HOUSE BILL REPORT HB 3123

As Reported by House Committee On:

Local Government

Title: An act relating to modifying annexation requirements for unincorporated island territories.

Brief Description: Modifying annexation requirements for unincorporated territories.

Sponsors: Representative Simpson.

Brief History:

Committee Activity:

Local Government: 2/1/06, 2/2/06 [DP].

Brief Summary of Bill

• Revises annexation methods for unincorporated islands of territory.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 4 members: Representatives Simpson, Chair; Clibborn, Vice Chair; B. Sullivan and Takko.

Minority Report: Do not pass. Signed by 3 members: Representatives Schindler, Ranking Minority Member; Ahern, Assistant Ranking Minority Member and Woods.

Staff: Kasa Tupua (786-7291).

Background:

Current law authorizes several methods for municipal annexation. Code and non-code cities and towns have separate statutory requirements for governance and operation, however they employ similar annexation methods. The annexation methods include:

- voter approval by residents in proposed annexation areas for city or town resolutions, and for initiatives petitioned by residents in the proposed annexation areas;
- approval without voter action of petitions signed by property owners with a certain percentage of land value; and
- approval by a majority of the city or town legislative body, without voter or property owner action, of resolutions involving annexations for municipal purposes.

Urban Growth Areas

Counties that are required or choose to plan under the Growth Management Act (GMA) must designate an urban growth area or areas (UGA). The UGAs are areas in which land is

intensively used for the location of buildings, structures, and impermeable surfaces such that the land may not be used for rural development or purposes. Cities or towns located in a county with UGAs may not annex territory beyond a UGA.

Annexation Methods for Unincorporated Islands of Territory

The legislative body of a non-code city or town planning under the GMA as of June 30, 1994, may resolve to annex qualifying unincorporated islands of territory to the city or town. The qualifying territory must be within the annexing city or town, and must contain residential property owners within the same county and UGA as the annexing city or town. The qualifying territory must also:

- contain fewer than 100 acres and have at least 80 percent of the boundaries of the area contiguous to the city or town; or
- be of any size and have at least 80 percent of the boundaries of the area contiguous to the city if the area existed before June 30, 1994.

Code cities employ similar annexation methods for unincorporated islands of territory. The legislative body of a code city may resolve to annex qualifying territory containing residential property owners to the city if there is, within the city, unincorporated territory:

- containing fewer than 100 acres with boundaries that are at least 80 percent contiguous to the city; or
- of any size having boundaries that are at least 80 percent contiguous to the city if the area existed before June 30, 1994, is within the same county and UGA as the annexing city, and the annexing city was planning under the GMA as of June 30, 1994.

The annexation resolutions for code and non-code cities and towns must describe the boundaries of the area to be annexed, state the number of voters residing within the area, and set a date for a public hearing on the resolution. Public notification requirements must be satisfied.

Annexation ordinances by code and non-code cities and towns are subject to referendum for 45 days after adoption by applicable legislative authorities. The question of annexation must be submitted to the voters of the area to be annexed in a general election if a sufficient referendum petition is filed with the legislative body. A sufficient petition must be signed by qualified electors in a number that is equal to or greater than 10 percent of the votes cast in the previous general election.

Summary of Bill:

The annexation methods for unincorporated islands of territory for code cities and non-code cities or towns are revised to specify that cities and towns may annex qualifying islands of unincorporated territory if the proposed annexation area contains 100 or more acres and is at least 60 percent contiguous to the city or town.

Additionally, the referendum threshold for city and town annexations of this unincorporated island territory is increased from 10 percent of the votes cast in the previous general election to 25 percent.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is

passed.

Testimony For: It is important to find the right formula for allowing annexations without usurping the will of the voters, and ensuring that citizens have a voice in the process. This bill will help facilitate these types of annexations. This bill also helps cities consider annexation of areas surrounded by them, and retains the rights of citizens to object to the annexation, and petition to require a vote on the annexation.

(With concerns) Decreasing the contiguous boundaries of annexation from 80 percent to 60 percent stretches the definition of island to include many more adjacent areas to the cities, that do not necessarily surround the cities. This decrease will result in additional annexation and costs. It is still important to acknowledge the process that allows access to decisions that affect lives, and to have an impartial body to hear the concerns of citizens.

Testimony Against: Decreasing the boundaries of annexation from 80 percent to 60 percent goes away from the spirit of the law, and raising the referendum threshold from 10 to 25 percent should be considered carefully. This new threshold will make it more difficult for tax payers or constituents to be able to have a say in the annexation process.

Persons Testifying: (In support) Representative Simpson, prime sponsor; and Dave Williams, Association of Washington Cities.

(With concerns) Michael Marchand, Washington State Association of Boundary Review Boards.

(Opposed) Ryan Spiller, Washington Fire Commissioners Association.

Persons Signed In To Testify But Not Testifying: None.