

June 3, 2009

**OFFICE OF THE HEARING EXAMINER  
KING COUNTY, WASHINGTON**

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**REPORT AND RECOMMENDATION TO THE METROPOLITAN KING COUNTY COUNCIL**

SUBJECT: Department of Natural Resources & Parks (DNRP), Water and Land Resources Division,  
file no. **E09CT002**  
Proposed Ordinance No. **2009-0248**

Open Space Taxation (Public Benefit Rating System; PBRs)

Application of

**GORDON HOENIG for UNION SHARES, LLC**

13835 – 62nd Avenue NE  
Kirkland, Washington 98034

Location of Property: 8733 – 196th Avenue SE  
Redmond, Washington

**SUMMARY OF RECOMMENDATIONS:**

Department's Preliminary:	Approve 38.55 acres for 10% of market value
Department's Final:	Approve 38.55 acres for 10% of market value
Examiner:	Approve 38.55 acres for 10% of market value

**PRELIMINARY REPORT:**

The Department of Natural Resources & Parks, Water and Land Resources Division Report on item no. E09CT002 was received by the Examiner on May 14, 2009.

**PUBLIC HEARING:**

After reviewing the report and examining available information on file with the application, the Examiner conducted a public hearing on the application as follows:

The hearing on item no. E09CT002 was held by the Examiner on May 27, 2009, in the Hearing Examiner's Conference Room, 400 Yesler Way, Room 404, Seattle, Washington.

Participants at the public hearing and the exhibits offered and entered are listed in the attached minutes. A verbatim recording of the hearing is available in the office of the King County Hearing Examiner.

**FINDINGS, CONCLUSIONS & RECOMMENDATION:** Having reviewed the record in this matter, the Examiner now makes and enters the following:

**FINDINGS:**

1. General Information:

Owner:	Union Shares, LLC		
Location:	8733 – 196th Avenue SE, Redmond		
PBRS categories requested:	<b>Open space resources</b> Equestrian-pedestrian trail linkage Farm and agricultural conservation land		
Categories recommended:	<b>Open space resources</b> Equestrian-pedestrian trail linkage Farm and agricultural conservation land (contingent) <b>Bonus categories</b> Unlimited public access		
STR:	SE 06-25-06		
Zoning:	RA-5		
Parcel no.:	062506-9017	062506-9029	062506-9042
Total acreage:	19.65 acres	9.77 acres	9.63 acres
Recommended PBRS:	19.65 acres	9.27 acres	9.63 acres

(The land area recommended for PBRS enrollment is the entire parcel less the excluded area, which is what has been calculated by DNRP. In the event the County Assessor's official parcel size is revised, the PBRS acreage shall be administratively adjusted to reflect that change.)

2. The subject property is currently enrolled in the farm and agriculture open space program. Timely application was made to King County for PBRS current use valuation of the property to begin in 2011. Notice of the application was given as required by law.
3. Except as modified herein, the facts set forth in the King County Department of Natural Resources & Parks, Water and Land Resources Division, Preliminary Report and testimony for the May 27, 2009, public hearing are found correct and are incorporated herein by reference. Copies of the department report will be provided with the copies of this report submitted to the Metropolitan King County Council.
4. Award under the farm and agricultural conservation land category is contingent upon submittal of a King Conservation District-approved farm management plan for the subject property by November 1, 2009. Failure to qualify under this category would reduce the total point award by 5 points with no direct effect on the current use valuation for the enrolled portion of the property.

5. Subject to the above-noted contingency, the property contains priority open space resources and is eligible for a total award of 45 points under the King County Public Benefit Rating System. The resulting current use valuation therefore would be 10% of market value for 38.55 acres of the property.

#### CONCLUSION:

1. Subject to the above-noted contingency, approval of current use valuation of 10% of market value for 38.55 acres of the property pursuant to the Public Benefit Rating System adopted by Chapter 20.36 KCC would be consistent with the purposes and intent of King County to maintain, preserve, conserve and otherwise continue in existence adequate open space lands and to assure the use and enjoyment of natural resources and scenic beauty for the economic and social well-being of King County and its citizens.

#### RECOMMENDATION:

APPROVE current use valuation of 10% of market value for 38.55 acres of the property, subject to the conditions recommended in the Department of Natural Resources & Parks report for the May 27, 2009 public hearing and the above-noted contingency.

Current use valuation shall be subject to all terms and conditions of RCW Chapter 84.34 and KCC Chapter 20.36, as may be amended from time to time, and all regulations and rules duly adopted to implement state law and county ordinances pertaining to current use valuation.

RECOMMENDED JUNE 3, 2009.

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Peter T. Donahue  
King County Hearing Examiner

#### **NOTICE OF RIGHT TO APPEAL AND ADDITIONAL ACTION REQUIRED**

In order to appeal the recommendation of the Examiner, written notice of appeal must be filed with the Clerk of the King County Council with a fee of \$250.00 (check payable to King County Office of Finance) ***on or before June 17, 2009***. If a notice of appeal is filed, the original and 6 copies of a written appeal statement specifying the basis for the appeal and argument in support of the appeal must be filed with the Clerk of the King County Council ***on or before June 24, 2009***. Appeal statements may refer only to facts contained in the hearing record; new facts may not be presented on appeal.

Filing requires actual delivery to the Office of the Clerk of the Council, Room 1025, King County Courthouse, 516 3<sup>rd</sup> Avenue, Seattle, Washington 98104, prior to the close of business (4:30 p.m.) on the

date due. Prior mailing is not sufficient if actual receipt by the Clerk does not occur within the applicable time period. The Examiner does not have authority to extend the time period unless the Office of the Clerk is not open on the specified closing date, in which event delivery prior to the close of business on the next business day is sufficient to meet the filing requirement.

If a written notice of appeal and filing fee are not filed within 14 days calendar days of the date of this report, or if a written appeal statement and argument are not filed within 21 calendar days of the date of this report, the Clerk of the Council shall place a proposed ordinance which implements the Examiner's recommended action on the agenda of the next available Council meeting. At that meeting, the Council may adopt the Examiner's recommendation, may defer action, may refer the matter to a Council committee, or may remand to the Examiner for further hearing or further consideration.

Action of the Council is final. The action of the Council on a recommendation of the Examiner shall be final and conclusive unless within twenty-one (21) days from the date of the action an aggrieved party or person applies for a writ of certiorari from the Superior Court in and for the County of King, State of Washington, for the purpose of review of the action taken.

#### MINUTES OF THE MAY 27, 2009 PUBLIC HEARING ON DEPARTMENT OF NATURAL RESOURCES & PARKS FILE NO. E09CT002:

Peter T. Donahue was the Hearing Examiner in this matter. Participating in the hearing and representing the Department was Bill Bernstein. There were no other participants in this hearing.

The following exhibits were offered and entered into the hearing record:

- Exhibit No. 1 *Not submitted*
- Exhibit No. 2 *Not submitted*
- Exhibit No. 3 *Not submitted*
- Exhibit No. 4 DNRP Preliminary Report to the Hearing Examiner
- Exhibit No. 5 Affidavit of Publication
- Exhibit No. 6 Notice of hearing from the Hearing Examiner's Office
- Exhibit No. 7 Notice of hearing from the PBRS/Timber program
- Exhibit No. 8 Legal notice and introductory ordinance to County Council
- Exhibit No. 9 Application signed/notarized
- Exhibit No. 10 Assessor's map
- Exhibit No. 11 King County Assessor's database printout
- Exhibit No. 12 Arcview and orthophoto/aerial map
- Exhibit No. 13 Letter to neighbors re: notification of PBRS application
- Exhibit No. 14 Letter to applicant re: received application and approval schedule
- Exhibit No. 15 *Reserved for future submission of a Farm Management Plan*
- Exhibit No. 16 *Reserved for future submission of legal description of area to be enrolled*
- Exhibit No. 17 Recorded trail easement

**This document is provided for information only. DO NOT complete and return. A completed copy will be furnished to the Applicant(s) by the Office of the Hearing Examiner after the application has been approved by the Metropolitan King County Council.**

**OPEN SPACE TAXATION AGREEMENT**

Chapter 84.34 RCW

(To be used for "Open Space", "Timber Land" Classification or "Reclassification" Only)

Property Owner: **XXX**  
Property Address: **XXX**  
Granting Authority: **King County, Washington**  
Legal Description

Assessor's Property Tax Parcel or Account Number: **XXX**  
Department of Natural Resources & Parks File Number: **E0XCTXXX**  
This agreement is between **XXX** hereinafter called the "Owner", and  
**King County, Washington** hereinafter called the "Granting Authority".

Whereas the owner of the above described real property having made application for classification of that property under the provisions of Chapter 84.34 RCW. And whereas, both the owner and granting authority agree to limit the use of said property, recognizing that such land has substantial public value as open space and that the preservation of such land constitutes an important physical, social, esthetic, and economic asset to the public, and both parties agree that the classification of the property during the life of this agreement shall be for:

**Open Space Land/Timber Land**

Now, therefore, the parties, in consideration of the mutual covenants and conditions set forth herein, do agree as follows:

1. During the term of this agreement, the land shall be used only in accordance with the preservation of its classified use.
2. No structures shall be erected upon such land except those directly related to, and compatible with, the classified use of the land.
3. This agreement shall be effective commencing on the date the legislative body receives the signed agreement from the property owner and shall remain in effect until the property is withdrawn or removed from classification.
4. This agreement shall apply to the parcels of land described herein and shall be binding upon the heirs, successors and assignees of the parties hereto.
5. The landowner may withdraw from this agreement if, after a period of eight years, he or she files a request to **withdraw** classification with the assessor. Two years from the date of that request the assessor shall withdraw classification from the land, and the applicable taxes and interest shall be imposed as provided in RCW 84.34.070 and 84.34.108.
6. After the effective date of this agreement, any change in use of the land, except through compliance with items (5), (7), or (9), shall be considered a **breach** of this agreement, and shall be subject to removal of classification and liable for applicable taxes, penalties, and interest as provided in RCW 84.34.080 and RCW 84.34.108.
7. A **breach** of agreement shall not have occurred and the additional tax shall not be imposed if removal of classification resulted solely from:
  - a) Transfer to a governmental entity in exchange for other land located within the State of Washington.
  - b) A taking through the exercise of the power of eminent domain, or sale or transfer to an entity having the power in anticipation of the exercise of such power and having manifested its intent in writing or by other official action.
  - c) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the land owner changing the use of such property.
  - d) Official action by an agency of the State of Washington or by the county or city where the land is located disallowing the present use of such land.
  - e) Transfer of land to a church when such land would qualify for exemption pursuant to RCW 84.36.020.
  - f) Acquisition of property interests by State agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 (see RCW 84.34.108(6)(f)).

- g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)(e).
  - h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification.
  - i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120.
  - j) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.
  - k) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as forest land under chapter 84.33 RCW, or under chapter 84.34 RCW continuously since 1993. The date of death shown on the death certificate is the date used.
8. The county assessor may require an owner to submit data relevant to continuing the eligibility of any parcel of land described in this agreement.
  9. The owner may apply for reclassification as provided in Chapter 84.34 RCW.
  10. This agreement shall supersede any previous open space taxation agreement entered into for the subject property.

This agreement shall be subject to the following conditions:

**See attached Hearing Examiner Report and Recommendation**

It is declared that this agreement specifies the classification and conditions as provided for in Chapter 84.34 RCW and the conditions imposed by this Granting Authority. This agreement to tax according to the use of the property is not a contract and can be annulled or canceled at any time by the Legislature (RCW 84.34.070).

Granting Authority:

Dated \_\_\_\_\_

\_\_\_\_\_ King County, Washington

\_\_\_\_\_  
Council Chair

As owner(s) of the herein-described land I/we indicated by my/our signature(s) that I am/we are aware of the potential tax liability and hereby accept the classification and conditions of this agreement (must be signed by all owners).

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

Date signed agreement received by Legislative Authority \_\_\_\_\_

For tax assistance, visit <http://dor.wa.gov> or call 1-800-647-7706. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users may call 1-800-451-7985.  
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