
Local Government Committee

HB 2593

Brief Description: Authorizing interlocal agreements for annexation.

Sponsors: Representatives Moeller, Wallace, Fromhold and Clibborn.

Brief Summary of Bill

- Creates a new means of annexation allowing non-code cities to annex qualifying territory within an urban growth area (UGA).
- Requires the annexing city to enter into an interlocal agreement with the qualifying county that specifies related goals, policies, and procedures.
- Allows the city or county to invoke binding arbitration following a mediated negotiation process that may begin if the city and county fail to complete an interlocal agreement within 120 days of its initiation.
- Exempts code city and non-code city and town annexations from review by a boundary review board.

Hearing Date: 1/26/04

Staff: Ethan Moreno (786-7386).

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

- 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.

In 2003 the legislature also enacted a new annexation method by which certain cities and towns planning under the major provisions of the Growth Management Act (GMA jurisdictions) may annex qualifying territory by ordinance if specific requirements, including the negotiation of interlocal agreements between the participating jurisdictions, are satisfied. In accordance with the newly enacted provisions, 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. The establishment of BRBs in counties with at least 210,000 residents is provided by statute. A BRB may be created and established in any other county through resolution adopted by the county legislative authority or through an election method commenced through a petition process.

Upon receiving a request for review that satisfies statutory requirements, 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.

Annexations by code cities and non-code cities and towns may be subject to potential review by a BRB.

Summary of Bill:

The legislative body of a non-code city may, by majority vote, resolve to annex unincorporated territory contiguous to the city that is within a city's designated UGA. The resolution must describe the boundaries of the area to be annexed and comply with other requirements. The annexing city must satisfy public hearing and notification requirements prior to determining by ordinance whether the area will be annexed.

Before initiating an annexation under this new method, a city must enter into an interlocal agreement with a qualifying county. The interlocal agreement may be, by agreement of the city and county, supplemented to address issues specific to an individual annexation if the issues are not addressed in a general interlocal annexation agreement.

A general interlocal annexation agreement must include:

- A statement of the goals of the agreement, including providing for the transition of services and staff, and revenue sharing; and

- The subject areas and policies and procedures the parties agree to undertake in annexations, including provisions pertaining to transportation, development regulations, finances, and governance.

If the city and county do not complete a general interlocal agreement within 120 days of its initiation, the city and county may extend the negotiation time, or either party may invoke mediated negotiation. If the parties fail to reach agreement through mediation, either party may invoke binding arbitration.

Code city and non-code city and town annexations under specific statutory provisions are not subject to review by a boundary review board.

Appropriation: None.

Fiscal Note: Not requested.

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