

AM No. 10-041

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: March 2, 2010

SUBJECT: PUBLIC HEARING AND ORDINANCE: NE ROSE HILL ANNEXATION, L080479

I. RECOMMENDED ACTION

Following the public hearing, adopt the attached ordinance (Attachment A) approving the NE Rose Hill Annexation, File No. L080479.

II. DEPARTMENT CONTACT PERSONS

Rob Odle, Director, Planning and Community Development, 425-556-2417
Lori Peckol, Planning Policy Manager, 425-556-2411
Eric McConaghy, Associate Planner, 425-556-2414

III. DESCRIPTION/BACKGROUND

On January 20, 2009, City Council accepted the notice of intent petitions filed by property owners and authorized circulation of the direct petition for annexation of NE Rose Hill. At the time of Council's action, staff had received property owner signatures representing 24.1 percent of the assessed valuation for the area shown on the notice of intent petition and map.

The direct petition for NE Rose Hill provided for a single signature of a property owner to indicate support for both the entire area of NE Rose Hill, and a legally-described, smaller area in the event that Redmond did not receive signatures on the direct petition representing at least 60 percent of the assessed value in the entire area as certified by the King County Assessor's Office.

As of November 20, 2009, the City of Redmond received signed petitions from property owners representing 60.85 percent of the taxable assessed value of the smaller area and 44 percent of the entire area. The King County Assessor certified the petition for the smaller area on December 3, 2009. City Council passed a resolution to proceed with annexation of the defined smaller area on December 15, 2009. This milestone was a direct result of considerable outreach and effort on behalf of City staff, residents and property owners, Councilmembers and the Mayor.

On December 16, 2009, staff filed the Notice of Intention to annex the defined smaller area with the Washington State Boundary Review Board (BRB) for King County. The City's report to the BRB noted that Redmond intends to annex the area because the property owners of the area have clearly expressed their desire for annexation and because annexation of territory within Redmond's Potential Annexation Area is a long-standing policy priority of the City of Redmond.

On February 1, 2010, the BRB deemed approved the action proposed in the Notice of Intention filed by the City of Redmond based on the matters on record in the Notice of Intention. The next step in the process is for City Council to hold a public hearing and to take action on the proposed annexation.

V. Analysis

Facts/Conclusions Regarding the Proposed Annexation

1. Size and location of Annexation Area: The 115.5 acres of the annexation area is bounded by 132nd Avenue NE on the west, Redmond city limits to the south and east. On the north, it is bounded by the line defined west to east by NE 100th St to 134th Avenue NE to NE 104th ST to 136th Avenue NE to the northern boundary of the lots on the north side of NE 102nd Street running east to the city limits of Redmond.
2. Population: The estimated population for the area is 155 people, or 0.3 percent of Redmond's population of 51,890 persons as estimated by the Office of Financial Management in April 2009. The current population density is 1.34 people per acre.
3. Zoning and Land Use Designation: The current King County land use designation is Urban Residential Medium (four to 12 dwellings per acre) with zoning of R-4. Presently there are 69 single-family dwellings on individual lots and 20 vacant parcels.

Property owners and residents in NE Rose Hill participated extensively in the update of the Willows/Rose Hill Neighborhood Plan that City Council adopted in 2002. The land use designation and pre-annexation zoning for the area are provided for in Redmond's Comprehensive Plan and zoning code, respectively. These would come into effect should annexation take place.

Redmond's Comprehensive Plan land use designation is Single Family Urban (four to eight dwellings per acre). The majority of the property has pre-annexation zoning of Residential Innovative (four to five dwelling

units per gross acre), and property with more critical areas has pre-annexation zoning of R1 (one dwelling unit per gross acre).

4. Neighborhood Planning: NE Rose Hill is planned for as a subarea of the Willows/Rose Hill Neighborhood Plan.
5. Utility Issues: The existing uses are currently served by City of Redmond water. The City Water Plan includes this area. All existing homes are using septic systems. The Redmond General Sewer Plan includes this area, specifying the preliminary placement and sizing of sewer lines. Extension of sewer to new development would be developer-financed.
6. Roadway Maintenance and Standards: The existing roads are generally adequate to serve existing residents. Improvements would occur with development and as part of Redmond's transportation programs, such as resurfacing.
7. Public Safety: Redmond Police will serve the area. Redmond Fire will continue to provide service. It currently does so under contract with King County Fire District 34; it will provide service directly upon annexation.
8. Parks: The proposed annexation area is located approximately 2.6 miles from Redmond's Grass Lawn Community Park and about 1.8 miles from Redmond's Willows Creek Neighborhood Park. The established access to Redmond's entire trail system is located about one mile away in the development immediately to the south of NE Rose Hill. In addition, residents would have access to City of Redmond recreational services at resident rates.
9. Assumption of Outstanding Indebtedness: The petition called for the assumption of bonded indebtedness.

Consistency with City Annexation Policies

A-8 Annex all land within the Potential Annexation Area as soon as residents or property owners support annexation, and concurrently adjust growth targets between the City and the County.

The proposal is supported by the majority of residents.

A-10 Require annexation prior to extending utility service to unincorporated areas except for the following cases:

- Where Redmond is required to serve due to pre-existing service agreements; or
- Where an individual well or septic failure occurs, immediate annexation is not possible or expedient, and the property owner is willing to sign an agreement to annex the property in a timely manner.

Property owners have been informed that annexation is a prerequisite to providing sanitary sewer services.

A-12 Focus annexation efforts south of NE 124th St/NE 128th St. and promote expeditious annexation of unincorporated land within Redmond's Potential Annexation Area by:

- Waiving annexation application fees;
- Encouraging joint applications;
- Prohibiting extension of sewer service into unincorporated areas (with exceptions as noted in this Element);
- Identifying environmentally constrained areas prior to annexation for inclusion in the City's sensitive area ordinance;
- Involving potential future residents in neighborhood plans;
- Ensuring consistency with Redmond's Comprehensive Plan; and
- Adopting pre-annexation zoning.

This annexation lies south of NE 124th Street. Pre-annexation zoning is in place and is consistent with Redmond's Comprehensive Plan. Application fees were waived. Residents were significantly involved in the Willows/Rose Hill Neighborhood Plan process.

A-14 Ensure that newly annexed territory accepts its equitable share of the City's bonded indebtedness.

This condition is on the petition for annexation.

A-15 Require to the extent practical that individual annexation proposals have logical boundaries that include streets, natural topographical breaks, streams, and other physical features.

The proposed annexation relies primarily on streets, including a major arterial, together with the existing City of Redmond limits as boundaries.

A-16 Avoid individual annexations that create islands of unincorporated land.

This annexation will reduce the size of an existing island of unincorporated land by 68 percent and prepare the way for subsequent annexation of the remainder. It is the stated policy of the City of Redmond and the current Redmond City Council to pursue annexation of unincorporated islands in earnest.

A-17 Review the right-of-way issues prior to defining boundaries of individual annexations to determine logical inclusions or exclusions, including review of the following issues:

- Whether the right-of-way will be needed for eventual provision of utilities or transportation links.
- Whether there are pre-existing utilities from a particular district or jurisdiction already in a right-of-way.
- Whether streets or bridges are in a safe condition.
- Whether assumption of a section of a regional arterial will produce an unfair burden for maintenance and expansion on the City.

Right-of-ways was reviewed prior to determining the boundary of this annexation. The proposal will end at the eastern edge of 132nd Avenue NE and as a result, has no effect on the right-of-way of 132nd Avenue NE, which belongs to the City of Kirkland. The boundary of the annexation includes all other relevant road right-of-ways within the area and along its borders.

IV. IMPACT

A. Service Delivery: The City of Redmond will provide police services to this area upon annexation. The inclusion of the area of the proposed NE Rose Hill annexation within the jurisdiction of the Redmond Police Department will not necessitate changes in Police budget or staffing.

Regarding other services, the City would not gain significant roadway with the annexation. In the future, there will be additional streets created as development occurs. Following annexation and subsequent development, the City will provide sewer service.

For parks and recreation, the immediate change following annexation would be from non-resident to resident rates for residents who participate in fee-based programs. The development and maintenance of new parks, trails and open space in the annexation area would be guided by the principles and priorities of Redmond's PARCC Plan.

- B. Fiscal:** Anticipated increases in City expenditures would include the cost of providing the variety of City services that residents typically seek. The incremental change is not expected to necessitate any singular change to the City budget.

Fire coverage would change from taxes paid to Fire District 34 to be directly paid by City of Redmond property levies. Water billing would remain the same, and sewer service would be available from Redmond through developer extensions. The City would receive revenues from property tax and utility taxes.

Using the City of Redmond levy rate, the property tax revenue increase is estimated to be in \$44,053 per year, based on: $\$1.34727/\$1,000$ (2009 rate) x \$32,697,973 (taxable assessed valuation for the area, AV). Redmond would also receive revenues from utility taxes of six percent on electric, gas, telephone and refuse disposal and five percent on cable TV. If there are any businesses in the annexation area, the City would collect Business Tax revenues, \$90 per full time employee, and any applicable Sales Tax revenues.

V. ALTERNATIVES

- A. Approve the NE Rose Hill Annexation.** Staff recommends this decision. The proposed annexation is fully consistent with the City's annexation policies. It is also consistent with the Countywide Planning Policies for King County and the King County Comprehensive Plan. Property owners representing in excess of 60 percent of the assessed valuation have signed petitions requesting annexation to Redmond. This annexation will reduce the size of an existing island of unincorporated land by 68 percent and prepare the way for subsequent annexation of the remainder.
- B. Delay or deny the NE Rose Hill Annexation.** Staff does not recommend this alternative. It is inconsistent with the City's policies and the wishes of the majority of the property owners in the proposed annexation area. Further, it would seriously jeopardize future efforts to annex property to Redmond and discard the great expenditure of time and effort over nearly ten years to annex this area.

VIII. LIST OF ATTACHMENTS

- Attachment A:** Ordinance annexing the area known as NE Rose Hill
Exhibit 1: Legal Description
Exhibit 2: Map of Annexation Area

/s/

Robert G. Odle, Planning Director

2/17/2010

Date

Approved for Council Agenda: /s/

John Marchione, Mayor

2/19/2010

Date

Attachment A

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, ANNEXING 115.5 ACRES BOUNDED BY 132ND AVENUE NE ON THE WEST, REDMOND CITY LIMITS TO THE SOUTH AND EAST, ON THE NORTH, BY THE LINE DEFINED WEST TO EAST BY NE 100TH STREET TO 134TH AVENUE NE TO NE 104TH STREET TO 136TH AVENUE NE TO THE NORTHERN BOUNDARY OF THE LOTS ON THE NORTH SIDE OF NE 102ND STREET RUNNING EAST TO THE CITY LIMITS OF REDMOND, AND REQUIRING THE PROPERTY TO BE ASSESSED AND TAXED AT THE SAME RATE AND ON THE SAME BASIS AS OTHER PROPERTY WITHIN THE CITY, File No. L080479

WHEREAS, on December 2, 2008, the City of Redmond received a Notice of Intent requesting annexation of a portion of a remaining island of land between the City of Kirkland and the City of Redmond referred to as the NE Rose Hill Annexation; and

WHEREAS, the Notice of Intent was signed by owners of the property representing at least ten percent of the acreage of the area to be annexed; and

WHEREAS, On January 20, 2009, Redmond City Council approved a motion to accept the Notice of Intent to Annex and authorized the circulation of a direct petition to annex the area referred to as the NE Rose Hill Annexation; and

WHEREAS, the direct petition to annex provided for a single signature of a property owner to indicate support for both the entire area of NE Rose Hill, and a defined smaller area in the event that Redmond did not receive signatures on the direct petition representing at least 60 percent of the

assessed value in the area as certified by the King County Assessor's Office; and

WHEREAS, after considerable outreach and effort on the part of residents and property owners, City staff, Councilmembers, and the Mayor, owners of more than 60 percent of the assessed valuation for the smaller area legally described in Exhibit 1 and shown on the attached map Exhibit 2 signed the petition, while owners of 44 percent of the entire area signed the petition; and

WHEREAS, the King County Assessor's Office certified the signatures for the smaller area; and

WHEREAS, on December 15, 2009, City Council resolved to provide notice of intent to annex the defined smaller area as legally described on the direct petition for annexation of NE Rose Hill, directing staff to undertake the steps necessary for Redmond to annex the defined smaller area, including providing Notice of Intent to the Boundary Review Board for King County as soon as possible; and

WHEREAS, on December 16, 2009, Redmond staff provided Notice of Intention to annex the smaller area legally described on the petition, henceforth known as the NE Rose Hill Annexation, to the Washington State Boundary Review Board (BRB) for King County; and

WHEREAS, on February 1, 2010, the BRB deemed the action approved as proposed in the Notice of Intention filed by the City of Redmond based on the matters on record in the Notice of Intention (BRB File No. 2307); and

WHEREAS, it is the long-standing policy of the City of Redmond to support the annexation of land in its Potential Annexation Areas; and

WHEREAS, the City is committed to ultimately annexing all of NE Rose Hill; and

WHEREAS, annexing the defined smaller area of the proposed NE Rose Hill annexation advances City policy and responds to property owner requests; and

WHEREAS, the City Council held a public hearing on the proposed annexation on March 2, 2010, and at the conclusion of said hearing, determined that the property should be annexed, subject to the Redmond Community Development Guide, subject to a requirement that the property be assessed and taxed at the same rate as other property within the City.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Annexation. That certain 115.5 acres of property bounded by 132nd AVE NE on the west, Redmond city limits to the south and east, on the north, by the line defined west to east by NE 100th Street to 134th Avenue NE to NE 104th Street to 136th Avenue NE to the northern boundary of the lots on the north side of NE 102nd Street running east to

the city limits of Redmond and depicted on the map attached hereto as Exhibit 2 and legally described on the attached Exhibit 1, both of which exhibits are incorporated herein by this reference as if set forth in full, is hereby annexed to and made a part of the City of Redmond.

Section 2. Zoning. Zoning for the NE Rose Hill Annexation shall be set at a combination of RIN and R-1 in conformance to the Comprehensive Plan and adopted pre-annexation zoning.

Section 3. Indebtedness. Pursuant to the terms of the annexation petition, all property within the territory annexed shall be assessed and taxed at the same rate and on the same basis as other property within the city, including assessments for taxes and payment of any bonds issued or debts contracted prior to or existing as of the date of annexation.

Section 4. Duties of City Clerk. The City Clerk is hereby directed to file a certified copy of this ordinance, together with the attached Exhibits 1 and 2, with the King County Council. In addition, the Clerk is authorized and directed to file the annexation certificate provided for in RCW 35A.14.700 with the Office of Financial Management within thirty (30) days of the effective date of the annexation.

Section 5. Effective Date. This ordinance shall take effect and be in full force five (5) days after passage and publication of an approved summary thereof consisting of the title.

ADOPTED by the Redmond City Council this _____ day of
_____, 2010

CITY OF REDMOND

MAYOR JOHN MARCHIONE

ATTEST/AUTHENTICATED:

CITY CLERK MICHELLE M. MCGEHEE, CMC

(SEAL)

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By: _____

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO. _____

EXHIBIT 1

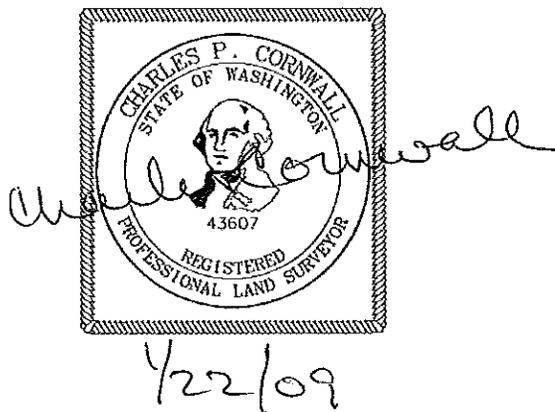
PROPERTY DESCRIPTION

All that portion of the southwest quarter of Section 34, Township 26 North, Range 5 East, W.M. described as follows:

COMMENCING at the southwest corner of said southwest quarter, thence easterly along the southerly line thereof to the east margin of 132nd Ave. NE and the **POINT OF BEGINNING**;
Thence continuing along said southerly line to the southeast corner of said southwest quarter;
Thence northerly along the east line of said southwest quarter to the north line of the southeast quarter of the southeast quarter of said southwest quarter;
Thence westerly along said north line to the east line of the west half of the southeast quarter of said southwest quarter;
Thence northerly along said east line to the north line of the plat of Linn Heights, as recorded in Volume 68 of Plats at page 98, records of King County, Washington;
Thence westerly along said north line to the east margin of 136th Ave. NE;
Thence northerly along said east margin to the north margin of NE 104th St.;
Thence westerly along said north margin to the west margin of 134th Ave. NE;
Thence southerly along said west margin to the north margin of NE 100th St.;
Thence westerly along said north margin to the east margin of 132nd Ave. NE;
Thence southerly along said east margin to the **POINT OF BEGINNING**.

TOGETHER with that portion of the northwest quarter of Section 3, Township 25 North, Range 5 East, W.M., lying northerly of the Redmond Corporate City Limits described in City of Redmond Ordinance No. 1979, a copy of which is on file in the office of the City Clerk of the City of Redmond,

EXCEPT the west 30.00 feet of the northwest quarter of said Section 3 adjoining said portion.



1/22/2009

Exhibit 2 NE Rose Hill Annexation

