

SENATE BILL REPORT

SB 5013

As of January 28, 2013

Title: An act relating to annexations.

Brief Description: Requiring a vote of the people before all annexations.

Sponsors: Senator Benton.

Brief History:

Committee Activity: Governmental Operations: 1/22/13.

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Staff: Karen Epps (786-7424)

Background: The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Counties that fully plan under the GMA must designate urban growth areas (UGAs) or areas within which urban growth must be encouraged and outside of which growth can occur only if it is not urban in nature. A city located in a county subject to GMA requirements may annex only that area which lies within its UGA.

Current law authorizes multiple methods for municipal annexations. While cities and towns have separate statutory provisions for classifications, governance, and operation, the annexation methods they may employ are largely similar. These methods include the following:

Election Method. This method of annexation can be initiated by voters or by the city council. The city council can initiate the process by adopting a resolution calling for the annexation by election. Voters can initiate this process by filing a petition signed by 20 percent of voters in the area to be annexed, that voted in the last general election. The annexation is approved by a majority vote.

Direct Petition Methods. *Sixty Percent Petition Method.* This annexation method is initiated by the filing of a petition signed by either 10 percent of the residents in the area to be annexed, or the owners of the area to be annexed that represent 10 percent of the assessed value. After the city agrees to the annexation, a petition must be signed by the owners of the property representing 60 percent of the assessed valuation of the proposal area. The petition

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

is then filed with the city and transmitted to the county. The annexation is finalized by the adoption of an ordinance by the city council.

Alternative Petition Method. This annexation method is initiated in the same manner as the 60 percent petition method. After the city agrees to the annexation, a second petition is then prepared and must be signed by at least 50 percent of the registered voters in the area, and by the owners of at least 50 percent of the acreage in the proposed annexation. If the city decides to annex, it adopts an ordinance. After adoption of the ordinance, a copy of the ordinance is filed with the county. The annexation is effective on the date the ordinance is adopted.

Interlocal Agreement Methods. *Annexation of Territory Within the UGA.* This method is only applicable to areas that are bordered by at least 60 percent of one or more cities, and for cities in counties that are subject to the buildable lands review and evaluation program under the GMA. This method allows for annexation based on an agreement between the city and the county. Following a public hearing and approval of the annexation agreement, the city council adopts an ordinance annexing the territory. The annexation ordinance is subject to referendum for 45 days after passage.

Annexation of Area Served by Fire Districts. Under this method, a city, county, and a fire protection district can enter into an interlocal agreement when a city is proposing to annex area within a fire protection district. If the fire protection district, city, and county reach an agreement, the annexation may proceed and is not subject to referendum. If only the city and county reach an agreement, the annexation may proceed under the interlocal agreement, but the annexation ordinance is subject to referendum for 45 days after passage.

Other Annexation Methods. Other methods of annexation include the following:

- annexation for municipal purposes;
- annexation of territory used for an agricultural fair;
- annexation of unincorporated islands; and
- annexation of federally owned areas.

Boundary Adjustments. A city's boundaries may be adjusted to include or exclude area located within a public street, or where one parcel is located both within and outside the city's limits.

Summary of Bill: An annexation under the 60 percent petition method is effective after the registered voters of the area to be annexed approve the annexation by majority vote. An annexation under the alternative petition method must be submitted to the voters of the area to be annexed. The annexation is deemed approved by a majority vote

An annexation of unincorporated islands, areas that are less than 100 acres in size where at least 80 percent of the area's boundaries are contiguous with the city or town, or an area of any size where at least 80 percent of the area's boundaries are contiguous with the city or town and the area existed as unincorporated territory before June 30, 1994, must be submitted to the voters of the area to be annexed. The annexation is deemed approved by a majority vote.

An annexation of territory within a UGA through an interlocal agreement must be submitted to the voters of the area to be annexed. Following adoption and execution of the agreement by the city and county and approval by a majority of the voters, the annexation takes effect 45 days after adoption of an ordinance by the city.

An annexation of territory used for an agricultural fair must be submitted to the voters of the area to be annexed. Following adoption of a resolution by the county approving the annexation and approval by a majority of the voters in the area, the city or town then adopts an ordinance to annex and the territory becomes a part of the city or town upon the date in the ordinance.

A city, county, and fire protection district that enter into an interlocal agreement to annex area within a fire protection district must submit the annexation proposal to the voters of the area to be annexed. A city and a county that enter into an interlocal agreement to annex area within a fire protection district must submit the annexation proposal to the voters of the area to be annexed. After approval by a majority of the voters in the area, the annexed area becomes part of the city upon the date in the ordinance.

A city or town that votes to annex new territory for municipal purposes must obtain written consent from all of the registered voters in the territory to be annexed.

A city or town annexing any contiguous federally-owned land by ordinance, must obtain written consent of all of the owners of real property in the territory to be annexed. A city or town must obtain written consent of all of the registered voters or all of the owners of the real property in the unincorporated area to be annexed by the city or town under a boundary adjustment.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Citizens are, at one time or another, unhappy about an annexation. Citizens want the opportunity to give their approval before an annexation. Citizens get swept into the city with additional taxes and additional regulations. Citizens have a right to choose about an annexation. Historically, there was a vote before an annexation, but the law has been modified and has led to annexation without representation. If citizens desire to be annexed, they will vote that way. It will be better for local jurisdictions to annex citizens who want to be annexed. Annexations of an area served by a fire protection district do not provide for a vote of citizens. To have what a citizen can do with their property taken away without a vote is wrong.

CON: Annexations have gone on since statehood. Initially, annexations were only done by election. The petition method was created in 1945. The petition method allows citizens to ask the city to annex. In looking at annexations in the last two years, most annexations occur

on parcels of five acres or less and no one lives on the land. It is land adjacent to a city where the property owner wants to annex into the city. Under this bill, an area in which no one lives would not be annexable. Rights of those property owners would be limited. Annexation of an area served by a fire protection district provided a unique opportunity and has been used once since 2009. This method of annexation provides protections for property owners and residents by having double representation by their county commissioners.

OTHER: Renton has had 19 petition method annexations, all involving citizens coming to the city and asking to be annexed. Larger annexations have gone to a vote of the people. Renton is honoring the wishes of those voters. The bill as written is a much wider swath and under the petition method of annexation with three property owners, there would need to be an election. The city would then bear the costs of that election. There are some concerns about election costs of annexations being paid by the county.

Persons Testifying: PRO: Senator Benton, prime sponsor; Glen Morgan, Freedom Foundation; Jerry Galland, citizen.

CON: Dave Williams, Assn. of WA Cities.

OTHER: Doug Levy, City of Renton; Laura Merrill, WA Assn. of Counties.