



Land Use & Environment Committee Annual Annexation Report

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Title

Annual Annexation Report

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive the information. Briefing only; no action requested

Report

Issue:

The Land Use and Environment Committee annually reviews annexation issues and opportunities.

Staff Contact:

Tim Smith, Principal Planner, Community Planning and Development Department, 360.570.3915

Presenter(s):

Tim Smith, Principal Planner

Background and Analysis:

City staff reports annually to the Land Use and Environment Committee regarding annexation opportunities. In 2015, the committee directed staff to study annexation alternatives in the area south of Bigelow Lake. Staff also researched potential annexation boundaries north of Bigelow Lake in the Friendly Grove area, north and south of Yelm Highway, and west of Cooper Point Road. Maps of these areas are attached.

The most common method of annexation for code cities is the Petition Method. Annexations of this type require a petition with signatures of property owners representing 60 percent of the assessed value of an area proposed for annexation.

Staff crafted the potential annexation areas using Annexation Agreements that represent 60 percent of the assessed value for each area. Annexation Agreements are recorded documents that property owners sign in exchange for receiving utility service at city rates to a property located in the unincorporated Olympia Urban Growth Area. Under this agreement, the City has power-of-attorney to

sign an annexation petition on behalf of the property owner.

The Community Planning and Development Department does not currently have adequate staffing in 2017 for a large annexation project. These annexation areas represent a starting point for the committee to discuss the appropriate timing and priorities for a potential annexation. Staff will provide information on the costs and timelines associated with initiating and processing a large annexation at the meeting.

In 2014, staff completed a study of the potential annexation areas that highlights issues and existing conditions. This information is provided below.

Southeast (Yelm Highway)

- This area is generally developed with single family homes, plus a 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 undeveloped Ward Lake park property within this area
- 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 would need to be negotiated with the Fire 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
- Olympia's new Shoreline Master Program (SMP) does not include the unincorporated portion of Ward Lake; a SMP amendment would be needed following annexation
- 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 at this time

Northeast (Friendly Grove - Bigelow Lake)

- 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 sewer service than the area that drains southerly toward 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 amend 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

Northwest (Cooper Point Road)

- To protect Green Cove Creek and Butler Cove, a portion of this area is zoned for one home per five acres
- The City's mutual-aid, shared service agreement with McLane Fire District is working well

- 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
- The general sense of public service agencies is that this area is not 'ripe' for annexation

Neighborhood/Community Interests (if known):

Annexation proceedings generate substantial agency, property owner, resident and business interest. For any annexation proceeding, the City would follow a process that ensures all interested parties are well-informed and have an adequate opportunity to participate.

Options:

Options include increasing the current staff level and proceed with an annexation, or consider adding an annexation project to the 2018 work program.

Financial Impact:

A formal annexation process for a large area will require additional staff and financial resources.

Attachments:

Vicinity Map

SE Annexation Study Area

NE Annexation Study Area

NW Annexation Study Area