# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Local Government Committee**

# **HB 2829**

**Brief Description:** Revising provisions relating to incorporations within urban growth areas.

**Sponsors:** Representatives Jarrett, Moeller, Nixon, Shabro, Clibborn and Romero.

## **Brief Summary of Bill**

- Allows a boundary review board to initiate a review to establish a planning boundary encompassing qualifying unincorporated territory.
- Requires, following the satisfaction of specified criteria, an election whereby qualifying
  voters decide to approve either annexation or an interlocal agreement providing for
  municipal services to the unincorporated territory.
- Allows qualifying voters through a petition process to require a county legislative authority to resubmit to the voters the question of either approving the interlocal agreement or annexing to the subject city or town.
- Requires the municipal services provided by a city or town as specified in an interlocal
  agreement to correspond to the county revenue loss estimated to result from the
  annexation.

**Hearing Date:** 2/4/04

**Staff:** Ethan Moreno (786-7386).

### **Background:**

#### Growth Management Act

The Growth Management Act (GMA) establishes a comprehensive land use planning framework for county and city governments in Washington. Counties and cities meeting specific population and growth criteria are required to comply with the major requirements of the GMA. Counties not meeting these criteria may choose to plan under the GMA. Twenty-nine of 39 counties, and the cities within those 29 counties, are required to or have chosen to comply with the major requirements of the GMA (GMA jurisdictions).

Among numerous other planning requirements, GMA jurisdictions must adopt internally consistent comprehensive land use plans (comprehensive plans), which are generalized,

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coordinated land use policy statements of the governing body. GMA jurisdictions also must adopt development regulations that are consistent with and implement the comprehensive plan.

GMA jurisdictions must also 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.

The GMA requires six western Washington counties (*i.e.*, Clark, King, Kitsap, Pierce, Snohomish, and Thurston counties) and the cities within those counties to establish a review and evaluation "buildable lands" program. The purpose of the program is to determine whether a county and its cities are achieving urban densities, and identify reasonable measures, other than adjusting UGA boundaries, that will be taken to comply with GMA requirements.

### **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:**

#### Boundary Review Board - Review and Establishment of Planning Boundary

Any boundary review board (BRB) may initiate a review of unincorporated territory within an Urban Growth Area (UGA) for the purpose of establishing a planning boundary. A request for review by a BRB may only be made by a legislative body subject to the "buildable lands" provisions of the Growth Management Act (GMA), or a growth management council or citizen subject to the jurisdiction of such a legislative body.

The planning boundary should be consistent with potential or planned annexation areas designated in an adopted county comprehensive plan or written annexation agreement. The board may, however, establish a planning boundary in a manner consistent with review provisions specified in current law.

#### Fiscal Analysis, Interlocal Agreement, and Provision of Services

Upon completion of the review, the BRB must forward the planning boundary to the county legislative authority. Following its receipt of the planning boundary, the county must perform a fiscal analysis to determine whether the county will experience any revenue loss as a result of an annexation of the territory specified in the planning boundary.

Following the completion of the fiscal analysis, the county must commence a negotiation process with the city or town that, as identified in the planning boundary, the subject territory may be

annexed to for the purpose of negotiating an interlocal agreement. The interlocal agreement must provide:

- for a transfer of funds from the county in an amount equal to the revenue loss identified by the county in the fiscal analysis; and
- that all municipal services within the planning boundary, except those provided by special purpose districts, must be provided by the city or town that the subject territory may be annexed to.

The services provided by a city or town as specified in an interlocal agreement must correspond to the estimated revenue loss identified by a county in the fiscal analysis.

#### **Election Provisions**

Following the completion of the interlocal agreement negotiations, the agreement must be submitted to the county legislative authority of the county party to the agreement. Upon receipt of the completed agreement, the question of either approving the agreement or annexing to the city or town party to the agreement must be submitted to the voters of the subject territory.

Upon the certification of the election:

- the agreement must be deemed approved if a majority of the votes cast on the proposition are in favor of the agreement; or
- the annexation must be deemed approved if a majority of the votes cast on the proposition are in favor of the annexation.

In either case, the agreement or the annexation will be effective January 1 of the following year.

If the voters choose to approve the interlocal agreement, the jurisdictions subject to the agreement must renegotiate and update the agreement annually or biennially, as appropriate. Should the voters choose to approve the annexation, the annexing jurisdiction must receive priority status for grant applications for infrastructure investments from the public works trust fund.

A petition calling for an election may be filed with the BRB upon the renegotiation of an interlocal agreement. To qualify as sufficient, the petition must satisfy statutory requirements and be signed by at least twenty percent of the registered voters residing within the subject territory.

Upon a determination of sufficiency as provided by law, the board must transmit the petition to the legislative authority of the county party to the interlocal agreement. Following this, the legislative authority must resubmit the question of either approving the agreement or annexing to the subject city or town in a specified manner.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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