



Land Use & Environment Committee

Annual Annexation Report

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Title

Annual Annexation Report

Recommended Action

Committee Recommendation:

Move to direct City staff to proceed with the public outreach phase of investigation of annexation options in vicinity of Friendly Grove Park and Bigelow Lake.

City Manager Recommendation:

Move to approve the recommendation from the Land Use and Environment Committee.

Report

Issue:

The Land Use and Environment Committee annually reviews annexation issues and possibilities. In 2014 the Committee directed staff to examine options in three areas: (1) North of the City along Cooper Point Road, (2) South and east of Ward Lake, and (3) The area in the vicinity of Friendly Grove Park. This report focuses on those three areas.

Staff Contact:

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Presenter:

Todd Stamm, Principal Planner

Background and Analysis:

City staff reports annually to the Land Use and Environment Committee regarding annexation issues, including ongoing annexations and future possibilities. In October of 2014, that report focused on the successful annexation of the three "island" areas that were formerly surrounded by the City (areas 4, 5 & 9 on the attached map) and the question of 'what's next?' The Committee directed the staff to explore similar possibilities in well-developed fringe areas of the City; particularly the area north of the City on the westside (area #1), the vicinity of Friendly Grove Park in the northeast (northwest portion of area #2), and vicinity of Ward Lake (northwest portion of area #5). Maps of these three areas are attached.

During the last few months the City staff has been conducting this "scouting trip." This exploration has

included both study of these areas, and meetings with representatives of the various public agencies that now provide services in these areas - particularly the fire districts and Thurston County. Key points resulting from this investigation include:

Northwest (Cooper Point) Area

- To protect Green Cove Creek and Butler Cove much of this area, including the immediate edge of the City, is zoned for one home per five acres
- The City's mutual-aid, shared service agreement with McLane Fire District is working well
- Except for area north of The Evergreen State College, which is about one road-mile from the city limits, much of the area is rural residential in character with minimal urban infrastructure
- Sewer lines have been installed in the vicinity of The Evergreen State College and near Budd Inlet, but providing service to the remainder of the area will be difficult and costly
- According to County staff, some residents of the area have expressed an interest in having portions of this area removed from the 'annexable' urban growth area
- In this area, the properties for which the City has a power-of-attorney to sign an annexation petition are generally located at the far edges of this portion of the urban growth area
- The general sense of public service agencies is that this area is not 'ripe' for annexation

Southeast (Ward Lake) Area

- This area is generally developed with single-family homes, plus the few commercial developments along Yelm Highway
- Water and sewer service is already provided by the City to much of the area
- Most of the public infrastructure has been constructed to 'modern' standards, although many streets lack sidewalks
- Yelm Highway was recently upgraded by the County
- The City owns the potential Ward Lake Park within this area
- The Fire District boundaries are historic and somewhat anachronistic, but mutual aid agreements provide that emergency response service in the area is shared by the City and the East Olympia and Lacey Fire Districts
- A portion of the East Olympia Fire District was recently annexed by Tumwater and any large

annexation by Olympia could be problematic (see attached letter of November 19, 2014, from the District)

- This area is within lands being studied by Thurston County for a Habitat Conservation Plan (HCP) to protect threatened and endangered prairie species, including pocket gophers; the HCP probably will not be done for a year or two
- Olympia's new Shoreline Master Program (SMP) does not include the unincorporated portion of Ward Lake; a SMP amendment would be needed within one year after annexation
- There are few natural boundaries for establishing a new city edge in the area; if a portion of this section of the urban growth area is to be annexed, the general sense of public service providers was that in the near-term the area north of Yelm Highway and west of Boulevard Road should be considered

Northeast (Friendly Grove - Bigelow Lake) Area

- This portion of the urban growth area is bordered on three sides by the City
- All of the area is zoned for single-family development
- The area has scattered urban residential development combined with large areas that are still rural in character
- The portion of the area that drains northerly in the Woodard Creek basin will be much more difficult and costly to provide with sewer service than the area that drains southerly toward the City
- Some dead-end streets in the area, such as the 2000 block of Eighth Avenue, can only be reached through the City
- Twelfth Avenue south of Bigelow Lake periodically floods
- The area south of 26th Avenue is served by the Lacey Fire District, although it is closer to the facilities of Olympia and the recently merged South Bay/Boston Harbor Fire District - which serves the area north of 26th Avenue
- The State recently determined that Bigelow Lake is of sufficient size to be subject to the Shoreline Management Act, so the governing area (City or County) will need to add it to their Shoreline Master Program
- Other than the basin boundary, South Bay Road and 26th Avenue, there are few natural city limit boundaries in the area
- The general consensus of public service providers is that the City should pursue annexation of the westerly half of the area roughly along the basin boundary, with 26th Avenue continuing to form

the northerly city limit line

Note that some services do not change substantially upon annexation. The Olympia School District serves all of these areas without regard to the city limit line. And the City of Olympia provides water and sewer service to the entirety of the urban growth area, although service pricing changes upon annexation.

The next phase of exploring annexation in these areas would be outreach to the public, including property-owners, residents and business owners and operators. Without additional resources, City staff probably could only conduct one such outreach program at a time. Based on the information summarized above, City staff believes the Friendly Grove area including the vicinity of Bigelow Lake has the most potential for an annexation benefiting the general the public. The Ward Lake area is similar, but on balance offers fewer near-term reasons to pursue annexation.

Therefore, the staff proposes to pursue a second phase of investigating the Bigelow Lake/Friendly Grove area. This investigation would include continuing participation by the service agencies, direct-mail notice to all property owners, businesses and residents, and one or more public information meetings. This public process would be designed to ensure that all interested parties are well-informed, and for the staff to report back to the Committee in approximately twelve months with a specific recommendation regarding annexation options in this area; including specific boundaries of any annexation. Following that report the City, through the Council, could decide whether or not to initiate formal annexation proceedings.

Neighborhood/Community Interests (if known):

Any and all annexation proceedings generate substantial agency, property-owner, resident and business interest. The process proposed above is intended to assure that all interested parties are well-informed and have an adequate opportunity to participate in any annexation proceedings.

Options:

1. Direct City Staff to proceed with the public outreach phase of investigation of annexation issues in Bigelow Lake/Friendly Grove area.
2. Direct City Staff to proceed with public outreach phase of investigation of annexation issues in an alternative area or areas.
3. Direct City Staff not to pursue any City-initiated annexation processes at this time.

Financial Impact:

Support for preliminary annexation processes at the level described above are within the base budget of Community Planning and Development Department. Any later formal annexation process for a large area may require additional resources.