

What is the annexation decision-making process?



Winter/Spring '07 Decision	Summer/Fall '07 Decision	Spring/Summer '08 Decision	Spring '09
PHASE 1	PHASE 2	PHASE 3	PHASE 4
<p>STOP: City Council decides not to proceed with further exploration of annexation</p> <p style="text-align: center;">-or-</p> <p>GO: City Council decides to proceed with further analysis and outreach</p>	<p>STOP: City Council decides not to place annexation on ballot</p> <p style="text-align: center;">-or-</p> <p>GO: City Council decides to place annexation on ballot</p>	<p>STOP: 1. Ballot fails 2. Ballot passes, but City Council does not approve implementation</p> <p style="text-align: center;">-or-</p> <p>GO: Ballot passes; City Council confirms annexation and sets effective date</p>	<p>IF GO:</p> <ul style="list-style-type: none"> • City prepares to provide services to annexation area • Continue public outreach to assist with transition • Approved areas are annexed to the City of Kirkland

Stay Involved!

Stay informed and involved in the dialogue:

- Visit the City of Kirkland's annexation webpage and provide your comments: www.ci.kirkland.wa.us/annexation.
- Sign up to receive annexation e-mail updates: www.ci.kirkland.wa.us/E-Bulletins.htm.
- E-mail us at annexation@ci.kirkland.wa.us or call 425-587-3000.
- Request a briefing for your community organization by e-mailing or calling us at the information above to schedule a time.



For more information, visit the City of Kirkland's annexation webpage:

www.ci.kirkland.wa.us/annexation

If you have further questions about annexation, please e-mail annexation@ci.kirkland.wa.us or call 425-587-3000.



Annexation? Let's Talk. | Fall Update 2007

The Kirkland City Council is carefully considering whether to annex the Finn Hill, Upper Juanita, and Kingsgate neighborhoods. These communities are collectively called Kirkland's potential annexation area (PAA).

In Fall 2006, the City Council began a four-phase process to decide whether to continue exploring annexation. In Phase 1, the City Council engaged in a 'listening tour' to consult with the Kirkland community and conduct a fiscal study on the impacts of annexation. We gathered questions and concerns from Kirkland residents that must be addressed to make a good decision for the community. Now in Phase 2, the City Council has expanded the discussion to include the PAA community. Whether you live in Kirkland or the PAA, the City Council wants your input on some of the questions below before making any decisions whether to put annexation on the ballot (Phase 3)

- What questions do you have about annexation?
- What potential concerns do you have about annexation?
- What suggestions or hopes do you have about annexation?

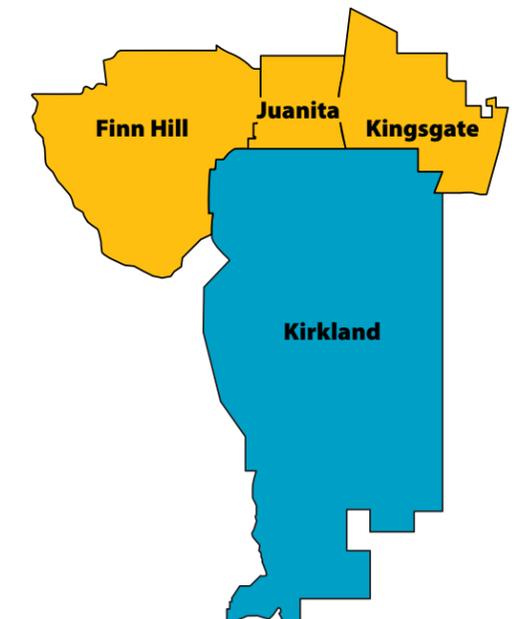
Why consider annexation?

Much of unincorporated King County is made up of rural and forest lands. However, there are still "islands" of urban area under King County's jurisdiction. Over time it has become more challenging for King County to serve these urban areas and Kirkland may be better equipped to provide services to Finn Hill, Upper Juanita, and Kingsgate. Annexation is also consistent with Washington State's Growth Management Act (GMA) and the adopted Countywide Planning Policies that recognize that cities are better equipped than counties to provide services to urban areas.



Residents listen to a presentation about annexation at a public forum in June.

PAA neighborhoods



Why consider annexation now?

While the City Council has been looking at annexation for years, the financial issues were too significant to proceed. Since the potential annexation area would only add a small commercial base, the cost of providing services would exceed the revenue generated by the PAA.

The State Senate Bill 6686, passed in 2006, provides funding incentives to annex unincorporated urban areas. The legislation would provide up to \$40 million over ten years from a State sales tax credit to largely close the fiscal gap. If the City Council decides to pursue annexation, they must commence annexation by January 1, 2010, to be eligible for the new State financial assistance. With new funding available, Kirkland is considering the option more seriously.

What did we learn in Phase 1?

Economic health is a top priority for Kirkland citizens and the City Council. The financial analysis conducted during Phase 1 revealed that the ten years of state funding significantly closes the gap between PAA revenues and the costs of extending services to the PAA. During the ten-year transition period, the City Council will approve a variety of tools and strategies



The Kirkland City Council has hosted several public forums to gather input on annexation.



Juanita Beach Park is located in Kirkland.

appropriate to balance each budget. If annexation proceeds, a portion of the state funds will be used for facilities costs needed to serve the PAA. After the State funding ends, the City anticipates that facilities costs would be reduced and revenues will have increased to a manageable level that allows the City Council to balance future budgets.

Similar to other cities, Kirkland must deal with funding shortfalls each budget cycle. With or without annexation the City Council will need to take steps to balance each budget cycle. The analysis determined that in the long term, the City is no worse off with annexation. Depending on the tools and strategies applied to balance each budget, the annexation could either be financially neutral or positive because it would create efficiencies and a larger tax base to support City services. For more information on the analysis, see the Dollars and Cents fact sheet.

After the financial study was completed, we held an additional public forum to share the results and gather further input from the community. Some Kirkland residents also expressed concern about maintaining services and Kirkland's "small town" feel if annexation were to proceed. The City Council will continue to consider the input gained through Phase 1 and 2 as they decide whether or not to move to Phase 3 and put annexation on the ballot.

What's happened in Phase 2?

This phase involves more detailed study to fully understand the potential effects of annexation. Major efforts and activities included the following:

- **Assessment of infrastructure in PAA.** We studied the condition of roads, sidewalks, and parks in the PAA to assess what, if anything, needs to be built or upgraded to meet the City of Kirkland's standards.
- **Outreach to PAA communities.** We visited the PAA community and gathered questions and concerns about annexation. Phase 2 kicked off with a round of public meetings. We continue to listen and provide information about what it would mean to become part of the City of Kirkland.
- **Outreach to Kirkland.** Kirkland residents continue to be a vital part of the decision-making process. We will conclude Phase 2 with public meetings in both the PAA and Kirkland to share information about what we have learned during Phase 2 and gather additional input before the next decision.
- **Preliminary service and operations planning.** We made preliminary plans for police and other essential services to be in place if annexation occurs.
- **Preliminary planning with King County.** We started negotiations with King County regarding annexation funding and the disposition of pending land use and building permit applications on file with King County if annexation occurs.

The City Council will consider all of the information and public input gathered to make a decision about whether to proceed to Phase 3 and place annexation on the ballot.



O.O. Denny Park is located in the Finn Hill neighborhood of the PAA.

What is annexation?

Annexation is when residents of an unincorporated area vote or petition to become part of a larger city, such as Kirkland, and receive local services such as police, parks, and roads.

Kirkland's potential annexation area (PAA) is commonly divided into three neighborhoods: Kingsgate, Upper Juanita, and Finn Hill. This largely residential area is approximately seven square miles, extending north of Kirkland to approximately NE 145th Street. It would add about 33,000 people to the city of Kirkland.