



## CITY OF KIRKLAND

### Planning and Community Development Department

123 Fifth Avenue, Kirkland, WA 98033 425.587.3225

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)

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#### MEMORANDUM

**Date:** March 4, 2009

**To:** David Ramsey, City Manager

**From:** Eric Shields, AICP, Director  
Joan Lieberman-Brill, AICP, Senior Planner

**Subject:** Resolution to Allow Notice of Intention for Bridle View Annexation to be forwarded to the King County Boundary Review Board and Discussion to Determine Annexation Effective Date (file ANN07-00001)

#### RECOMMENDATION

- Adopt Resolution 4749 to express your intent to allow the Bridle View Annexation Notice of Intention to be transmitted to the Boundary Review Board.
- Provide direction to staff on the effective date of the proposed annexation.
  - 2009, which will result in the greatest lag time between start of service delivery and disbursement of property tax revenue to Kirkland in 2011.
  - 2010, which will result in the shortest lag time between start of service delivery and disbursement of property tax revenue in 2011.

#### BACKGROUND

##### Resolution

The 60% petition was submitted to the City by the Bridle View Annexation Committee on January 20, 2009. The King County Assessor has certified that the owners of at least 60 percent of the total assessed value have signed the petition. Staff will now prepare and submit a "Notice of Intention" annexation packet to the King County Boundary Review Board (BRB). By statute, the latest this Notice of Intention to annex may be submitted to the BRB is 6 months from the date the 60% petition was received. Therefore the latest we could submit would be by July 19, 2009.

As part of the submittal, a resolution is necessary that indicates your resolve to allow this notice of intention to proceed to the BRB for this annexation. A certified copy of the minutes showing this action will be included in the packet to BRB.

### Work Program Next Steps

- Staff submits the Notice of Intent to the BRB by July 19, 2009
- BRB has 120 days to review and approve annexation
- Staff submits Notice of Intent to the Department of Revenue (DOR) and Office of Financial Management (OFM)
- City Council considers the annexation at a public hearing and adopts an ordinance setting the effective date of the annexation and zoning. (Effective date must be at least 75 days after the Notice of Intent received by DOR and OFM)
- Staff has 30 days from the effective date to take census and submit to OFM along with Annexation Certification.
- OFM certifies and files annexation with state agencies to make revenue distributions.

### Effective Date Discussion

#### *Issues Influencing the Effective Date*

1. The first consideration influencing the effective date is the lag time between when property and sales tax revenues from the annexation area are disbursed to Kirkland and when the annexation goes into effect and service delivery commences. The Finance and Administration Department estimates that this area would generate approximately \$50,000 in property tax revenue. Since this area consists of residential and park land uses, sales tax revenue would be insignificant. City service cost estimates are low because no new police or fire employees are necessary to service this area, and the roads and storm water systems are in pretty good shape.

The State OFM and DOR determine deadlines for when the City can begin levying property tax and receive property tax disbursement, as well as collect sales tax revenue. Lag time between the effective date of annexation, when transfer of services to Kirkland starts, and receipt of revenue is determined by when Annexation Certification is received by these agencies. The following effective dates determine lag times:

- **Dec. 2009** The City could levy the property tax in 2010 for 2011 and receive disbursement with tax due April 30, 2011. There would be over a year's lag time between the commencement of City services and receipt of revenues. (This scenario assumes that the City is able to submit the Notice of Intention to the BRB in early May 2009, and BRB approves annexation by August.)
- **2010** If the effective date is delayed and certified by OFM as close to May 15 as possible, there will be an approximate 7 month lag time between the

commencement of city services and disbursement of property tax revenue with tax due April 30, 2011. Staff recommends this option.

2. The second issue to consider in setting the effective date of the Bridle View annexation is transfer of the water system from the City of Redmond to the City of Kirkland. Kirkland and Redmond need to draft and approve an interlocal agreement that sets forth the parameters of the water system transfer. This process will take approximately 6-12 months to complete and should be complete prior to the effective date of the annexation. The Kirkland Public Works Department will need to hire RH2 Engineering to assist with the process and write an addendum to our Water Comprehensive Plan. The consultant and staff costs to carry out this process will be between \$50,000 and \$55,000 (\$40,000 consultant costs & \$10,000 to \$15,000 staff costs). The Public Works Department will be asking Redmond to share in the consultant costs, but they are not obligated to participate. Staff recommends that this process be funded from the water utility reserves.

*Council Options for Effective Date:*

- 1) Complete the annexation as soon as possible, possibly as soon as the end of 2009, far in advance of receipt of property tax revenues and/ or the transfer of the water service. This option results in greatest lag time between receipt of revenue and start of service delivery.
- 2) Implement the annexation closer to when the revenues begin. The latest would be July 1, 2010, in order for property tax to be distributed in 2011. This should also provide sufficient time to complete the Water Service Interlocal Agreement, which is estimated to be completed in the fourth quarter of 2009 or first quarter of 2010.

Regardless of the Council's direction on the effective date, the resolution of intent should be adopted so that the deadline for BRB submittal is met. Otherwise, the annexation cannot proceed.

CC: File ANN07-00001

Alice Prince, Bridle View Annexation Committee

RESOLUTION R-4749

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE TRANSMITTAL OF NOTICE OF INTENTION TO THE KING COUNTY BOUNDARY REVIEW BOARD FOR THE PROPOSED BRIDLE VIEW ANNEXATION IN ACCORDANCE WITH ITS PROCEDURES, AS TO THE AREA DESCRIBED IN THE PETITIONS TO ANNEX FILED WITH THE CITY, BY OWNERS OF NOT LESS THAN SIXTY PERCENT IN ASSESSED VALUE OF THE PROPERTY FOR WHICH ANNEXATION IS SOUGHT.

WHEREAS, there have been filed with the City of Kirkland, petitions to annex Bridle View pursuant to RCW 35A.14.120, as to the areas described in said petitions. Said area taken together are contiguous with the existing Kirkland city limits, and lie within that portion of unincorporated King County, bounded on the north by NE Old Redmond Road, on the west by 132 Avenue NE, on the south by NE 60<sup>th</sup> Street if extended, and on the east by Redmond City limits, all as more specifically hereinafter described; and

WHEREAS, said petitions have been found to contain, as required by law, the signature of owners representing not less than sixty percent in value of the property for which annexation is sought according to the assessed valuation for general taxation of this area; and

WHEREAS, In accordance with the procedures of the King County Boundary Review Board, the Kirkland City Council on March 17, 2009, did in open meeting, consider transmitting the notice of intention to annex Bridle View; now therefore,

BE IT RESOLVED by the City Council of the City of Kirkland as follows:

Section 1. The City Council of the City of Kirkland approves transmitting a certified copy of this resolution, together with a copy of the minutes, which shall be filed with the King County Boundary Review Board in accordance with its procedures. The area considered for annexation is that portion of unincorporated King County, contiguous to the existing boundary line of the City of Kirkland as described in Exhibit A to this resolution which Exhibit A by this reference is incorporated herein as though fully set forth.

Passed by majority vote of the Kirkland City Council in open meeting this 17th day of March, 2009.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

## Exhibit A

## Bridle View Annexation Legal Description

That portion of the southwest quarter of Section 10, Township 25 North, Range 5 East, Willamette Meridian, in King County, Washington and further described as follows:

Beginning at the southwest corner of Section 10, Township 25 North, Range 5 East, Willamette Meridian, in King County, Washington;

Thence easterly, along the south line of said Section 10, a distance of 1312.50 feet, more or less, to the east line of the west half of the southwest quarter of said Section 10, also being the Redmond City Limits as established by Redmond Ordinance #309;

Thence northerly, along said east line, to the easterly extension of the north line of the Plat of Bridle View, as recorded in Volume 74 of Plats, on Page 59, records of King County, Washington, also being the Redmond City Limits as established by Redmond Ordinance #967;

Thence westerly, along said easterly extension, and the north line thereof, to the east line of the west 660 feet of the southwest quarter of said Section 10, also being the Redmond City Limits as established by Redmond Ordinance #1578;

Thence continuing westerly, along said north line and city limits, a distance of 90.50 feet;

Thence northerly, along said city limits, a distance of 366 feet, to a line 366 feet north of and parallel to the north line of said Bridle View Plat;

Thence westerly, along said parallel line, a distance of 569.50 feet, more or less, to the west line of said Section 10;

Thence southerly, along said west line, to the true point of beginning.

EXCEPT that portion of the 132nd Avenue NE right-of-way as previously annexed under City of Kirkland Ordinance #3064.