SUMMARY

FILE NO. 2367

Thomas Guide Map No. 624

Date Received: 06/04/15

Date Completed: 06/05/15

Date Distributed: 06/09/15

Date Filed:

Expiration 45 Days: 07/20/15

ACTION Resolution by Seattle City Council for Land Annexation (Election Method)

TITLE North Highline Annexation – Area "Y"

Board Meeting: 07/09/15

Introduction:
The City of Seattle proposes annexation of a portion of the North Highline Area (described as North Highline Area “Y”). The annexation has been proposed by City of Seattle Resolution 31559, adopted in December, 2014, pursuant to RCW 35A.14.015.
The City has invoked jurisdiction to seek a public hearing for the annexation proposal by the Washington State Boundary Review Board for King County.
The Washington State Boundary Review Board for King County is an independent, quasi-judicial agency established to ensure logical, orderly growth of urban communities.

Location
The North Highline Annexation Area “Y” is located immediately adjacent to the southern boundary of the City of Seattle.
The North Highline Annexation Area “Y”s northernmost boundary is primarily formed by SW Roxbury Street and generally by South 96th Street (if extended.) The southern boundary is formed by South 107th Street, South 106th Street, South 116th Street, SW 112th Street and SW 116th Street. The western boundary of the site is variously formed by the City of Seattle corporate boundary (at approximately 30th Avenue SW) and by Seola Beach Drive SW. The eastern boundary of the site is generally formed by SR 99 adjacent to the City of Tukwila.

Land Area
Approximately 2045 acres

Land Use:
Residential (Single-Family; Multi-Family); Office; Neighborhood Commercial; Community Commercial; Regional Commercial; Public Spaces; Open Spaces

Population Estimate
The estimated population of the proposed North Highline Annexation Area is approximately 17,392. The proposed annexation would increase Seattle’s estimated 2014 population by approximately two per cent from 640,500 to 657,892.

Assessed Valuation
$1,143,570,056.

County Comprehensive Plan Designation/Zoning
Residential Uses (Low Density Single-Family; Medium Density Single-Family Use; Medium Density Multi-Family Use); Office Uses; Commercial Uses; Public Uses/Open Space
City Comprehensive Plan/
Zoning

Proposed: Residential Uses (Low Density Single-Family; Medium Density Single-Family Use; Medium Density Multi-Family Use); Office Uses; Commercial Uses; Public Uses/Open Space

(Note: The City of Seattle reports a commitment to adopt for North Highline Area "Y", at annexation, land use designations and zoning requirements that are essentially equivalent to land use designations and zoning requirements currently in place under the jurisdiction of King County. Seattle representatives report a plan to then work with citizens of the area to determine long range land use designations and zoning requirements for North Highline Area "Y").

District Comprehensive Plan

A franchise is required to provide services in the proposed annexation area. The proposed annexation area is not within Seattle's current franchise agreement area and negotiations will be required for the continued provision of the following services: solid waste (Waste Management); natural gas (Puget Sound Energy); and cable television / internet (Comcast).

In addition, the City of Seattle will need to enter into negotiations for short-term franchise or contract agreements for the following services: sewer (Valley View Sewer District and Southwest Suburban Sewer District); water (Water District 20 and Water District 45). It is the city's intent to lessen the financial impact of a future assumption of services on these service providers.

The City of Seattle reportedly will enter into negotiations with franchisees, under the provisions of RCW 35.13.280, and will work to ensure that new franchise/permit agreements are in place in conjunction with the effective date of the proposed annexation to minimize any disruptions. The City will also work to ensure that services to the annexed area are similar to those services provided in Seattle.

Urban Growth Area (UGA)

The North Highline Area "Y" is located within the Urban Growth Area as identified under the State Growth Management Act, King County Comprehensive Plan, and City of Seattle Comprehensive Plan.

SEPA Declaration

The proposed North Highline Area "Y" Annexation is exempt from SEPA pursuant to RCW 43.21C.222.
ENTITIES/AGENCIES NOTIFIED:
King County Council Member(s) Joe McDermott

King County: Clerk of Council, Department of Natural Resources (DNR); Department of Permitting & Environmental Review (DPER), Department of Assessments, Department of Transportation (DOT), State Department of Ecology (DOE), King County “911” Program, Office of Management and Budget, Office of the Prosecuting Attorney, King County Records and Election Division, Fire Marshal Division, Historic Preservation Program, Puget Sound Regional Council, Community and Human Services, Public Health Department

Cities: Burien, Tukwila, SeaTac

Fire Districts: King County Fire Protection District No. 2, King County Fire Protection District No. 11; King County Fire Protection District No. 24

Water Districts: Seattle Public Utilities; King County Water Districts No. 20; No. 45, No. 49, No. 54, and No. 125; Highline Water District;

Sewer Districts: Valley View Sewer District; Southwest Sewer District

School District: Highline School District #401; Tukwila School District #406; Seattle School District #001
SUMMARY (File No. 2367)

Overview: The City of Seattle proposes annexation of 2045 acres known as the North Highline Area "Y". Annexation is proposed in response to citizen interest in joining the City of Seattle. The North Highline "Y" Area Notice of Intention is based upon Resolution No. 31559 adopted by the Seattle City Council approving a plan to annex this territory. This Resolution was approved in December, 2014. The City is using the election method, initiated by resolution under RCW 35.13.015, for the proposed annexation of the North Highline Annexation Area.

The proposal consists of a Seattle Potential Annexation Area, as defined by the City of Seattle's Comprehensive Plan, originally adopted in 1994: the North Highline Annexation Area was designated a Potential Annexation Area (PAA) by the Seattle City Council in 2006.

The North Highline "Y" Area Annexation is bordered by the cities of Seattle, Burien and Tukwila along the southeast corner. The proposed annexation area includes the White Center, Roxhill, Top Hat, Beverly Park, Glendale neighborhoods and the northern portion of the Boulevard Park neighborhood. More specifically, The North Highline Annexation Area "Y" is located immediately adjacent to the northern boundary of the City of Seattle. The North Highline Annexation Area "Y"'s northermmost boundary is primarily formed by SW Roxbury Street and generally by South 96th Street (if extended.) The southern boundary is formed by South 107th Street, South 108th Street, South 116th Street, SW 112th Street and SW 116th Street. The western boundary of the site is variously formed by the City of Seattle corporate boundary (at approximately 30th Avenue SW) and by Seaola Beach Drive SW. The eastern boundary of the site is generally formed by SR 99 adjacent to the City of Tukwila.

(Note: City of Seattle officials report that the North Highline "Y" Area Annexation proposal is planned as the second phase in a two-phase approach to annex the entire unincorporated North Highline Area that is located between the cities of Seattle and Burien. On August 8, 2014, the City of Seattle submitted a Notice of Intention to annex the Duwamish Annexation Area that is located in the northeastern corner of the North Highline Area. That annexation proposal is scheduled to be reviewed by the Washington State Boundary Review Board for King County prior to review of this Notice of Intention.)

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With the annexation application based upon the Resolution, the City of Seattle has invoked jurisdiction at the Washington State Boundary Review Board for King County. The City is seeking a public hearing in order to provide an opportunity for North Highline Area "Y" citizens and other stakeholders to comment upon the proposed annexation before Boundary Review Board. The Boundary Review Board is an independent, quasi-judicial agent established by statute (RCW 36.93) to conduct such public review for the purpose of ensuring logical, orderly growth of urban communities.

Further, the City of Seattle Resolution calls for an election to permit the citizens of the North Highline Area "Y" to ultimately decide whether or not to join the City of Seattle.

Background:

City of Seattle officials report that the North Highline Area "Y" is currently described as a Potential Annexation Area for the City of Seattle. More specifically,

- The City of Seattle, beginning in the 1990's, began investigation of the potential annexation of the entire North Highline unincorporated area. Investigation included feasibility studies of the financial and service delivery impacts associated with providing urban-level services to the area.

- In 2006, the Seattle and Burien City Councils each amended their Comprehensive Plans to designate the entire North Highline unincorporated area within their respective Potential Annexation Area (PAA).

- In 2008, the cities of Seattle and Burien engaged in formal mediation, through King County's Inter-local Conflict Resolution Group (ILCRG), to determine the potential annexation boundaries of all or portions of the North Highline Area (then defined as Area X, Area Y and Duwamish Annexation Area).
The mediation process led to an agreement giving the City of Burien first opportunity to annex the southern portion of the North Highline unincorporated area (Area X) and the City of Seattle the opportunity to annex the northern portion of the North Highline unincorporated area (North Highline Annexation Area — this proposal). It was further stated that if the City of Seattle decided not to move forward with its annexation by January 2012, that the City of Burien could move forward with an annexation proposal for the remainder of the North Highline Annexation Area (Area "Y").

In 2009, the City of Burien was successful in its annexation of Area X.

In late 2011, the City of Seattle notified the City of Burien that it was not planning to move forward with an annexation of the remaining portion of the North Highline Annexation Area and the City of Burien was free to pursue annexation of the area.

In 2012, the City of Burien's proposal to annex the remaining portion of the North Highline Area (Area "Y") was turned down by the area voters.

On August 8, 2014, the City of Seattle submitted a Notice of Intention to annex the Duwamish Annexation Area as the first phase in a planned two-phase approach to eventually annex the entire unincorporated North Highline Area. The Notice of Intention is currently before the Washington State Boundary Review Board for King County.

On December 8, 2014, Resolution 31559 was introduced calling for the annexation, by election method, of the North Highline Annexation Area (this proposal). Resolution 31559 was adopted by the Full Seattle City Council on December 15, 2014 and authorized the submittal of a Notice of Intention to the Washington State Boundary Review Board for King County.

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(Note: At this time, the City of Seattle and King County do not have a pre-annexation agreement in place for the North Highline Annexation Area. Both parties are committed to the development and approval of a pre-annexation agreement covering the proposed annexation area prior to the effective date of the proposed annexation.)

North Highline Area "Y" Characteristics: According to the King County 2012 Comprehensive Plan (updated 2013), the North Highline "Y" Annexation Area includes lands designated as residential, commercial and industrial.

More specifically, the North Highline "Y" Annexation Area, includes the White Center and Glendale neighborhoods. It is an urbanized area that is mostly characterized by single family residential development. Other land uses include multifamily residential (e.g. the Greenbridge Housing Development, a large mixed-use development being developed by the King County Housing Authority), offices, industrial and a large neighborhood commercial center (White Center business core along 16th Avenue). There are also several parks and schools in the area.

Land uses in the existing City of Seattle and the City of Burien surrounding the North Highline "Y" Annexation Area include: residential areas; neighborhood commercial areas, and industrial areas.

Although the area is within the City of Seattle's Potential Annexation Area (PAA), the Seattle Comprehensive Plan does not apply land use designations to PAA's. If the annexation is approved, the Seattle City Council will adopt changes to the Future Land Use Map in the Comprehensive Plan to include the annexed area within the City's boundaries. The Future Land Use Map will indicate the generalized land use categories that would apply in the annexed area. The change to Future Land Use Map would occur the next time the City amends the Comprehensive Plan after the annexation of the North Highline Annexation Area.

As part of the North Highline Annexation Area proposal and in accordance in RCW 35.13.177 and RCW 35.13.178, the City of Seattle will reportedly undertake the process to develop a comprehensive neighborhood planning effort for the Duwamish Area. The City will launch the effort with existing planning documents that have been developed with community input. The City's process will include an analysis of the existing land uses and determining comparable land use classification under Seattle zoning classifications. At this time, it is anticipated that current King County zoning classifications are compatible with Seattle's zoning classifications. Following is the city zoning that is most comparable to the existing
King County zoning for the proposed North Highline Annexation Area:

<table>
<thead>
<tr>
<th>Unincorporated King County Zoning Districts</th>
<th>City of Seattle Comparable Zoning Districts</th>
</tr>
</thead>
<tbody>
<tr>
<td>R4 - Residential, 4 units per acre</td>
<td>SF 9600: Single Family @ 4.5 units per acre</td>
</tr>
<tr>
<td>R6 - Residential, 6 units per acre</td>
<td>SF7200: Single Family @ 6 units per acre</td>
</tr>
<tr>
<td>R8 - Residential, 8 units per acre</td>
<td>SF5000: Single Family @ 8.6 units per acre</td>
</tr>
<tr>
<td>R12 - Residential, 12 units per acre</td>
<td>No Multifamily zone with this low of density</td>
</tr>
<tr>
<td>R18 - Residential, 18 units per acre</td>
<td>LR1: Multifamily @ 28 units per acre</td>
</tr>
<tr>
<td>R24 - Residential, 24 units per acre</td>
<td>LR2: Multifamily @ 39 units per acre</td>
</tr>
<tr>
<td>R48 - Residential, 48 units per acre</td>
<td>LR3: Multifamily @ 45 units per acre</td>
</tr>
<tr>
<td>NB - Neighborhood Business w/ 8 residential units per acre</td>
<td>NC3: with residential density of 90 units per acre (Seattle does not have a mixed use zone with densities as low as King County's NB zone).</td>
</tr>
<tr>
<td>CB - Community Business (White Center Business District)</td>
<td>NC65: with residential density of about 150 units per acre.</td>
</tr>
<tr>
<td>O -- Office</td>
<td>SM85: with residential density of about 150 units per acre.</td>
</tr>
<tr>
<td>I -- Industrial</td>
<td>General Industrial 2</td>
</tr>
</tbody>
</table>

City of Seattle representatives report that the proposed North Highline Annexation Area is an unincorporated urban area with existing urban-level public facilities and services. The City has resources and capacity to permit provision of public utilities, public facilities, and public services to the North Highline “Y” Area, including, but not limited to: land use planning and development, transportation services, water service, wastewater treatment service, storm water management services, fire/emergency medical services, and policing services) to North Highline Area “Y.”

More specifically, the City of Seattle will address any localized deficiencies in an efficient manner building upon the area’s existing infrastructure and services, where applicable. King County currently provides several services to residents/businesses in the proposed annexation area that include law & code enforcement, building & planning, transportation, and parks & recreation. Other local services are provided by special purpose districts that include fire, library, water and sewer. Upon annexation, services provided by King County and several special purpose districts will be provided by the City of Seattle.

Further, upon annexation City of Seattle regulations will supplant King County regulations in the proposed annexation area, including regulations for the protection of sensitive areas, preservation of agricultural or other resource lands, preservation of landmarks or landmark districts, and surface water control.

State Growth Management Act: City of Seattle representatives report that annexation of the North Highline “Y” Area to this community is consistent with the State Growth Management Act – Chapter 36.70A RCW (GMA.) The City of Seattle reports that, in keeping with the GMA, the North Highline “Y” Annexation Area proposal addresses the following goals: (1) furthers the transition to city governance of the remaining unincorporated areas in North Highline; (2) allows a local government to provide a higher level of governmental services to residents and businesses in the area; and (3) allows King County to focus its resources as the service provider on a rural and regional basis. Cited in support of Seattle’s annexation of North Highline Area “Y” are:

- RCW 36.70A.020 (1), encouraging development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner;
- RCW 36.70A.020 (11), encouraging citizen participation and coordination in the planning process and ensuring coordination between communities and jurisdictions to reconcile conflicts; and
- RCW 36.70A.020 (12) calling for public facilities and services to be consistent with provisions of GMA (e.g. RCW 36.70A.210 (3) (b) policies that promote contiguous and orderly development and provision of urban services to such development).

Seattle representatives report that the municipality has in place plans, programs, and resources necessary to serve the North Highline Area "Y" as presented in the State Growth Management Act (GMA). In keeping with the provisions of the GMA, Seattle representatives report a plan to establish governance and services for North Highline Area "Y" citizens that are equivalent to -- or greater than -- those benefits enjoyed under the aegis of King County. Governance and services for the North Highline Area "Y" would be equivalent to benefits provided within the existing City of Seattle.

**King County Comprehensive Plan and Countywide Planning Policies:** City of Seattle representatives report that the proposed North Highline Annexation complies with established and/or pending King County Comprehensive Plan/Countywide Planning Policies. The North Highline Annexation Area is within the King County Urban Growth Area (UGA). The King County Comprehensive Plan calls for all property within the UGA to be within incorporated areas.

More specifically, Seattle representatives report that the North Highline annexation would specifically be consistent with the King County Comprehensive Plan 2012 (updated November 4, 2013) as briefly listed below. The full text of these policies and discussion of specific means of compliance are provided in the Notice of Intention.

- Chapter 1 – Regional Planning; Section II: Planning Framework (RP-204)
- Chapter 2 – Urban Communities: Section 1: The Urban Growth Area (U-102; U-108)
- Chapter 2 – Urban Communities: Section II: Potential Annexation Areas (U-201; U-202; U-203; U-205; U-206; U-207)
- Chapter 8 – Services, Facilities and Utilities (F-101)

Similarly, Seattle representatives report that the North Highline annexation would specifically be consistent with the King County Countywide Planning Policies (2012) as briefly listed below. The full text of these policies and discussion of specific means of compliance are provided in the Notice of Intention.

- Chapter – Development Patterns (DP) (DP-3; DP-4; DP-13; DP-23; DP-24; DP-25; DP-27; DP-28)
- Chapter – Public Facilities and Services (PF): (PF-2; PF-3; PF-11; PF-17)

Seattle's proposed North Highline Annexation implements the County's planning goals under the GMA by moving land from unincorporated King County into the City of Seattle. The proposed annexation would also provide some financial relief for King County when services are transferred from the County to the City of Seattle.

**City of Seattle Comprehensive Plan:** The City of Seattle's Comprehensive Plan, adopted July 25, 1994, and as amended, identifies the North Highline Annexation Area as one of Seattle's Potential Annexation Area (PAA). This designation was approved in 2006.

In 2006, the cities of Seattle and Burien adopted a PAA that overlapped with each other in the North Highline Annexation Area. Discussions between King County, and the cities of Seattle and Burien were started in 2008. An agreement was reached between the cities of Seattle and Burien that led to Burien's successful annexation of the southern portion of the North Highline Unincorporated Area (Area "X") in 2009. In April 2011, the City of Seattle initiated the County-required formal mediation process (under Countywide Planning Policies DP-25) with King County, and the City of Burien. Under that process, the City of Seattle determined that the City of Burien could pursue the annexation of the existing North Highline Annexation Area. The City of Burien's efforts at an election method annexation was defeated by the voters in 2012. Since that time the City of Burien indicated it had no further interest in pursuing an annexation of the remaining portions of the North Highline Annexation Area.

Thus, at this time, the City of Seattle's Comprehensive Plan identifies the North Highline Annexation Area as a PAA. No amendment will be required.
Fiscal Analysis: A fiscal analysis of the North Highline Annexation Area was prepared by the City of Seattle’s Central Budget Office. (April 2012.) The assumptions are based on estimates provided by City departmental staff with necessary revisions by the City's Central Budget Office. The revenue and cost estimates were adjusted to 2014 dollars.

The analysis reported that the City would face a first year annual operating cost of $18.3 million to provide a Seattle level of municipal services in the North Highline Annexation Area (low estimate). The report also identified a number of substantial one-time capital and environmental remediation costs for which there are no supporting revenues, in particular costs to Seattle's Public Utilities, Police, and Fire Departments. These costs were estimated to be in excess of $13.7 million (low estimate). More specifically:

**Estimate City Expenditures (Low Estimate)**

<table>
<thead>
<tr>
<th>Department</th>
<th>Estimated Costs in 2014</th>
<th>Estimated Costs in 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance General</td>
<td>$225,584</td>
<td>0</td>
</tr>
<tr>
<td>Criminal Justice Contracted Services</td>
<td>$1,492,621</td>
<td>0</td>
</tr>
<tr>
<td>Fire Department</td>
<td>$2,894,190</td>
<td>$2,754,721</td>
</tr>
<tr>
<td>Human Services</td>
<td>$1,902,439</td>
<td>0</td>
</tr>
<tr>
<td>Law Department</td>
<td>$141,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>Library</td>
<td>$1,868,802</td>
<td>$1,136,538</td>
</tr>
<tr>
<td>Neighborhoods</td>
<td>$48,000</td>
<td>0</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>$463,013</td>
<td>$311,146</td>
</tr>
<tr>
<td>Planning &amp; Development</td>
<td>$104,990</td>
<td>$487,093</td>
</tr>
<tr>
<td>Police Department</td>
<td>$4,730,720</td>
<td>$2,587,567</td>
</tr>
<tr>
<td>Public Utilities</td>
<td>$435,000</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Transportation</td>
<td>$5,896,918</td>
<td>$1,425,492</td>
</tr>
<tr>
<td>Total City Expenditures</td>
<td>$18,304,384</td>
<td>$13,710,057</td>
</tr>
</tbody>
</table>

(Note: Other City departments have estimated that most of the incremental costs to provide services to the North Highline Annexation Area were either negligible or could be absorbed within existing resources after an annexation - e.g. economic development, finance & administrative services, and municipal courts).

**Estimate City Revenues:** The Seattle Central Budget Office analysis shows that City general fund revenues would increase by $10.2 million as a result of the annexation. The largest contributors to this increased revenue would be property taxes ($3.69 million), business utility taxes ($2.34 million), retail sales taxes ($858,654) and business & occupation taxes ($784,460). Upon a successful annexation, the City’s property tax levy would replace the County Road, Fire District #11 and King County Rural Library District levies that are currently collected in the North Highline Annexation Area and would result in lower overall property taxes for taxpayers in the North Highline Annexation Area.

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Estimated Revenues 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund Sources</strong></td>
<td></td>
</tr>
<tr>
<td>Business &amp; Occupation Tax</td>
<td>794,460</td>
</tr>
<tr>
<td>Property Tax, including EMS</td>
<td>3,690,538</td>
</tr>
<tr>
<td>Sales Tax, including Criminal Justice</td>
<td>945,314</td>
</tr>
<tr>
<td>Utility Taxes</td>
<td>2,343,082</td>
</tr>
<tr>
<td>Business License Fees</td>
<td>201,287</td>
</tr>
<tr>
<td>Other General Fund Sources</td>
<td>980,412</td>
</tr>
<tr>
<td><strong>Total General Fund Sources</strong></td>
<td>$9,964,093</td>
</tr>
<tr>
<td><strong>Other Sources</strong></td>
<td></td>
</tr>
<tr>
<td>Gas Tax</td>
<td>707,230</td>
</tr>
<tr>
<td>Liquor Board profits</td>
<td>164,457</td>
</tr>
<tr>
<td>Other Sources</td>
<td></td>
</tr>
<tr>
<td><strong>Total Other Sources</strong></td>
<td>$1,728,430</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$10,692,523</td>
</tr>
</tbody>
</table>
City of Seattle representatives noted that an annexation of the North Highline "Y" Annexation Area could result in the City of Seattle being eligible for a state sales tax credit to help cover the cost of providing municipal services in the annexed area. Currently, the state sales tax credit is up to $5 million per year for a ten-year period. The City of Seattle, in partnership with King County, is working to have changes to the state law that would increase the amount of the state sales tax credit from $5 million to $8 million per year and reduce the number of years the credit is available from a 10-year period to a 6-year period. This approach would help close the anticipated "financial gap" to the City of Seattle that would be created as a result of an annexation of the North Highline Annexation Area.

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City of Seattle officials report a commitment to taking the necessary steps (e.g., obtaining funding, establishing services, land use/development review, environmental protection) in order to ensure equivalent levels of governance for the North Highline Area "Y" both at current development and at estimated maximum development. The City reportedly supports the North Highline Area "Y" Annexation so that Seattle may serve citizens of the area. Both the citizens of the North Highline Area "Y" and the greater City of Seattle will benefit from the joining of communities.

RCW 36.93: FACTORS and OBJECTIVES

The City of Seattle officials report that the proposed Duwamish Area Annexation is consistent with the provisions of RCW 36.93 (Boundary Review Board Regulations).

RCW 36.93.170: The City of Seattle, in evaluation of the proposal to annex North Highline Area "Y", considered various RCW 36.93.170 Factors as elements required for governance and service to North Highline Area "Y".

With respect to RCW 36.93.170, the City reports plans – together with physical and fiscal resources – to govern and serve North Highline Area "Y" in a manner equivalent to governance and services provided to the existing municipality. A comprehensive range of public utilities, public facilities and public services will be available to the residents of North Highline Area "Y." More specifically:

RCW 36.93.170 (1): Population and territory; population density; land area and uses; comprehensive plans and zoning, as adopted under chapter 35.63, 35A.63, or 36.70 RCW; comprehensive plans and development regulations adopted under chapter 36.70A; applicable service agreements entered into under chapter 36.115 or 39.34 RCW; applicable interlocal annexation agreements between a county and its cities; per capita assessed valuation; topography, natural boundaries and drainage basins, proximity to other populated areas; the existence and preservation of prime agricultural soils and productive agricultural uses; the likelihood of significant growth in the area and in adjacent incorporated and unincorporated areas during the next ten years; location and most desirable future location of community facilities.

The North Highline Annexation Area is urban in nature and compatible with adjacent land uses within the City of Seattle. The proposed annexation is a natural expansion of the residential, commercial and Industrial land uses.

The North Highline "Y" Annexation Area is bordered by (Seattle to the north and west, Burien to the south, and Tukwila and unincorporated King County (Seattle's proposed Duwamish Annexation Area that is under Boundary Review Board consideration at this time) to the east. The boundaries of the North Highline "Y" Annexation Area generally follow existing streets and city limits.

Topography is varied over this large area. Generally, the area is highest in the western and central portions, sloping down east and northeast toward the Duwamish River east of SR-509. The Area can be organized to host both development and open spaces.

The North Highline Annexation Area lies within the City of Seattle's PAA. It is designated for - and zoned for - residential, commercial and industrial uses. The majority of the proposed annexation area is built out with an array of residential, commercial and industrial land uses.

At present, the "Y" Area has an existing population of 17,392 and a population density of 8.5 people per acre. Projected household growth between 2010 and 2020 is about 746 new households (2010 Census and PSRC 2006 Sub-County Small Area Forecasts). Projected job growth for the same period is about 720 jobs (PSRC 2010 covered employment estimates by jurisdiction).
The City of Seattle has adopted 20-year growth and employment targets for the areas adjacent to and outside of Urban Centers and Villages. As part of the city’s comprehensive plan update process, the proposed annexation area will be included in future growth/employment targets.

As such, the City reports that the proposed annexation will connect the linked built communities, common infrastructure and connected natural environments with these elements.

**RCW 36.93.170 (2) Municipal services; need for municipal services; effect of ordinances, governmental codes, regulations and resolutions on existing uses; present cost and adequacy of governmental services and controls in area; prospects of governmental services from other sources; probable future needs for such services and controls; probable effect of proposal or alternative on cost and adequacy of services and controls in area and adjacent area; the effect on the finances, debt structure, and contractual obligations and rights of all affected governmental units.**

The North Highline Annexation Area currently receives general governmental services from King County. General services after annexation including police and development services will be provided by the City of Seattle. The following table provides a summary of services and service providers prior to and after an annexation:

<table>
<thead>
<tr>
<th>Service</th>
<th>Provider Before Annexation</th>
<th>After Annexation</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police</td>
<td>King County Sheriff</td>
<td>Seattle Police Dept.</td>
<td>N/A</td>
</tr>
<tr>
<td>Fire</td>
<td>North Highline Fire District #11</td>
<td>Seattle Fire Dept.</td>
<td>N/A</td>
</tr>
<tr>
<td>Library</td>
<td>King County Library System</td>
<td>Seattle Public Library</td>
<td>N/A</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>King County</td>
<td>Seattle Parks Dept.</td>
<td>City will enter into separate discussions with County regarding assumption of Steve Cox Park</td>
</tr>
<tr>
<td>Water</td>
<td>Water District 20</td>
<td>Seattle Public Utilities</td>
<td>City to Assume Service in Annexed Area from WD 20 &amp; WD 45 under Chapter 35.13A RCW</td>
</tr>
<tr>
<td></td>
<td>Water District 45 &amp;</td>
<td>SPU</td>
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<td></td>
<td>Seattle Public Utilities</td>
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<tr>
<td>Sewer</td>
<td>Valley View Sover District,</td>
<td>Seattle Public Utilities,</td>
<td>City to Assume Service in Annexed Area from Valley View &amp; SW Suburban Sover Dist under Chapter 35.13A RCW</td>
</tr>
<tr>
<td></td>
<td>SW Suburban Sover District</td>
<td>&amp; Individual Septic Systems</td>
<td></td>
</tr>
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<td>Solid Waste</td>
<td>Waste Management</td>
<td>Waste Management</td>
<td>Contract with SPU</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>Puget Sound Energy</td>
<td>Puget Sound Energy</td>
<td>N/A</td>
</tr>
<tr>
<td>Telephone/Internet</td>
<td>Comcast</td>
<td>Comcast</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**RCW 36.93.170 (3) The effect of the proposal or alternative on adjacent areas, on mutual economic and social interests, and on the local governmental structure of the county.**

The proposed annexation implements King County’s Countywide Planning Policies by annexing urbanized unincorporated Potential Annexation Areas (PAAs) into urban jurisdictions like the City of Seattle.

The North Highline Annexation Area is urbanized and nearly fully developed. King County currently provides services at lower levels of service than the City of Seattle provides within the City’s existing boundaries. The only other source for general government services would be King County, or the cities of Burien or Tukwila. Neither has expressed an interest in annexing the North Highline Annexation Area.

Upon annexation, residents and businesses within the North Highline “Y” Area will see an immediate increase in the levels of service for police, fire, parks and recreation, library and other urban services. As additional development occurs within the annexation area, demand for services will increase. It is planned that the cost for these additional services will largely be offset by property taxes, sales taxes, service charges, and other population-based revenues. Further, many residents in the annexation area currently avail themselves of Seattle’s services including park & recreation programs, and library services.

(Note: The proposed North Highline Annexation Area is identified on King County’s Potential Annexation Area Map as a “contested area,” overlapping the potential annexation areas of the cities of Seattle and Burien. The City of Seattle has engaged King County, the City of Burien and the North Highline Fire District (KCFD #11) in mediated sessions to come up with a solution to the overlapping PAA for the North Highline “Y” Area Annexation.)
The effect of the proposed annexation will be to implement the State Growth Management Act, to incorporate an area already within King County Urban Growth Area, to unify the annexation area to the Seattle neighborhoods located north of the proposed annexation area (Delridge and South Park neighborhoods), and to complete the process of inclusion of the entire designated Potential Annexation Area within the City of Seattle.

**RCW 36.93.180 With respect to RCW 36.93.180 (Objectives), the City reports compliance with:**

1. **Preservation of Natural Neighborhoods and Communities.** The proposed North Highline Annexation Area has been identified as Seattle Potential Annexation Area (PAA) since 2006, is a natural extension of Seattle’s southern boundary, and covers the remaining unincorporated urbanized area between the cities of Seattle and Burien.

   The proposed annexation is designed to incorporate the neighborhoods in the proposed annexation area with the city of Seattle’s northern portion of the White Center neighborhood and the Delridge neighborhood located north of the proposed annexation area. In addition, the proposed annexation will link the Glendale neighborhood, located along the north boundary and east of SR 509, with Seattle’s South Park Residential Urban Village.

   Upon annexation, City of Seattle regulations will supplant King County regulations in the proposed annexation area in order to support the preservation of the North Highline “Y” Area communities. Throughout the annexation process, Seattle will re-engage in a citizen participation process with residents in the North Highline Annexation Area to discuss the impacts on of a potential annexation of the area for the purposes of protection – and enhancement – of the built community through Comprehensive Plan updates and establishment of development policies and regulations.

   The City of Seattle’s Critical Areas regulations provide protection of environmentally sensitive areas including wetlands, lakes, streams, steep slopes. The regulations and standards are intended to protect natural habitat areas; to protect the public and facilities from natural hazards due to flooding, landslides, erosion; and to prevent cumulative environmental impacts to natural resources. The Critical Areas Regulations also provides flexibility to address site-specific issues and to balance environmental regulations with the use of private property. Further, the State requires that all applicable jurisdictions update their Critical Area regulation in 2015; this process will provide an opportunity to ensure continuing protection of sensitive areas. In addition, the City of Seattle’s regulations for Landmark preservation would apply to the proposed North Highline “Y” Area Annexation.

2. **Use of Physical Boundaries, including but not limited to Bodies of Water, Highways and Land Contours.** The proposed North Highline “Y” Annexation Area achieves this standard as it is located between the cities of Seattle and Burien and follows existing city boundaries and highways. The SR 509 provides the east boundary line for the annexation area. The existing Seattle city limits provide the north and west boundaries, and the Burien city limits provide the south boundary for the proposed annexation area.

3. **Creation and Preservation of Logical Service Areas.** The proposed North Highline Annexation Area is an unincorporated urban area with existing urban-level public facilities and services. The communities included in the proposed North Highline “Y” Area Annexation, currently receive public services from King County. Services provided to residents/businesses in the proposed annexation area that includes law & code enforcement, building & planning, transportation, and parks & recreation. Other local services are provided by special purpose districts that include fire, library, water and sewer. Upon annexation, the City of Seattle will provide – either directly or by contract -- services provided by King County and several special purpose districts.

   At the current time -- and into the future -- the City of Seattle will work with the various County agencies and special purpose districts to develop service transition/assumption plans to ensure continuation of services during the transition to City of Seattle services. The City of Seattle will address any localized deficiencies in an efficient manner building upon the North Highline “Y”
Area's existing infrastructure and services, where applicable. More specifically

- The City of Seattle is prepared to provide urban level services for fire protection, library, and park & recreational services upon the effective date of annexation.
- Seattle has been an active partner in the planning, funding and delivery of human and community services to its residents. Upon annexation, all residents within the proposed North Highline Annexation Area will be eligible for the full range of enhanced human and community services that are currently available to all Seattle residents.
- The City of Seattle will work with property owners in areas that are not connected to a sewer system to develop and connect to the city's sewer system when feasible. Seattle’s policy is to allow individual septic systems as long as they are functioning.
- The City of Seattle's Critical Areas regulations provide protection of environmentally sensitive areas including wetlands, lakes, streams, steep slopes. The regulations and standards are intended to protect natural habitat areas; to protect the public and facilities from natural hazards due to flooding, landslides, erosion; and to prevent cumulative environmental impacts to natural resources. The Critical Areas Regulations also provides flexibility to address site-specific issues and to balance environmental regulations with the use of private property.
- The City of Seattle Stormwater Code provides rules, regulations, and requirements for source control, construction of stormwater facilities, flow control & treatment, and enforcement of stormwater regulations. In addition, rules have been developed establishing requirements for green stormwater infrastructure and groundwater/dewatering.
- The City of Seattle has worked over time – and continues to work with King County, and the North Highline Fire District (KCFD #11) and (historically) with the Burien-Normandy Park Fire Department (KCFD #2) to address the need to ensure comprehensive, seamless, fiscally sustainable fire protection and emergency medical services to the North Highline "Y" Area. Basic agreement has reportedly been achieved on future plans for service to North Highline "Y" Area. It is planned that full agreement will be achieved and codified in conjunction with the transition of the North Highline "Y" Area to the City of Seattle.
- At annexation, the City of Seattle will assume responsibility for policing services from King County Sheriff's Department.

4. Prevention of Abnormally Irregular Boundaries. The proposed North Highline annexation will extend the city of Seattle's boundaries south to the existing Burien city limits. The annexation will resolve -- rather than create -- abnormally irregular boundaries.

5. Discouragement of Multiple Incorporated of Small Cities and Encouragement of Incorporation of Cities in Excess of Ten Thousand in Heavily Populated Urban Areas. The proposed North Highline annexation will incorporate one of King County's largest remaining unincorporated urbanized areas into the city of Seattle which has an estimated population of 640,000 (2014 OFM estimate).

6. Dissolution of Inactive Special Purpose Districts. Not applicable. There are no inactive special purpose districts within the proposed North Highline Annexation Area.

7. Adjustment of Impractical Boundaries. The proposed annexation proposal is for territory that is within the King County Urban Growth Area (UGA) and within the City's Potential Annexation Area. The proposed annexation is consistent with this designation. The proposed annexation will create more practical boundaries.

8. Protection of Agricultural and Rural Lands Which Are Designated For Long Term Productive Agricultural and Resource Use by a Comprehensive Plan Adopted by the County Legislative Authority. Not applicable. The proposed North Highline Annexation Area is not designated agricultural and/or rural land, and the current land use within the area is not agricultural.

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The City of Seattle seeks to annex the North Highline "Y" Area – as the last remaining unincorporated territory in the area – to provide more efficient governance and delivery of services to this community. With this transition, King County will be able to focus on the delivery of regional and rural services.