Local Government Committee

HB 2006

Brief Description: Authorizing interlocal agreements for annexation.

Sponsors: Representatives Moeller and Eddy.

Brief Summary of Bill

- Creates a new method of annexation allowing code cities, non-code cities, and towns planning under the Growth Management Act to annex qualifying territory within an urban growth area.

- Requires the annexing city or town to enter into an interlocal agreement with the qualifying county that describes the boundaries of the territory proposed for annexation.

- Exempts annexations conducted under the new method from review by a boundary review board.

Hearing Date: 2/15/07

Staff: Jessica Nowakowski (786-7291).

Background:

Current law authorizes multiple methods for municipal annexations. While code and non-code cities and towns have separate statutory requirements for governance and operation, the annexation methods employed are generally similar. A summary of the methods is as follows:

- *Resolution/election method* - requires approval of city or town resolutions by voters residing in the proposed annexation area;
- *Petition/election method* - includes initiatives petitioned by and approved by the voters residing in the proposed annexation area;
- *Direct petition method* - requires approval of direct petitions signed by property owners comprising a specific percentage of land value, without voter action. An alternative direct

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petition method based upon the signatures of qualifying property owners and registered voters meeting specified criteria was enacted into law in 2003;

- *Resolution only method* - includes annexations for municipal purposes approved by a majority of the city or town legislative body, or other actions not requiring voter or property owner action; and
- *Ordinance method* - requires the negotiation of interlocal agreements between the participating jurisdictions. An annexation election must be held in the territory to be annexed if more than one city or town adopts interlocal agreements providing for annexation of the same territory.

Urban Growth Areas
GMA jurisdictions must designate urban growth areas (UGAs) within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. No city or town located in a county in which UGAs have been designated may annex territory beyond a UGA.

Boundary Review Boards
Boundary review boards (BRBs) are authorized by statute to guide and control the creation and growth of municipalities in metropolitan areas. While statute provides for the establishment of BRBs in counties with at least 210,000 residents, current law provides that a BRB may be created and established in any other county.

Upon receiving a request for review that satisfies statutory requirements and following an invocation of a board's jurisdiction, a BRB must review and approve, disapprove, or modify specific proposed actions, including actions pertaining to the creation, incorporation, or change in the boundary of any city, town, or special purpose district within 45 days. If a period of 45 days elapses without the board's jurisdiction being invoked as provided in statute, the proposed action must be deemed approved.

Summary of Bill:

A new and alternative method of annexation is established allowing the legislative body of a code city or non-code city or town planning under the major provisions of the Growth Management Act (GMA) to annex unincorporated territory contiguous to the city or town through legislative action. No city or town, however, may annex territory that is beyond the urban growth area (UGA) the city or town is within. Annexations conducted using this new method are not subject to review by a boundary review board.

A resolution, describing the boundaries of the territory proposed for annexation, must set a date for public hearing on the resolution. Separate public hearings must be held by the legislative body of the city or town proposing annexation and the legislative body of the county with jurisdiction over the subject territory. Following compliance with the resolution, public hearings, and related public notification requirements, the legislative body of the city or town must determine by ordinance whether the territory proposed for annexation will be annexed.

Before initiating an annexation under the new method, the city or town proposing to annex territory must enter into an interlocal agreement with the county with jurisdiction over the territory. The interlocal agreement must describe the boundaries of the territory proposed for annexation and must be consistent with the boundaries identified in the resolution required by the

annexing city or town. An interlocal agreement providing for a specific annexation or general annexation terms meeting specified criteria satisfies the interlocal agreement requirements. A general interlocal annexation agreement must include:

- a statement of the goals of the agreement, including providing for the transition of services and staff, community involvement, revenue sharing, and debt distribution;
- the subject areas and policies and procedures the parties agree to undertake in annexations, including provisions pertaining to roads and traffic, development regulations, finances, and governance; and
- a term of at least five years that may be extended by mutual agreement of the city or town and the county.

A supplemental interlocal agreement may be negotiated to address issues for a specific annexation if the issues are not sufficiently addressed in a general interlocal agreement.

The right of way line of any public street, road or highway, or a segment thereof, may be used to define a part of a corporate boundary in an incorporation or annexation proceeding.

Appropriation: None.

Fiscal Note: Not requested.

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