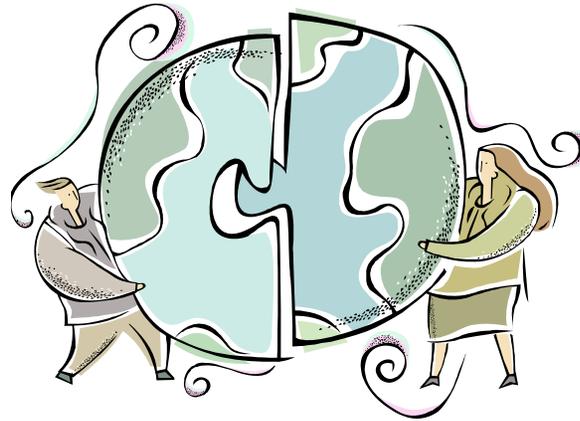

Annexation Update



City Council Meeting
July 18, 2006

Overview

- Update on public outreach consultant process
 - Discussion on annexation timeline
 - Factors to consider
 - Alternative scenarios
 - Pros and cons
-

Draft Annexation Timeline

Process and Purpose

■ Process

- ❑ Annexation subcommittee reviewed multiple drafts
- ❑ Three draft scenarios provided for Council discussion

■ Purpose

- ❑ Outline the general steps and sequence
 - ❑ Provide an example of how the four-phase process could proceed
 - ❑ Describe the factors that need to be taken into consideration and how they interrelate
-

Four-Phase Decision Process

Phase	Work Program	Decision Point
I	Long Range Financial Outreach to Kirkland	Go/No Go to proceed with annexation work
II	Expand outreach Initial ILA w/ King Co. Begin planning work	Decision to place on ballot and timeline
III	Election preparation Continued planning	Election Vote
IV	Implementation	Approval by Council

Draft Timeline Format

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006	Phase 1						Communication with Kirkland					
							King Co. Letter of Agreement					
							Financial Plan				Budget	
							Go/No Go to Phase 2*					
2007	Phase 2											
	Expand Communication to include PAA											
	Departments Begin Preliminary Planning, Develop Zoning and Work on Operational Plans with King County											
	Negotiate Planning ILA with King County			Go/No Go to Phase 3**		Phase 3						
2008						Continue Communication Strategy						
								Approve Zoning		Proceed to Boundary Review Board		
	Phase 3 (continued)											
	Set Election Date		Pre-Election Communication			Election***						
2009	Continue Implementation Planning					Phase 4						
						Continue Implementation Planning and Begin Staffing up						
						Post Election Communication						
2009	Phase 4 (continued)											
			Effective Date									
	Staff up		Departments Begin Service Delivery									
						Enact Local Sales Tax						

Policy Considerations

- Statutory requirements
 - Defines sequence of events
 - Establishes time limits for some steps
 - SB 6686 funding strategy
 - Must “commence” annexation before January 1, 2010
 - July 1 effective date set by state
 - May implement before or after effective date of annexation
 - Potentially provide cash flow before effective date for ramp up costs
-

Policy Considerations

- Election cycles (more research underway)
 - Voter turnout needed for validation
 - Competing measures
 - Organizational capacity
 - Staff and City Council review capacity
 - Board and Commission involvement
 - King County funding cycles
 - Continued availability of annexation incentive funding
 - Competition from other cities
-

Policy Considerations

- **Cash Flow**

- Service level expectations and planning
- Local sales tax availability
- Property tax availability

- **Service delivery issues**

- Essential versus non-essential services
 - Potential for contracting back
 - Phase-in considerations
-

Policy Considerations

- Citizen expectations
 - New service level demands in PAA
 - Lag between vote and implementation
 - Community outreach efforts
 - Formation of citizen committees
 - Outreach through a variety of venues
 - Ability to get input and factor into plans
-

Three Draft Timeline Scenarios

Common Factors

- First “Go/No Go” Decision made by end of 2006
 - Second “Go/No Go” Decision early 2007 (based successful negotiation of interlocal agreement with King County)
 - Third “Go/No Go” is the election shown in 2008 (for discussion purposes only)
 - Final “Go/No Go” is Council approval of annexation and setting effective date of annexation (March 1, 2009)
-

Three Draft Timeline Scenarios

Common Factors

- First phase of community outreach is with Kirkland residents
 - Outreach is expanded to include PAA through implementation
 - Zoning code amendments are developed before filing notice of intent with Boundary Review Board
 - Internal organizational planning begins after first “Go/No Go” (2007)
-

Scenario One

- April 2008 special election date
 - Effective date of March 1, 2009
 - Implement local sales tax after effective date of annexation (July 1, 2009)
-

Scenario One

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006	Phase 1						Communication with Kirkland					
							King Co. Letter of Agreement					
							Financial Plan				Budget	
							Go/No Go to Phase 2*					
2007	Phase 2											
	Expand Communication to include PAA											
	Departments Begin Preliminary Planning, Develop Zoning and Work on Operational Plans with King County											
	Negotiate Planning ILA with King County			Go/No Go to Phase 3**		Phase 3						
2008	Phase 3 (continued)											
	Set Election Date		Election***									
	Pre-Election Communication											
	Continue Implementation Planning					Phase 4						
2009	Phase 4 (continued)											
			Effective Date									
	Staff up		Departments Begin Service Delivery									
							Enact Local Sales Tax					

Scenario One Discussion

■ Pros

- Allows ten months between election and effective date for staff-up and planning
- Allows maximum amount of state sales tax funding for ten years
- Allows time to pre-hire police to be on the street on or close to effective date

■ Cons

- 12 months between resolution of intent and election date
 - Special election may result in low voter turnout and no validation
 - Funding for early hires limited to King County or City reserves
 - Long delay between vote and delivery of services
-

Scenario Two

- August 2008 primary election date
 - Effective date of March 1, 2009
 - Implement local sales tax after effective date of annexation (July 1, 2009)
-

Scenario Two

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
2006							Phase 1						
							Communication with Kirkland King Co. Letter of Agreement						
							Financial Plan				Budget		
							Go/No Go to Phase 2*						
2007	Phase 2												
	Expand Communication to include PAA												
	Departments Begin Preliminary Planning, Develop Zoning and Work on Operational Plans with King County												
	Negotiate Planning ILA with King County			Go/No Go to Phase 3**									
2008	Phase 3												
	Continue Communication Strategy												
	Phase 3 (continued)												
2008	Approve Zoning	Proceed to Boundary Review Board			Set Election Date								
							Pre-Election Communication	Election***					
	Continue Implementation Planning									Phase 4			
2009	Begin Hiring and Continue Planning												
	Post Election Communication												
	Phase 4 (continued)												
2009			Effective Date										
	Continue Hiring		Departments Begin Service Delivery										
9							Enact Local Sales Tax						

Scenario Two Discussion

■ Pros

- Allows six months between election and effective date for staff-up and planning
- Allows maximum amount of state sales tax funding for ten years
- Primary election potentially provides better turnout
- Allows longer time for planning

■ Cons

- Cannot implement local sales tax until 2009
 - Early hire funding limited to King County or City reserves
 - Insufficient time to pre-hire police to be on the street by effective date (need lower service level of contract back with County)
-

Scenario Three

- April 2008 special election date
 - Effective date of March 1, 2009
 - Implement local sales tax before effective date of annexation (July 1, 2008)
-

Scenario Three

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2006							Phase 1					
							Communication with Kirkland					
							King Co. Letter of Agreement					
							Financial Plan				Budget	
											Go/No Go to Phase 2*	
2007	Phase 2											
	Expand Communication to include PAA											
	Departments Begin Preliminary Planning, Develop Zoning and Work on Operational Plans with King County											
	Negotiate Planning ILA with King County			Go/No Go to Phase 3**			Phase 3					
							Continue Communication Strategy					
								Approve Zoning		Proceed to Boundary Review Board		
2008	Phase 3 (continued)											
	Set Election Date		Election***									
	Pre-Election Communication											
	Continue Implementation Planning					Phase 4						
							Continue Implementation Planning and Begin Staffing up					
						Post Election Communication						
						Enact Local Sales Tax						
2009	Phase 4 (continued)											
				Effective Date								
	Staff up			Departments Begin Service Delivery								

Scenario Three Discussion

■ Pros

- Allows ten months between election and effective date
- Allows time to pre-hire police to be on the street on or close to effective date
- Provides funding for pre-effective date costs

■ Cons

- Special election may result in low voter turnout and no validation
 - Long delay between vote and delivery of services
 - Potentially reduces by one year availability of state sales tax funding at maximum amount
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Council Discussion and Next Steps . . .

