the proposed Westbay LLC development.

We understand that these measures may require adjustments to your daily routine, and we sincerely appreciate your understanding and cooperation during this challenging period.

Thank you for your commitment to water conservation and your contribution to the well-being of our community. If you have any questions or require further information, please feel free to contact us at 949-837-8754.

Together, we can make a difference. Your efforts matter.

Sincerely,

West Bay Water Company, LLC  
1631 Monrovia Ave  
Costa Mesa, CA 92627

**Note:**  
At the time of publishing,  
the relationship between  
Westbay LLC and West Bay  
Water Company, LLC is  
unclear.

## CLEAR CUTTING

The current proposed development site is densely-forested. According to the application submitted by Westbay LLC under the State Environmental Policy Act (SEPA) section,



the development will require moving 230,000 cubic yards of material. Of the total amount, only 10,000 cubic yards are fill, the remaining 220,000 cubic yards will be the result of clear-cutting every tree from this old forest.

“Clear-cutting the forested land can reduce surface stream flow by as much as 50% and groundwater by approximately 5-8%. Replacing the natural forest with asphalt and landscaping significantly reduces the availability of ground water.” (Perry, T.D., and J.A. Jones. 2016. Summer streamflow deficits from regenerating Douglas-fir Forest in the Pacific Northwest, USA. *Ecohydrology* 2016:1-13. DOI 10.1002/eco.1790.) Removal of all trees from this land will have further impact on the areas’ already shrinking water source.

# PROPOSED WESTBAY LLC SEPA CHECKLIST

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SEPA checklist from the proposed Westbay LLC application determined to be “technically incomplete.”

- e. Describe the purpose, type, total area, and approximate quantities and total affected area of any filling, excavation, and grading proposed. Indicate source of fill.

Approximately 230,000 cubic yards of material will need to be moved for development of the site. For streets and lots, approximately 220,000 cubic yards of cut and 10,000 cubic yards of fill will be necessary. It is expected that the cut material will be used as fill and topsoil will be kept on-site, as feasible, for use in the final development of the project. This will reduce the amount of export leaving the site and import entering the site. Any required imported fill material shall come from WSDOT (Washington State Department of Transportation) and/or City approved suppliers.

- f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe.

Erosion is always a possibility on construction sites. An erosion control plan will be prepared in accordance with the City of Sequim standards and the Stormwater Management Manual for Western Washington; construction timing, erosion control fencing, and other devices and methods will be employed to ensure erosion potential is minimized.

- g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)?

Approximately 25% of the site will be covered with impervious surfaces, including roads and buildings, at project completion.

- h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any:

An erosion control plan will be prepared in accordance with City of Sequim standards and the Stormwater Management Manual for Western Washington. Construction timing, erosion control fencing, and other Best Management Practices (BMPs) and methods will be employed to ensure erosion potential is minimized.

# HYDROGEOLOGY

*Hydrogeology of the Sequim-Dungeness Area and Miller Peninsula need study.*

What is the current hydrologic status of the Sequim-Dungeness area and its aquifers? We are making future water projections without needed current water/aquifer data.

The USGS study, Hydrogeologic Assessment of the Sequim-Dungeness Area, was published in 1999. It includes a map of well drawdown from the previous 20 years and numerous wells had lost up to 10' of water (Figure 3).

What is the aquifer assessment now, 30 years later? Sequim is affected by climate change and the lack of precipitation to recharge our watershed.

All of our water, whether ground or surface water, originates from atmospheric precipitation. Drought affects our ground water supply.



Figure 2: Thickness and aerial extent of the middle aquifer.

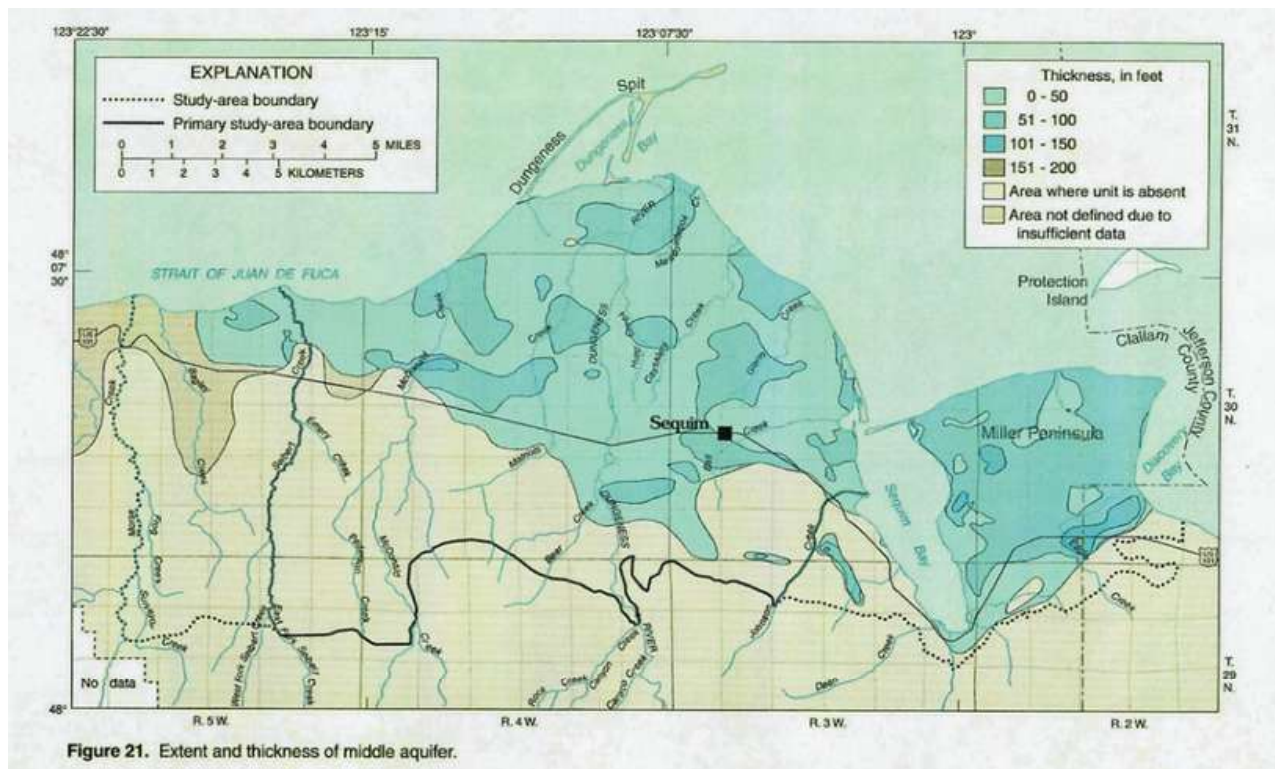
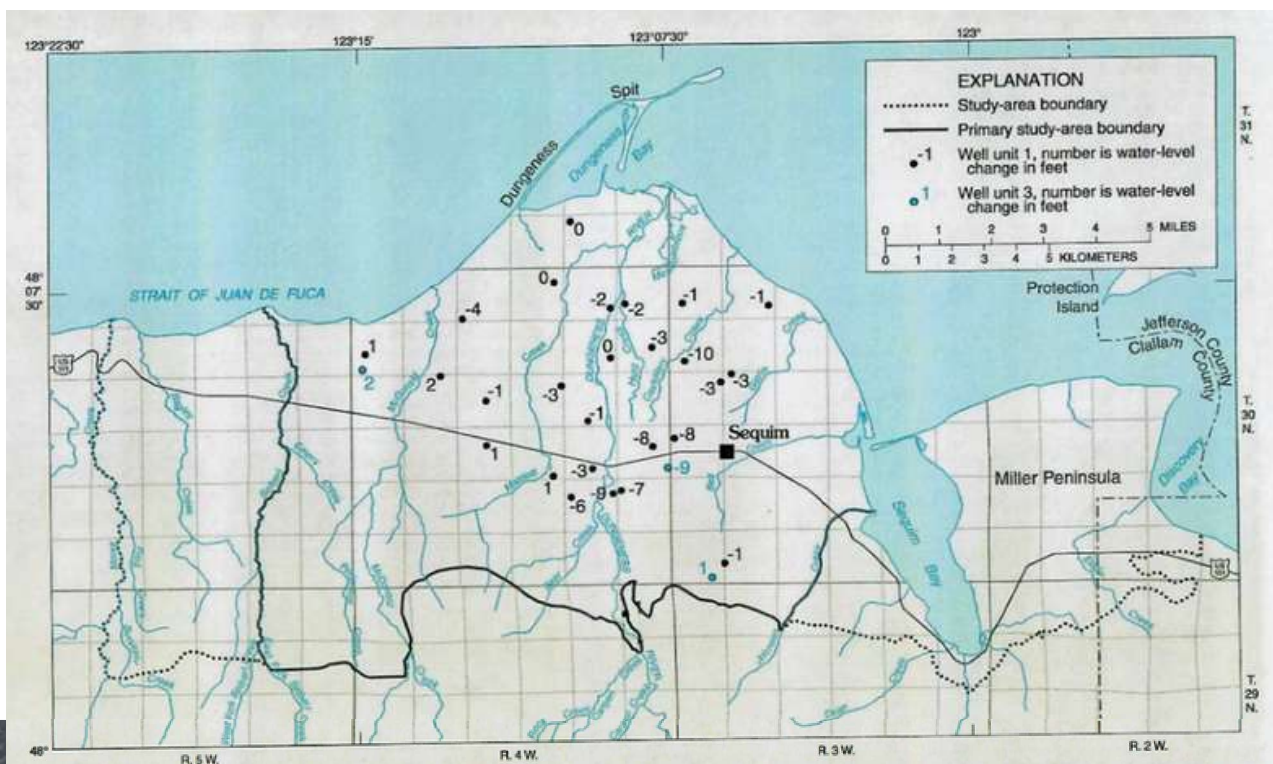


Figure 3: Change in average water level in selected wells from October 1978 - 1980 to October 1983 - September 1997 periods. A negative number is decline in water level.



The geologic cross-section C2-C21 (Figure 1) illustrates the continuity of the middle aquifer extending from Sequim, under Sequim Bay, to the Miller Peninsula. The sub-surface map of the middle aquifer (Figure 2) shows the aerial extent and thickness of the middle aquifer. These suggest that water in this aquifer is shared and that discharge from Sequim area will affect the well water level of Miller Peninsula. (<https://pubs.usgs.gov/wri/1999/4048/report.pdf>)

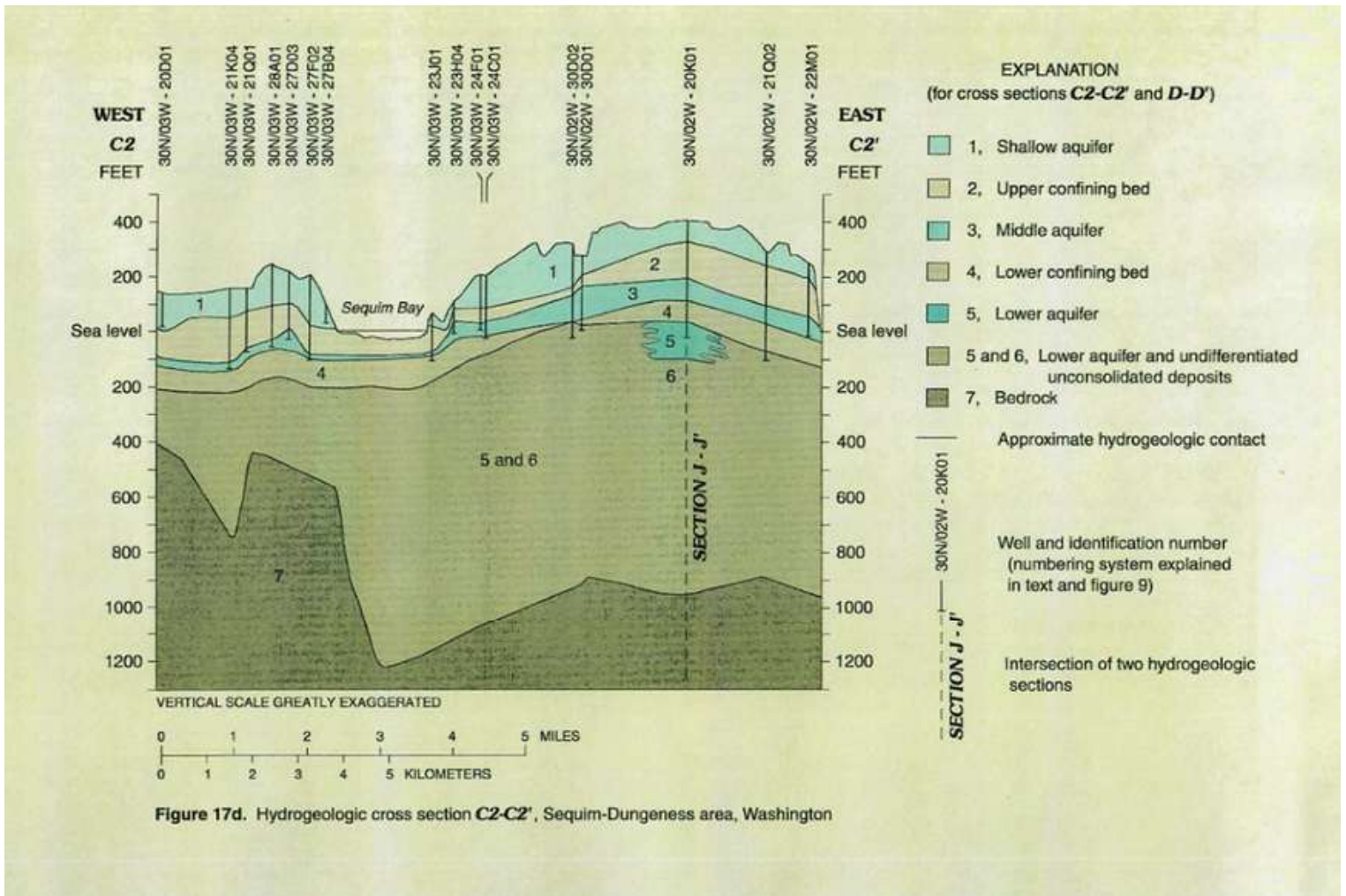


Figure 17d. Hydrogeologic cross section C2-C2', Sequim-Dungeness area, Washington

Water quality is also vital, as contaminated water, regardless of the contaminant, affects the well-being of all fauna and flora that depend on it. Development and reconstruction with impervious surfaces replacing the natural forests, will increase the quantity and severity of water contaminants. The Pitship Pocket Estuary may be contaminated with PFAS deemed injurious to health and Sequim has yet to test this critical Salmon resource nor has it verifiably reported on the testing of its reclaimed water.



John Wayne Marina facing West

## TRAFFIC IMPACTS

*Future impacts on existing roadways have not been adequately analyzed.  
No adequate traffic studies have been completed in over 10 years.*

West Sequim Bay Road is inadequate and dangerous. In 2022, one of the Planning Commission members stated that the road was too dangerous to walk on. However, when another subdivision was approved by the city council in 2022 (Mariners Outlook III), the only traffic concern was the entrance and egress from Mariners Outlook II and III to WSBR.

In fact, the Westbay developer was “unaware” of any other development (such as Mariners Outlook II and III) on WSBR and he expected only “60 percent (more) cars” as the development would be mostly “pedestrian”. (“Coffee with Colleen” broadcast, May 8, 2024) Even with this estimate, the John Wayne Marina environ to Highway 101

will experience more traffic congestion.

The developer also admitted that he did not know the likely traffic impacts: “Until specific projects are identified as part of the ongoing Sequim Comprehensive Plan update, it is not possible to determine whether traffic from the proposed development would cause these intersections to operate below LOS standards beyond the No Build condition...” (Westbay Master Plan Overlay Traffic Impact Assessment, p. 25)

In its determination that the proposed Westbay Master Plan was “technically incomplete”, Public Works noted that the “TIA Traffic Impact Analysis must include

West Sequim Bay Road and SR 101 existing and proposed LOS (Level of Service, i.e. quality of traffic) ...and (there was) insufficient information to reliably apply reductions to the ITE Manual Trip Generation...” (Technically Incomplete Letter, item 3, page 7).

To complicate the road problems, portions of WSBR are owned by Clallam County. Collaborative improvements with the city are unlikely, given the financial constraints involved. The city has declined the county’s offer to deed its portion of the road to Forrest Drive because that portion would require annexation.

This would then also require that the road be constructed and widened to state specifications; a bicycle and walking pathway must be included; the power infrastructure must be replaced; and water and sewer piping installed. No projects to improve WSBR from Forrest Drive to the John Wayne Marine have not been funded by the city for the next three years. And developers are required only to pay for road improvements that front their developments.



# ENVIRONMENT & ECOLOGY

*Moving forward with the proposed Westbay LLC planned community will irreparably alter the environment and ecology.*

**“THE PITSHIP POCKET ESTUARY IS CRITICAL BECAUSE ONES LIKE IT HAVE DISAPPEARED AT AN ALARMING RATE.”**

*(Cheryl Baumann, North Olympic Lead Entity for Salmon, 2025 annual meeting)*

## ECOLOGY OF THE WAYNE LAND AND AREA

The ecology of Sequim Bay, Johnson Creek, Pitship Pocket Estuary, and Pitship watershed will be profoundly impacted by the proposed high-density development. Although there has been some effort for restoration from past disruptive events, these environments are under threat again with the potential irresponsible high-density “City within a City” that is being planned. These four ecological environments define

this Sequim area and need to be protected, monitored, cherished.

So, what happens when this area is developed as proposed? Clearing of all trees and vegetation, excavation of the watershed, paving and building will change the natural landscape and habitat forever. The land will be made to fit the development as opposed to the development being designed to fit the land.



### PITSHIP POCKET ESTUARY

Pitship Pocket Estuary is a Category I Wetland (Ecology.wa.gov, 2025) and the habitat for much terrestrial, avian, and aquatic life. It is a small 4 acre tidal wetland that has been compromised over the years with only recent changes (replacing a culvert with a bridge) to provide support for its ecology. It is fed by tidal flow from Sequim Bay mixed with freshwater from the glacial outwash aquifer which surrounds most of the wetland.

Pitship Pocket Estuary is home to migrating ducks and geese, herons, egrets, shorebirds, and many species of land birds, including bald eagles, hawks, and owls. It offers temporary protection for salmon smolt transitioning from the Jimmy-comelately Estuary on the way to the ocean. It is also a wildlife corridor for bears, coyotes, raccoons, river otters, weasels, deer, bobcats, and cougars.

Pitship Pocket Estuary



The estuary is part of a larger network of habitats that support birdlife, with over 250 species recorded.

(<https://olympicpeninsulaaudubon.org/christmas-bird-count-results?rq=2024%20christmas%20bird%20count>) and

(<https://ebird.org/hotspot/L1439878>).

The Pitship Pocket Estuary is recognized as an Important Bird Area (IBA) by the National Audubon Society, highlighting its significance for bird migration and habitat.

(<http://www.audubon.org/important-bird-areas>).

Artificial light at night from high density urban areas leads to the disorientation of migratory birds.

The light pollution from 650 homes in the vicinity of the estuary stopover is a major ecological threat to migrating birds. (Audobon.org, 2025)

Members of the Olympic Peninsula Audubon Society have cataloged birds in the estuary for decades and are concerned about the potential

alteration of the ecological system by major disruption of the local environment.

## HISTORY

The 1870 construction of the dike road (originally Olympic Hwy. and now West Sequim Bay Rd.) blocked the connection between Sequim Bay and the estuary, changing its character from wave influence to tidal influence. An undersized culvert limited the tidal exchange and the nature of the estuary by altering the salinity and limiting the juvenile salmon access through the culvert. This dike road reduced the lagoon size by more than half and the marsh area by a quarter. (srp.rco.wa.gov, 2025)



In response, the North Olympic Salmon Coalition (NOSC) led a restoration project to replace the 2.5 foot concrete culvert with a 28 foot concrete bridge, reconnecting the estuary to the bay. This project, completed in 2010, restored tidal hydrology, improved fish passage for out-migrating juvenile salmon and summer chum, and enhanced habitat for forage fish and shellfish. The restoration also improved nearshore sediment transport and provided greater connectivity between the estuary and the surrounding marine environment. (srp.rco.wa.gov, 2025)

The development of the John Wayne Marina in 1983 - 1985, along with earlier logging operations, also changed the estuary's original nature.

The importance of an estuary as defined by Estuary Ecology (sonic.org, 2025):

- Many animal species rely on estuaries for nesting and breeding.
- Most of the fish and shellfish eaten in the US, including salmon, herring, and oysters complete at least part of their life cycle in estuaries.
- Estuaries filter out sediments and pollutants from rivers, streams, and watershed before they flow into the ocean or bay, providing cleaner water for human and marine life. However, this capacity is limited with excessive sedimentation and pollution from sewer systems, runoff of water-soluble petroleum products (aromatic hydrocarbons) from roadways or biocides from housing developments.
- Coastal development, introduction of invasive species, over fishing, dams, and global climate change have led to a decline in the health of estuaries, making them one of the most threatened ecosystems on Earth.



## CONTAMINATION

Pitship Estuary was recently tested for Per- and Polyfluoroalkyl Substances (PFAS) - a large group of human-made chemicals that resist heat, water, and oil. They are known as “forever chemicals” because they do not break down easily in the environment or the human body and can accumulate over time. The estuary was found to be contaminated and in excess of

federal standards. The existence of PFAS is a health risk. Roads (asphalt) contain water soluble components which are toxic to habitat. Rain water from Whitefeather Way drains directly into Pitship Pocket Estuary, the toxic accumulation and effects have not been studied.



Migrating ducks resting on their migratory journey in the Pitship Pocket Estuary

## PITSHIP POCKET ESTUARY CLASSIFICATION AND BUFFER REQUIREMENTS

Pitship Pocket Estuary (PPE) is a “pocket estuary” characterized by limited wave action (a result of the dike road) and absence of beach formation (altered by the road). It is affected by saltwater tidal flow and has significant freshwater spring input. It is recognized as a critical habitat for juvenile salmon, particularly chum and Chinook, providing essential rearing and feeding grounds before their migration to the ocean. The estuary’s classification as a pocket estuary underscores its importance for nearshore rearing of salmon and its role in supporting nearshore ecosystem processes.

PPE’s primary ecological functions include:

1. Juvenile salmon rearing
2. Tidal hydrology and fish passage
3. Forage fish spawning
4. Salt marsh habitat
5. Nearshore processes (wave, tidal, sedimentation) and overall ecosystem health
6. Water filtration

The Washington State Wetlands Rating System evaluates wetlands based on ecological functions to determine protection levels and buffer requirements. PPE is classified as Category 1, meaning that it has high habitat function, high ecological impact, and exceptional environmental/ecological value. As such, *Category I wetlands with high habitat function and impact rates a 300’ buffer.*



The 2010 Pitship Pocket Estuary restoration project (replacing the culvert with a bridge) was assigned Priority 1 ranking as it was a top conservation and restoration priority by the North Olympic Peninsula Lead Entity for Salmon. This high priority reflects the estuary's role as rearing habitat for Endangered Species Act-listed juvenile salmon and the significant ecological benefits achieved by restoring tidal hydrology and fish passage with the enhanced channel allowed by the new bridge.





# NW STRAITS BIOLOGIST

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Report by Alan Clark, NW Straits biologist, on issues affecting Sequim Bay and Pitship Pocket Estuary

Bodies of water becoming overly enriched with nutrients can become a major issue known as eutrophication where excess nitrogen and phosphorus can lead to harmful algal blooms and oxygen depletion, harming aquatic life.

Impact to Dungeness crab may not be immediate, but the eutrophication problems due to runoff and nutrient loading would ultimately impact the crab population in Sequim Bay. A quick glance at the map of the proposed development shows an almost exponential expansion of hard surfaces and runoff within the immediate area of the bay.

Additional ecological effects are:

- E. Coli from the 4 major creeks entering the bay and from JW Marina and RV Resort
- Aquatic bird habitation and migration
- Shore armament
- Marina (boat holding tanks, anti-fouling paint, fuel spills)
- Logging and resulting siltation

## JOHNSON CREEK

The following history is derived from [www.clallamcountywa.gov/812/Elwha-Dungeness-Plan](http://www.clallamcountywa.gov/812/Elwha-Dungeness-Plan)<sup>8</sup>, May 2005, and personal observation:

The creek channel below Hwy. 101 has been channelized, armored, and disconnected from its original floodplain by the construction of the RV park and John Wayne Marina. Soil erosion and sedimentation have created a new delta where it now enters Sequim Bay. The water quality fails to meet Washington standards for fecal coliform and re-testing for PFAS 9,10 is planned.

([www.clallamcountywa.gov/DocumentCenter/View/5682/210-Sequim-and-Bau-Drainages-PDF](http://www.clallamcountywa.gov/DocumentCenter/View/5682/210-Sequim-and-Bau-Drainages-PDF), private test, to be repeated)

The 1983 John Wayne Marina EIS ([www.clallamcountywa.gov/812/Elwha-Dungeness-Watershed-Plan](http://www.clallamcountywa.gov/812/Elwha-Dungeness-Watershed-Plan)) reported that spawning habitat exists in Johnson Creek for chum and coho salmon and cutthroat trout and steelhead trout.

However, the once tidal influenced lower section of creek has lost all estuary function because of the channelization and armoring due to the Marina construction.

The upper section of Johnson Creek has a history of being clear-cut without any buffer restrictions (set back from Johnson Creek).

The lower section has only a 10-20' buffer along the RV Park.

- **Channelized:** The stream has been straightened, widened, or deepened to increase the speed and volume of water flow. Typically involves removing the natural meandering path (sinuosity) of the creek.
- **Armored:** Banks and/or bed of the creek have been hardened with materials like concrete, large rocks (riprap), or metal structures to prevent erosion and stabilize the channel.
- **Disconnected:** The stream is isolated from its floodplain and surrounding ground water, often by levees, roads, or the armoring itself. This prevents the natural exchange of water, sediment, and nutrients between the stream and its adjacent environment.



## PRESENT STATUS

Johnson Creek is presently a part of a broader statewide initiative to restore natural creek environments throughout Washington to allow salmon and steelhead migration and propagation. This is mandated by a federal court injunction supporting the Stevens Treaties in 2013 (WSDOT.wa.gov., WDFW.wa.gov.). The Washington State Department of Transportation (WSDOT) oversees this \$136 million fish restoration project on U. S. Highway 101 across the Olympic Peninsula. The programmed removal of road barriers provides access to upstream

habitat for fish spawning and rearing. The removal of a concrete culvert, construction of the highway bridge, and reestablishment of the creek and natural environment has been completed. (see photo below)



**Fish Restoration Project on US Hwy 101**

Salmon and steelhead are an important part of our ecosystems as they:

- are a food source for many species of wildlife, including orca whales
- contribute to Washington's economy through recreational and commercial fishing
- create jobs and benefit local economies through habitat restoration work
- have cultural importance to many tribes who rely on salmon and steelhead as a food source. Washington State must uphold treaty-reserved fishing rights, ensuring that salmon are available for harvest.

The WSDOT also coordinates with the owners of barriers that need correction. The creeks are then monitored to verify the passage of fish. In some cases it may take years before fish use the new habitat, in others fish return immediately.

What does this mean for Johnson Creek and adjacent land? The restoration and monitoring demonstrate the importance and legal significance of appropriate buffer establishment and compliance as set by WSDOT.

The Municipal Code chapter on environmentally sensitive areas protection (Sequim Municipal Code Chap.18 ) stipulates that any development adjacent to a stream must preserve an undisturbed corridor which is wide enough to maintain the natural hydraulic and habitat functions of that stream.

Johnson Creek, as a result of its erosion and down cutting, is located within a ravine. The code further stipulates that the greater dimension of either the stream corridor zone or the ravine zone is used to establish a buffer setback.

Locally Unique Feature Corridor Zone (Sequim Municipal Code Chap.18)(as mandated by the federal court injunction) is measured 200' from the top of the ravine.



Significant Wildlife Habitat Areas. “To protect the habitat of animal species which are considered to be endangered or threatened species and thereby maintain and increase their populations, significant wildlife habitat areas come under responsibility of the State Environment Policy Act (SEPA)” (Sequim Municipal Code Chap. 18). This proposed high-intensity land use presumably will be mitigated by the following standards set by the responsible agencies:

- the establishment of a protective buffer zone including the preservation of critically important plants and trees
- limitation of access to habitat area
- avoidance of interference with wildlife and fisheries rearing, resting, nesting or spawning activities
- use best technology to avoid or reduce impacts

- use drainage and erosion control measures to prevent siltation of aquatic areas
- reducing the size, scope, configuration or density of development

Conclusion. Streams that are known to be used by fish, or meet the physical criteria to be potentially used by fish, are classified as Type F (DNR) and this factor is used by the DNR to determine the amount and pattern of riparian buffer protection required. The protection of Johnson Creek for salmon passage and spawning is mandated by the 2013 federal court injunction in support of the Stevens Treaties of the mid-1800’s (WSDOT, WDFW). We have a legal and a moral responsibility to follow these mandates and safeguard Johnson Creek’s natural flow and its riparian buffer.



PITSHIP POCKET ESTUARY  
WATERSHED

The Pitship Pocket Estuary Watershed is defined for this report as the area surrounding the estuary and affecting all aspects of the estuary. It includes Johnson Creek and a seasonal stream which flows into the estuary. It is a corridor for wildlife including bear, coyote, deer, river otter, etc.

The Estuary watershed is a riparian ecosystem and a transitional zone between terrestrial and aquatic realms. Riparian areas are critical for biodiversity, serving as habitat for a large proportion of plants and animal species, including threatened and endangered species. They support complex food webs, offer shelter and food for wildlife and act as migration corridors and forest

Pitship Pocket Estuary:  
Fish Passage Improvement Project. Designed to increase capacity.  
(Dungeness Salmon Productivity Restoration)



Pitship Pocket Estuary Project

Culvert Outlet Pre-2009

Jameson/SKallan/Tyler



Pitship Pocket Estuary Project

Completed Bridge 1/21/2010



connectors for many bird species. The presence of water attracts animals and offers abundant food sources.

The hill behind the Pitship Pocket Estuary was logged and excavated in the mid-1980s as a repository for the bay sediment when constructing the marina.

This fill and excavation created two major terraces on the hillside. A seasonal creek flows through this area into the estuary.

The terraces are composed of fill and the rain is absorbed rather than becoming surface runoff. The stability of this hillside fill in an area of historic seismicity needs study.

This fill and excavation created two major terraces on the hillside. A seasonal creek flows through this area into the estuary.

The terraces are composed of fill and the rain is absorbed rather than becoming surface runoff. The stability of this hillside fill in an area of historic seismicity needs study.

This is the acreage of the proposed housing development. At 9.5 houses per acre plus hard surfaces and roads, there will be very little habitat and natural ecology remaining.



Historical photo showing manmade alterations at Pitship Pocket Estuary.

# SPECULATIVE VISUALS AI GENERATED

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*Speculative image of created by AI using the Google satellite image of the area.*



## ADDITIONAL CONSIDERATIONS

“Southern Resident Killer Whales which inhabit Puget Sound are one of the most imperiled marine mammals in the world. They are listed as endangered under the federal Endangered Species Act (ESA). A significant cause of stress for Orca is the lack of Chinook salmon, their preferred food source. Their survival is contingent on recovery of healthy populations of Chinook salmon, also endangered and protected by the ESA. The fate of these iconic Washington animals is intertwined.” (Annual Meeting, Protect Peninsula’s Future) Cheryl Baumann, North Olympic Peninsula Lead Entity for Salmon and Tara Galuska, Washington State’s Orca Recovery Coordinator. This information is keenly relevant to the potential development of the John Wayne land and mandatory protection of this environment.

The following points were emphasized:

-The Orca survival is dependent upon the salmon survival

-100 years of habitat destruction jeopardizes the salmon and Orca survival

-Roads and buffers critically affect salmon population

-Man is not protecting natural resources and his actions contribute to climate change

-The need to stop all shoreline development is imperative to the survival of marine species

**-Cheryl Baumann states that the Pitship Pocket Estuary is critical because ones like it have disappeared at an alarming rate**



## CONCLUSION

Millions of dollars and many years of effort have gone into salmon recovery in the Puget Sound area. Salmon are the cornerstone species of nature's balance in the Pacific Northwest.

The Jimmycomelately Estuary re-establishment is touted by experts as the shining example of success in salmon recovery with spawning salmon increasing from seven in 2010 to thousands now. The bridge installation on WSBR at the Pitship Pocket Estuary re-opened the estuary to tidal flow and admission of salmonids enroute from Jimmycomelately through Sequim Bay into the strait. Salmonid access to the estuary is a necessary step for growth and adaptation to their new environment.

The Washington State Wetlands Rating System evaluates wetlands based on ecological functions to determine protection levels and buffer requirements. Pitship Pocket Estuary is classified as Category 1,

meaning that it has high habitat function, high ecological impact, and exceptional environmental and ecological value. As a Category 1 wetland, the Pitship Pocket Estuary should require a 300' buffer.

A congested town built around a Category 1 Wetland does not fit the environment, ecology, or nature of the City of Sequim and its residents. The proposed massive tree removal and excavation will forever harm the ecology of this beautiful land.

Pitship Pocket Estuary, Johnson Creek, Pitship Watershed, and Sequim Bay and shoreline are unique and sensitive entities of nature enjoyed and appreciated by residents and visitors.

The habitat of the wetlands is sensitive to disturbance and is readily provoked by people, dogs, noise, and road traffic.

Few communities have something as geographically and biologically spectacular as this wetland, creek and watershed area.



# CULTURE OF SEQUIM

*How will a resort community within city limits change the culture of Sequim?*

## WHAT SHOULD BE THE FUTURE OF SEQUIM?

A vibrant community is a place with a feel - this is what residents tend to connect to. What makes a place feel like home? Do we like the small town feel, knowing our neighbors, and short lines at the post office? Or do we need a city vibe - loud and vibrant, rich with global cuisines, a place that never seems to sleep? It's the feeling of a place that makes it feel like home; whether we nestle into the existing feeling, or help to create it. And it's no secret that this evolves over time.

Growth is critical to communities, but growth without a strategic vision of the future can be incredibly detrimental. The future culture of Sequim may hinge on the introduction of the proposed Westbay LLC resort development. Why?

With a major mixed-use development of 650 homes, many of which will ultimately become second homes used as income property, a seismic shift in the feel and culture of Sequim is inevitable.



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## POPULATION

TOTAL POPULATION: 8,125

MEDIAN AGE: 61 YEARS OLD

**42.4%**

OF THE SEQUIM POPULATION  
ARE AGES 65 AND GREATER

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## HOUSING



HOUSES IN SEQUIM: 11,011

MEDIAN HOME PRICE: \$597,000 TO \$625,000

MEDIAN GROSS RENT: \$1,173

RENTAL OPTIONS:

1% - NO BEDROOM

9.9% - ONE BEDROOM

80.3% - 2 TO 3 BEDROOM

9.2% OF RENTERS MOVED TO SEQUIM  
AFTER 2021 OR LATER

**33%**

OF OCCUPIED UNITS PAY  
BETWEEN \$1,000 AND \$1,499  
MONTHLY

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## INCOME

MEDIAN HOUSEHOLD INCOME: \$68,272

AVERAGE SALARY IN SEQUIM: \$39,709/YR OR \$19/HOUR

POVERTY RATE: 9.6%

13.5% ARE UNDER THE AGE OF 18

13.5% ARE AGES 18 TO 64

## PITFALLS OF BECOMING A VACATION DESTINATION

The site of the proposed Westbay LLC development is owned by John Wayne Enterprises (JWE). Turning this 90 acre, forested parcel into a resort community of some sort has been a long-term goal of JWE.

Since 1985 a portion of the land is already home to an RV park, camping and several vacation cabins which draw hundreds of visitors to fish, camp and enjoy the shore. Regular RV Park visitors book months in advance for their stay. This small footprint offers affordable vacation stays for visitors who, anecdotally, have claimed to visit annually.

But these accommodations are a far cry from the 650, \$500,000 to \$1.5 million homes Westbay LLC is proposing. “Westbay” is a new development from the creators of Seabrook at Moclips. Today, at Seabrook, there are over 250 homes in its vacation rental program, accounting for half of the homes currently built. Seabrook is an unincorporated area on the Washington shore. It is about 40 minutes’ drive to the next city, Aberdeen, which is home to 17,000 residents. The proposed Westbay LLC development creates a city within an existing city. Unlike the current vacation spot, the multiuse development clashes with citizens’ top priorities for the future of Sequim. In the July 2024 comprehensive plan survey and workshops, citizens prioritized preservation of rural land and open space, attractive and lively downtown, and a place to grow up and retire. (2024 City of Sequim Survey)

### Sequim Residents’ Priorities:

- Preservation of Rural Land and Open Space
- Attractive and Lively Downtown
- Place to Grow up and Retire



From the proposed Westbay LLC site to downtown Sequim, it's a five minute drive. According to LoopNet, there are 13 commercial real estate listings for lease in the area. Westbay LLC's 30,000 square feet of commercial space creates its own, competing "downtown" area within the development. Casey Roloff, CEO of Seabrook Land Company and Westbay LLC aims to build a "walkable mixed use community where people do not need to use their car as much as we typically do with more suburban development." (City Council Meeting, Sept 2025)

What happens when the tourism traffic to the proposed Westbay LLC development does not venture into town for regular meals, vacation shopping, and groceries? How many more storefronts downtown will struggle? The double hit of emptying storefronts, and difficulty finding employees who can afford to live and work in there is a symptom of what Brenden O'Brien calls "Zombie Towns" (O'Brien, Homesick: Why Housing is Unaffordable and How We Can Change It)

"It's this idea that the town is still operating, and anybody who goes there can go to shops, and they can buy things. They can go out to eat, they can have someone serving them, they can stay in a house or a hotel. The town seems to be thriving. But it's just been hollowed out, where increasingly the people who work the jobs there don't live there...It's like a movie set, where people can go and experience it, and experience these beautiful parks, but there's no sign of the people who maintain them...People who do everything that makes the place a community have ceased to exist in the space." ([O'Brien, Article](#))

Is this what we want for Sequim's future? A Zombie town?



## AFFORDABLE HOUSING BECOMES EVEN MORE CHALLENGING

Resort destinations are stoking the fire of the further commoditization of housing. After the 2008 mortgage crisis, America saw hundreds of thousands of foreclosed homes being bought up not by private buyers finally able to enter the market, but by large private equity firms like Blackstone. These firms bought homes for pennies on the dollar and proceeded to turn them into a huge source of profit renting them for above-market rates. Today, many people are buying investments and not homes. They are investments; second houses that serve as a place to unwind a few days a year and short-term rentals the rest. “When people are buying up land, they’re going to price it with the expectation that somebody can make a lot of money by building here, and that just inflates the price of housing so the housing that is more affordable never gets built.” (O’Brien)

The demand for housing by wealthy homebuyers raises prices for all. And the definition of “wealthy” has shifted in the United States as the gap between the “haves” and “have nots” continues to widen. A “modest” second home is a luxury when many Americans are still dreaming of purchasing their first home. “But when the supply of housing is limited, the price of housing rises,” and as the natural amenities of the area attract investors and second homeowners, pricing increases. (Headwaters, 2023) This sets off a chain reaction housing policy experts call a “housing ladder or bridge.”



“The entire real estate market is connected, from the most- to the least-expensive...When the highest-priced housing gets even more expensive-as happens rapidly in hot markets like amenity destinations-some buyers will shift into the tier below...This process will continue to the least expensive homes, and potential buyers of the least expensive homes will postpone homeownership and continue renting.” (Headwaters, 2023)

This puts pressure on both the highest and lowest ends of the housing ladder and often leaves renters nowhere to go.

“A 2020 study found that a \$100 increase in median rent was associated with a 9% increase in homelessness.” (Headwaters, 2023) The Median Household Income in Sequim is \$68,272, and Median Gross Rent is \$1,173, this means roughly a quarter of that take-home salary goes to a person’s rent today. What happens as property values increase thanks to the construction and sale of 650 additional homes sold around \$1 million each? Only 10 % of Sequim’s current rental market are smaller and more affordable homes. Eighty percent of Sequim’s current rental market comprises of 2- to 3- bedroom homes.



**The housing bridge.** Housing at all price ranges are connected. Policies at any level will impact the entire housing bridge.



For Sequim residents who are not priced out of town, their tax dollars end up working overtime to try to maintain infrastructure, critical services, and preparation for natural disasters. The few are on the hook to pay for the additional wear and tear to roads, water and sewer systems, and emergency services, contributing to the mounting cost-of-living issues in these amenity-rich resort destinations. To further complicate the issue, infrastructure costs tend to be uneven year-over-year, adding complexity to annual planning and budgeting.

For example, the Sequim Lavender Festival claims to attract over 30,000 visitors from around the world across its 3-day festival.

([Lavenderfestival.com](http://Lavenderfestival.com), accessed 11/17/25) This impressive attendance number is already significantly larger than the population of Sequim at 8,125. Imagine continued growth and attraction of vacationers to the area. When does the city reach a threshold where the infrastructure required to support tens of thousands of visitors

is resting on the already financially-burdened shoulders of tax paying residents?



# CONCLUSION

*The proposed Westbay LLC resort development is a high-risk experiment Sequim cannot afford financially, environmentally, or culturally.*

The proposed Westbay LLC resort development is not simply another neighborhood; it is a costly, high-risk experiment that Sequim cannot afford financially, environmentally, or culturally.

A development of this scale demands massive upfront taxpayer investment for lift stations, utilities, roads, emergency services, and long-term maintenance. Yet it offers almost nothing that addresses our city's most urgent needs, particularly affordable housing for the workers, families, and retirees who already sustain this community. Instead, it funnels finite municipal resources toward creating a high-end resort enclave

that functions as a parallel city, siphoning economic activity, pressuring infrastructure, and pushing local residents further out of reach of homeownership.

The project rests on unverified assumptions about water availability, about the capacity of our aquifers, about traffic safety on an already dangerous corridor, and about the ability of our city to absorb thousands of additional residents, vacationers, and vehicles. With worsening drought, aging infrastructure, and shrinking municipal budgets, Sequim cannot build its future on outdated data or optimistic projections.



Most concerning, this development would irreversibly transform one of the most sensitive and ecologically significant areas in Clallam County. Pitship Pocket Estuary, Johnson Creek, and Sequim Bay are not empty land waiting to be used—they are living systems supporting salmon, migratory birds, wildlife corridors, and the very environmental assets that make Sequim unique. Clear-cutting 90 acres above a Category 1 Wetland and replacing it with dense housing, roads, and commercial space places these fragile systems—and decades of restoration work—at permanent risk.

Finally, the cultural consequences are impossible to ignore. Sequim's identity is rooted in its small-town character, its rural vistas, and its strong sense of community. A resort community of 650 high-value homes and 30,000 square feet of commercial space just five minutes from downtown would shift the city's center of gravity, turning

Sequim from a place people *live* into a place people *visit*, while hollowing out the affordability and livability for those who call it home.

Cities are complex, adaptive systems. Healthy systems grow when their parts remain in balance. The proposed Westbay LLC development disrupts every system at once—financial, ecological, infrastructural, and cultural—without giving residents any corresponding benefit. It is growth without harmony, development without alignment, and risk without reward.

For these reasons, the Westbay LLC proposal is incompatible with the vision of Sequim's Comprehensive Plan and the long-term wellbeing of its residents. The responsible and forward-looking choice is to reject this resort development and pursue growth that strengthens, rather than strains, the community.

