

It's Déjà Vu In Whitefish **City Overcharges Residents and Builders (Again)**

On Oct 16th, 2023, the Whitefish City Council voted unanimously to raise impact fees nearly 33% on all new development starting in Jan, 2024. This despite the fact the City is in the middle of a Class Action lawsuit that is already costing Whitefish hundreds of thousands of dollars in legal and expert fees. This is on top of hundreds of thousands of dollars in impact fee refunds the City already admitted it owes. The Judge in the Class Action has scheduled the trial for July 2024, with approximately **\$3-\$4 million** in claims against the City.

Now Whitefish officials appear to be doubling down on [impact fee overcharges](#).

Serious problems with the new impact fees were presented in an Open Letter to the Mayor and Council at the Oct. meeting. The letter described an example of one obvious error committed by City officials and their consultant. A professional engineering expert backed up this claim in a report submitted to the City as a disclosure in the Class Action. Two Council members declined meetings to even discuss the problems. An offer was made to work with the City to identify and correct these errors. The City ignored the offer. Instead, City officials wrote a gratuitous and inflammatory OP-ED in an attempt to discredit the Open Letter and its author.

At the Oct. meeting, when the Mayor asked the City Manager to comment on the error identified in the Open Letter, Dana Smith questioned the \$4M of projected overcharges, **not the substance of the problem**. She claimed her new consultant (TischlerBise Inc.) was the “best of the best”, so she apparently didn’t need to look into the problem. **This is déjà vu, all over again**. In 2021, the same citizens presented a report critical of Whitefish impact fees to the City and were mocked by the Council. Now Whitefish is a defendant in a Class Action lawsuit over these impact fees and is suing its former consultant (FCS Group).

Why are City officials so opposed to independent review or criticism? The issues identified with the new impact fees are obvious and easily demonstrated. The fact that the City won’t even look into them is incredible considering the current litigation and that Whitefish officials have publicly admitted to prior impact fee mistakes.

The City’s goal appears to be collecting the **highest impact fees in Montana** no matter how this goal is achieved. The Council voted to approve a [flawed report that will cost Whitefish property owners over \\$5000 each in overcharges](#). Just as in 2021, the only recourse left for these property owners may be through the courts. And it is déjà vu once again for the residents of Whitefish who will get stuck with the bill!

Paul Gillman, Whitefish

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