

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Motion to accept with conditions “ten-percent” threshold Notices of Intent to Petition under RCW 35A.14.120 for the South Bellevue Potential Annexation Areas (PAAs) of Eastgate and Tamara Hills.

FISCAL IMPACT

Staff has conducted a 2011 sketch level analysis of annual operating revenues and expenditures for all of the South Bellevue PAA. This shows a gap between annexation area revenue and expenditures for the operating budget:

Revenue (from all major sources)	\$1,936,343
Cost (primary depts.: Fire, Police, Parks, Transportation)	\$3,046,760
Net operating deficit	\$(1,110,417)

The current timing of annexation affects this fiscal gap. The state under RCW 82.14.415(7) allows the City to make up operating budget gaps by crediting a share of state sales tax revenue to those operating deficit costs for a period of ten years. This is not an additional tax. It reduces the state’s revenue, credits it to the city instead, and is annexation-specific.

STAFF CONTACT

Dan Stroh, Acting Director 452-5255
Nicholas Matz AICP, Senior Planner, 452-5371
Planning & Community Development

POLICY CONSIDERATION

Owners of properties representing the required 10% threshold for property valuation have submitted the initial petitions for annexation into Bellevue. Should the City Council act to accept, reject or geographically modify this proposed annexation? Acceptance of an annexation Notice of Intent petition is a discretionary policy matter. The Council may accept or reject such an annexation petition for any reason.

Since 1979, city policy has been to annex unincorporated areas as requests are made from residents and property owners. The affected South Bellevue communities have expressed interest in annexation, so the city is using the direct-petition annexation method in RCW 35A.14.120.

This two-step method involves first submitting the signatures of property owners representing ten percent of the assessed property value separately for each area. This is what Council is considering tonight, for the Eastgate and Tamara Hills PAAs in South Bellevue.

BACKGROUND

At its February 28, 2011, Study Session the City Council directed staff to implement the South Bellevue Annexation work program, with the intent of engaging and completing the annexation of the unincorporated PAA communities of Eastgate, Tamara Hills, Horizon View, and Hilltop to Bellevue. Attachment 1 provides a map of the affected areas, and Attachment 2 is the February 28 Study Session agenda memo.

All the communities are south of Interstate 90 and surrounded by incorporated Bellevue:

PAA	Assessed Value	Population	Acres	Housing
1. Eastgate	\$726,078,690	4,967	616	1,896
2. Tamara Hills	31,569,000	211	22	78
3. Horizon View	68,864,000	292	59	106
4. Hilltop	32,273,000	84	53	43
South Bellevue Total	\$858,784,690	5,554	750	2,123

Initial Petitions Received

On June 3, 2011, Eastgate owners filed a Notice of Intent to Petition for Annexation whose representation exceeds the 10 percent representation of assessed valuation required to initiate a Notice of Intent. By June 15, 2011, owners had filed Notices of Intent representing 14.4 percent of the total area of their proposed annexation.

On June 9, 2011, Tamara Hills owners filed a Notice of Intent to Petition for Annexation whose representation exceeds the 10 percent representation of assessed valuation required to initiate a Notice of Intent. By June 15, 2011, owners had filed Notices of Intent representing 12.03 percent of the total area of their proposed annexation.

As of the June 20, 2011, agenda publishing date the Hilltop and Horizon View neighborhoods are still in process to file sufficient Notices of Intent to Petition for Annexation. These neighborhoods are collectively about 15% of the total South Bellevue PAA area.

The Hilltop Community Association has indicated that they have more than ten-percent community support. However, they ask that the City consider a pre-annexation agreement to address unique features, notably its own water district, and change the pre-annexation zoning to R-2.5 in order to better match current conditions. Because the pre-annexation zoning must be set before moving to the next step of collecting annexation petitions, staff recommends setting September 6, 2011, for Council's ten-percent threshold meeting with Hilltop. This would provide sufficient time to hold the two required public hearings to consider the pre-annexation zoning.

The Horizon View community had reached about six percent of the needed ten-percent threshold for filing. As these notices are received, a formal meeting with the Council could be scheduled in coming weeks or timed to coincide with the Hilltop meeting on September 6. This timeframe still allows the South Bellevue annexation to be complete and effective in April 2012.

Attachment 3 provides representative Notice of Intent petition forms.

Effect of Council Acceptance

By statute, the legislative body considering the acceptance of a Notice of Intent must set a date, no

later than 60 days following the filing, for meeting with petitioners to consider the Notice of Intent. The Bellevue City Council has set June 20, 2011 as the date for this meeting with petitioners.

Council acceptance of Notices of Intent directs property owners to seek to submit Direct Petitions for Annexation representing at least fifty percent of assessed value for each area. Annexation would be affirmed when the City receives this second set of petitions. If validated and determined sufficient by the County, the annexation will then be forwarded to the Boundary Review Board (BRB) for King County for its consideration. If the BRB approves the annexation, the City Council will hold a public hearing and make a final decision on the annexation. The current target is to achieve April 2012 as the effective date of annexation.

This proposed annexation's existing Comprehensive Plan designations are SF-H (Single Family-High), SF-M (Single Family-Medium), Multifamily-Low (MF-L) and Professional Office (PO) in Eastgate. Tamara Hills existing Comprehensive Plan designations include SF-M. Comparable pre-annexation zoning including R-3.5, R-5, R-10, and PO has been established under Ordinance No. 3840 (Central Newcastle Pre-annexation Zoning).

Ongoing Citizen Outreach

A March 29, 2011, Open House at Bellevue City Hall for annexation supporters was held to plan a grassroots strategy for reaching the ten-percent threshold. A May 2, 2011, kick-off event at South Bellevue Community Center (SBCC) brought supporters and residents together to launch the ten-percent campaign. A second kick-off meeting, to initiate the fifty percent petition campaign, is scheduled for June 30, 2011, also at SBCC. Leaders of the City's operating departments will be in attendance at that meeting to interact with residents and answer questions about City services. In addition, staff is:

- Continuing to meet with residents of the PAAs in small group, neighborhood, and organization meetings;
- Planning one mailing (including petitions) to all residents of the PAAs and smaller, targeted mailings to specific groups; e.g., absentee owners, business owners.
- Using the City's publications, web site, and local media to maintain communication with the public;
- Continuing to work with a core group of supporters—encouraging and supporting their signature-gathering efforts;
- Using all outreach opportunities to introduce City programs and services, explain the benefits of annexation, and encourage public participation as Bellevue residents.

OPTIONS

1. Direct staff to accept and process a Direct Petition for Annexation, with conditions.
2. Reject the Notice of Intent to Petition, which will cease any annexation effort at this time.

RECOMMENDATIONS

Staff recommends accepting the Notice of Intent to Petition for Annexation with the conditions listed in the following motion.

MOTION

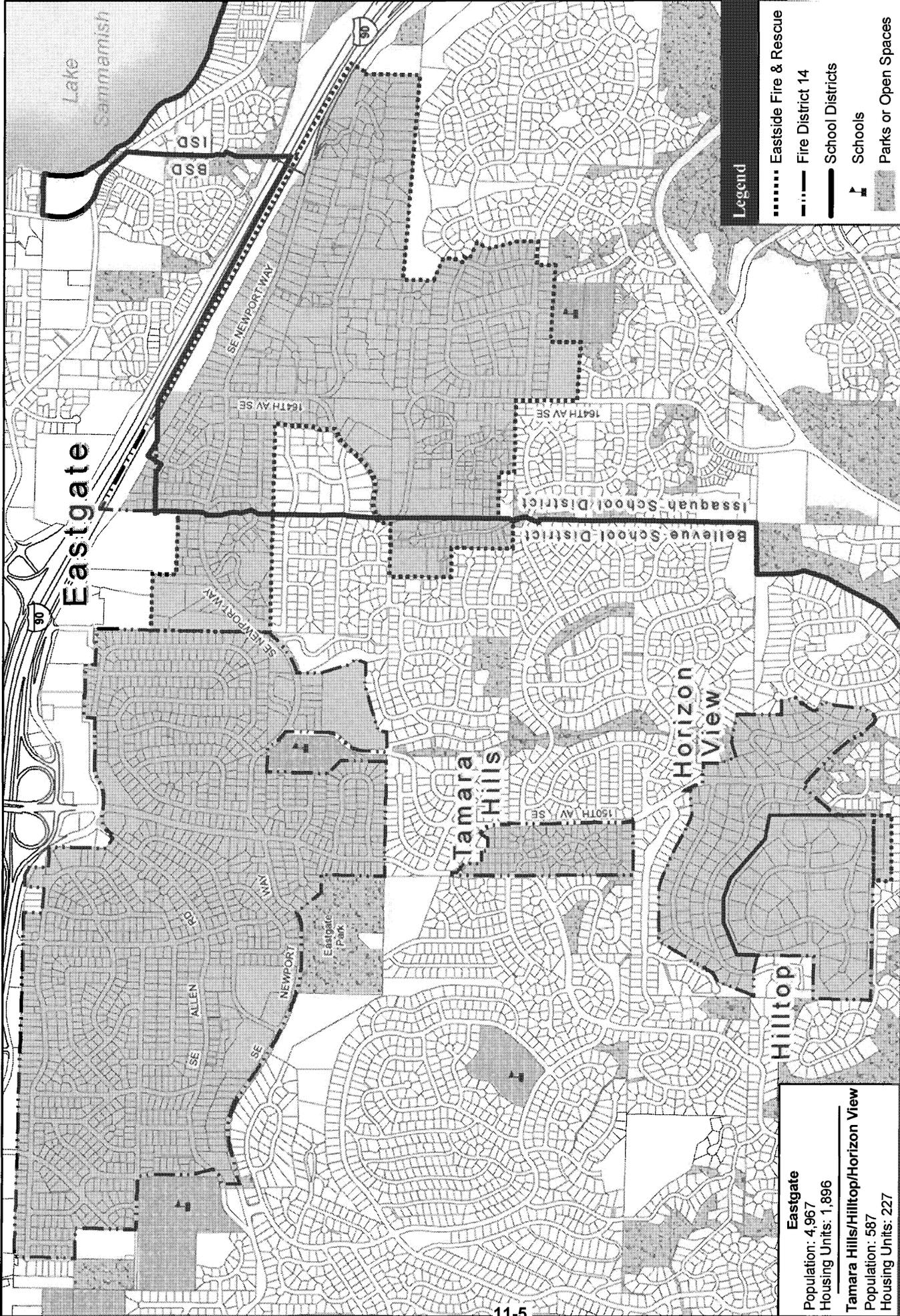
Move to direct staff to accept a Direct Petition for Annexation for the South Bellevue Annexation

including Eastgate, and including Tamara Hills, under RCW 35A14.120, with the following conditions:

1. Property within the territory to be annexed shall be assessed and taxed at the same rate and on the same basis as the property within the City of Bellevue to pay for the outstanding indebtedness of the City existing at the date of annexation.
2. Property within the territory to be annexed shall be subject to the provisions of the Comprehensive Plan adopted under Resolution No. 5726 and subsequent proceedings pursuant thereto.
3. Property within the territory to be annexed shall be subject to the City's proposed R-3.5, R-5, R-10 and PO zoning regulations adopted under Ordinance No. 3840, the central Newcastle Pre-Annexation Zoning Ordinance, from the date of annexation.

ATTACHMENTS

1. South Bellevue Annexation proposed annexation vicinity map
2. February 28, 2011 Study Session Agenda Memo
3. Representative Notices of Intent



Legend

- Eastside Fire & Rescue
- - - - - Fire District 14
- School Districts
- ⚡ Schools
- Parks or Open Spaces

Eastgate
Population: 4,967
Housing Units: 1,896
Tamara Hills/Hilltop/Horizon View
Population: 587
Housing Units: 227

1,420 Feet

Sources
City of Bellevue

South Bellevue Annexation

Eastgate, Tamara Hills, Hilltop/Horizon View



The City of Bellevue is providing this information for informational purposes only. This map is not intended to be used for legal purposes. For more information, please contact the City of Bellevue GIS Services Department.

Coordinates: 47° 50' 00" North, 122° 11' 00" West

Item No. 3(c)
February 28, 2011

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Implement the South Bellevue Potential Annexation Area (PAA) annexation work program. This is a proposed three-stage effort to engage and complete the annexation of the unincorporated PAA communities of Eastgate, Tamara Hills, and Hilltop/Horizon View to Bellevue.

STAFF CONTACT

Dan Stroh, Interim Director, 425-452-5255
Nicholas Matz AICP, Senior Planner, 425 452-5371
Department of Planning and Community Development

POLICY ISSUES

Should the City promote annexation of the balance of our PAA and pursue an effective annexation date of April, 2012?

It has been the City's annexation policy since 1979 to "expeditiously" annex the balance of the PAA as requests are made by residents or property owners in the South Bellevue PAA. These unincorporated communities are surrounded by Bellevue and have been within the City's PAA for decades. The policy question has always been not whether the City will annex, but rather *when* annexation should take place.

DIRECTION NEEDED FROM COUNCIL

- X Action
- X Discussion
- Information

Staff is requesting direction on whether the City Council desires to launch a South Bellevue annexation work program using the recommended direct petition method of annexation. These subareas are included: Eastgate, Tamara Hills, and Hilltop/Horizon View. Staff would then work with the PAA residents in each of the three subareas on a Notice of Intent to Petition (aka the 10%) that could be brought forward for Council action. If the initial Notice of Intents are accepted by the City Council in the first half of this year they would lead to initiating full Direct Petitions for the annexation process.

BACKGROUND/ANALYSIS

For the **Potential Annexation Area Overview** map please see Attachment 1.

The South Bellevue PAA includes three islands of varying size:

PAA (2010)	Assessed Value	Population	Acres	Housing
1. Eastgate	\$885,313,000	4,967	616	1,896
2. Hilltop/Horizon View	\$127,792,000	376	112	149
3. Tamara Hills	\$23,041,000	211	22	78
South Bellevue Total	\$1,036,146,000	5,554	750	2,123

*For reference purposes only, there are 3,339 registered voters in the PAA.

Eastgate is located between I-90 on the north and the Somerset, Horizon Heights/Whispering Heights, and Vuemont neighborhoods on the south, and generally between the Sunset Ravine Open Space to the west, then nearly all the way to the Lakemont/I-90 interchange on the east. The major access and corridors are Newport Way and SE Allen Road running east/west, and 150th Avenue SE and 164th Avenue SE running north/south.

The area is characterized predominately by a mix of older and newer single family housing. The older housing stock is generally in areas west of the Newport Way and 164th Avenue SE intersection, then east along Newport Way to the end. Newer housing stock, including King County-approved subdivision activity, is located south and east of the big bend in 164th Avenue SE over to Cougar Ridge Elementary.

Eastgate also contains two townhouse areas, two small and one large office (Quadrant) buildings west of the 150th Avenue intersection, religious institutions, a PSE utility substation, City and County facilities, and the Newport branch of the King County Library System.

Tamara Hills is an enclave located between Eastgate and Hilltop/Horizon View to the south. It is also characterized predominately by a mix of older and newer single family housing.

Hilltop, Horizon View "B" and Horizon View "C" are the three distinct neighborhoods which make up the third PAA. All are also characterized by older and newer detached single family housing.

Existing service areas are shown in Attachment 2. For operational services, the eastern third of Eastgate receives fire service from Eastside Fire and Rescue. The rest of Eastgate

and the other PAAs receive fire service through Fire District 14, which contracts with the Bellevue Fire Department. Police service to all of the areas is provided by the King County Sheriff. Eastgate and Tamara Hills receive sewer and water service from the Utilities Department. Hilltop and Horizon View are generally on septic, and Hilltop receives water from King County Water District (KCWD) 117, which has its own well and distribution system. All of the areas receive storm water management service from King County Surface Water Management. Transportation maintenance is the province of King County. Residents in the PAAs pay non-city resident fees for recreation services.

Community Interest

Organized groups in the areas have actively engaged in evaluating and beginning to pursue annexation, including the Hilltop Community Association, Horizon View “C” Homeowners Association, and the Eastgate Annexation Group. This latter organization is made up of a group of residents who had previously contacted the City, then formed with a specific task to accomplish annexation by the petition method. They have created neighborhood point persons for relaying information, and sponsor a web site at [http://eastgatenews.com/Eastgatenews/Annexation to Bellevue.html](http://eastgatenews.com/Eastgatenews/Annexation%20to%20Bellevue.html).

Individual residents and property owners have expressed interest in Eastgate annexation over the years. Many are surprised that Eastgate is not already in Bellevue. Staff typically receives 3-5 email and telephone contacts per month.

Representing their jurisdictions, KCWD 117 (Hilltop) and Fire District 14 have also engaged with the City regarding annexation interest. City staff has met at their request with the commissioners of each of these **special districts**.

Annexation typically raises numerous questions on the part of residents. The proposed annexation work program includes a significant public outreach component designed to help residents fully understand the implications of annexation and the services provided by the City.

Fiscal Implications

Operating Budget

Staff has conducted a sketch level analysis of annual **operating revenues and expenditures**. This shows a significant gap between annexation area revenue and expenditures. This general gap has existed since the City first began to estimate Eastgate annexation revenues and expenditures in 2001. See Attachment 3 for major revenue and operating expenditure estimates details.

Operating Budget Annual Costs and Revenues – Sketch Level Estimates

Revenue (from all major sources)	\$1,936,343
Cost (primary depts.: Fire, Police, Parks, Transportation)	\$3,046,760
Net operating deficit	\$(1,110,417)

The difference for annexation timing now is that state statutes now allow the City to make up operating budget gaps by crediting a share of **state sales tax revenue** to those costs, for a period of ten years. This is not an additional tax. It reduces the state’s revenue, credits it to the City instead, and is annexation-specific:

“The revenues from the tax authorized in this section may not exceed that which the City deems necessary to generate revenue equal to the difference between the City’s cost to provide, maintain, and operate municipal services for the annexation area and the general revenues that the cities would otherwise expect to receive from the annexation during a year.”

-RCW 82.14.415 (7).

The ten-year state sales tax credit becomes an integral part of the annexation financial plan because it potentially makes the City “whole” with respect to operating costs for the ten-year period following annexation.

Capital Budget

Infrastructure in the PAA generally reflects the age of the building stock. All of the areas are older, and are estimated to have **capital needs** primarily in transportation and utility infrastructure. Their capital needs are typical of those found elsewhere in the City, and are similar to the capital needs extant in the last large annexation, that of West Lake Sammamish, in 2001. The sales tax credit described above is not available to cover capital costs.

Utilities estimates about \$1.9M in storm water start-up and ongoing capital costs. These would be proposed for a future CIP.

Transportation has identified critical maintenance and upgrade issues that would need to be addressed within the first to second post-annexation years. These include roadway markings, traffic signalization, and vegetation management costs estimated at \$160,000. Transportation staff has also estimated new streets capital startup costs of approximately \$175,000.

Capital infrastructure needs within the next five years include a substantial repair and overlay of Newport Way, and a major rebuild of the traffic signal at Newport Way and 150th Avenue SE. This cost is estimated at \$2.5M total, and would be proposed for a future CIP.

The Parks and Community Services Department estimates one-time capital investments to improve school athletic facilities at \$3.5M. These would be proposed for a future CIP.

150th Avenue Interlocal: In 1996 the City entered into an Interlocal Agreement with King County to repay the County's financial participation in 150th Avenue improvements capital investment project if annexation occurred. This agreement currently would require the City to pay approximately \$350,000 plus diminishing interest for each remaining year of an amortized repayment schedule that began in late 2007. This agreement is based on a much older King County approach towards annexation. If the annexations proceed now, staff would work with the County to terminate this agreement.

Tax Implications for Homeowners

An **individual residential property owner** would pay lower total taxes in Bellevue than in unincorporated King County. For example, an exceptionally low assessed valuation property in Eastgate (\$291,000 AV) would annually pay an estimated \$365 less for the total of property tax, storm water fees, and utility taxes. An exceptionally high assessed valuation in Eastgate (\$1.5M AV) would save an estimated \$3,210 by being in Bellevue. See Attachment 4 for a city-county comparison of rates.

The Annexation Process

The direct petition method of annexation is recommended. (See Attachment 5 for available methods of annexation). Direct Petition is a two-step process where, at each step, property owners sign a petition for annexation representing thresholds of total assessed valuation. First, the annexation is initiated by petitions representing ownership of at least 10% of assessed valuation. Then the annexation is affirmed by a second set of petitions representing at least 50% of assessed valuation.

The direct petition method is recommended for several reasons:

- The state sales tax credit can only be used on certain of the available annexation methods: direct petition and election.
- This method allows the City to be more involved with annexation proponents.
- It can be managed with existing City resources. The labor-intensive aspects of petition-gathering would be done by residents of the area organized community groups. The City would play informational and facilitation roles.

Each of the three areas within the PAA would have its own annexation direct petition campaign, and City staff will work with groups active in these three areas. All would be coordinated under a single City-managed annexation umbrella. The intent of this approach is to present Council with a single South Bellevue annexation action covering all three areas in a single ordinance (assuming that each independently satisfies the petition requirements). At each stage of the effort, however, the Council maintains its oversight

and decision-making roles, will decide the ultimate annexation configuration, and affirms the conditions for annexation.

Workload Impact

If the annexation effort moves forward, staff proposes a three-stage annexation work program:

1. Pre-annexation preparation—examine infrastructure, confirm pre-annexation zoning, establish outreach, and use fiscal tools to confirm service and revenue impacts;
2. Facilitate the actual annexation process using the Direct Petition method; and
3. Integrate the annexed areas into the City and community.

PCD expects to manage this work program with existing resources, as outlined in the Planning and Community Development Budget One Initiatives for Innovative, Vibrant, and Caring Communities (IVCC)—Annexation of the Eastgate area neighborhoods:

“Work with unincorporated Eastgate neighborhoods to coordinate their anticipated annexation into Bellevue. This includes coordination with other departments to analyze costs and services; coordination of the petition process; and documentation consistent with state requirements.”

Other City staff plays key roles in the annexation effort. These staff would participate in public outreach and annexation logistics during the program. This will also include the work of integrating these areas into the City by inventorying and assessing infrastructure and operational demands, then extending service, as directed by Annexation Element Policies AN-16 and 17. These policies call for establishing departmental service needs, then increasing City services to newly-annexed areas while not decreasing current service levels.

Questions asked at the City Council Retreat

Annexation was discussed briefly at the City Council Retreat. In addition to information above, the following is in response to additional questions raised.

Could King County adopt and apply City of Bellevue development standards in the area, once an annexation is set in motion?

Any powers, privileges or authority exercised by a public agency may be exercised jointly with any other public agency by entering into an interlocal agreement authorized under the Interlocal Cooperation Act at RCW 39.34. The intention for such agreement in this context would be for development review in the Potential Annexation Area to be consistent with City standards. In order to lawfully implement the intent of such an interlocal, the County would need to amend its development code to adopt city standards applicable within the PAA, as well as potentially amend the applicable zoning designation of the affected

properties. After the effective date of those amendments, the County would apply, through its own development code, zoning and development standards consistent with city codes.¹

Because application of standards the same as or similar to city standards would require an amendment to the County's zoning code and development regulations, this process would take several months, would involve a public notice and hearing process, and action by the County Council. This would be quite complex, and would occur at a time when there are no guarantees that the annexation effort would succeed. It would involve first negotiating and adopting an Interlocal Agreement between the City and County in order to identify the amendments required to the County code to make it consistent with city regulations, and then require the County go through the process of adopting development code amendments. This process, even on a "fast track" would likely take at least 7-9 months (i.e. effective September-November 2011 if started immediately).

Staff will pursue an interlocal agreement if Council so directs. But given the magnitude of the effort, together with the long lead times necessary to adopt code authority, staff suggests that this not be pursued.

Related Issue

The above addresses development review occurring before the effective date of annexation. A related issue occurs after annexation. What happens to development review that is in process at the time of annexation, i.e. open applications that the City inherits? Under Washington law, certain development applications would be vested to County rules, even following annexation. In the absence of an interlocal agreement allocating responsibility for processing those vested applications, the city would take over permit reviews and inspections, but would be required to carry out those reviews and inspections under County codes. This can be time consuming and expensive as City staff requires additional time to become familiar with the application and interpretation of County codes. In the West Lake Sammamish annexation, the two jurisdictions adopted a post-annexation interlocal that allowed King County to continue processing permit applications under King County rules to allow projects that were in process to continue through to completion under a single regulatory regime.

Once the area is annexed, could the City impose a "grace period" to allow for a gradual easing-in of code enforcement for non-health and safety issues?

Yes, this is an option available to the Council. This falls within the appropriate scope of prosecutorial discretion regarding the application of code enforcement. Were City Council to consider such grace period, it would be reasonable to capture your expectations via

¹ The County and City could not simply agree between themselves that the County would apply the city's codes through its review processes within the County's boundary through an interlocal agreement. Amendment to the County's own codes to establish the applicable standards within the PAA is required. See, e.g. *M.T. Development LLC v. Renton*, 140 Wn. App. 422, 428-29 (2007).

resolution, so staff could then do public outreach, let residents know about the new rules, and provide information regarding when the City would start to enforce them.

NEXT STEPS

Now is an advantageous time to promote annexation:

- It is within the 2015 statutory window created by **RCW 82.14.415 - Sales and use tax for cities to offset municipal service costs to newly annexed areas**—allowing the City to make up operating budget gaps between annexation service costs and revenues by crediting a share of state sales tax revenue, and potentially “making the City whole” for the ten-year period of the credit;
- Neighborhood residents and owners are **ready to actively lead** the annexation effort, having approached the City in an organized fashion. With citizens leading the campaign, this enables staff to engage primarily in an information-sharing and facilitation role.

Staff is requesting direction on whether the City Council desires to launch a South Bellevue annexation work program using the recommended direct petition method of annexation. Staff would then work with the residents of each of the three subareas on Notice of Intents to Petition (aka the 10%) that could be brought forward for Council action. If the initial Notice of Intents are accepted by the City Council in the first half of this year, and result in successful Direct Petition campaigns, the areas could be annexed effective April, 2012.

ALTERNATIVES

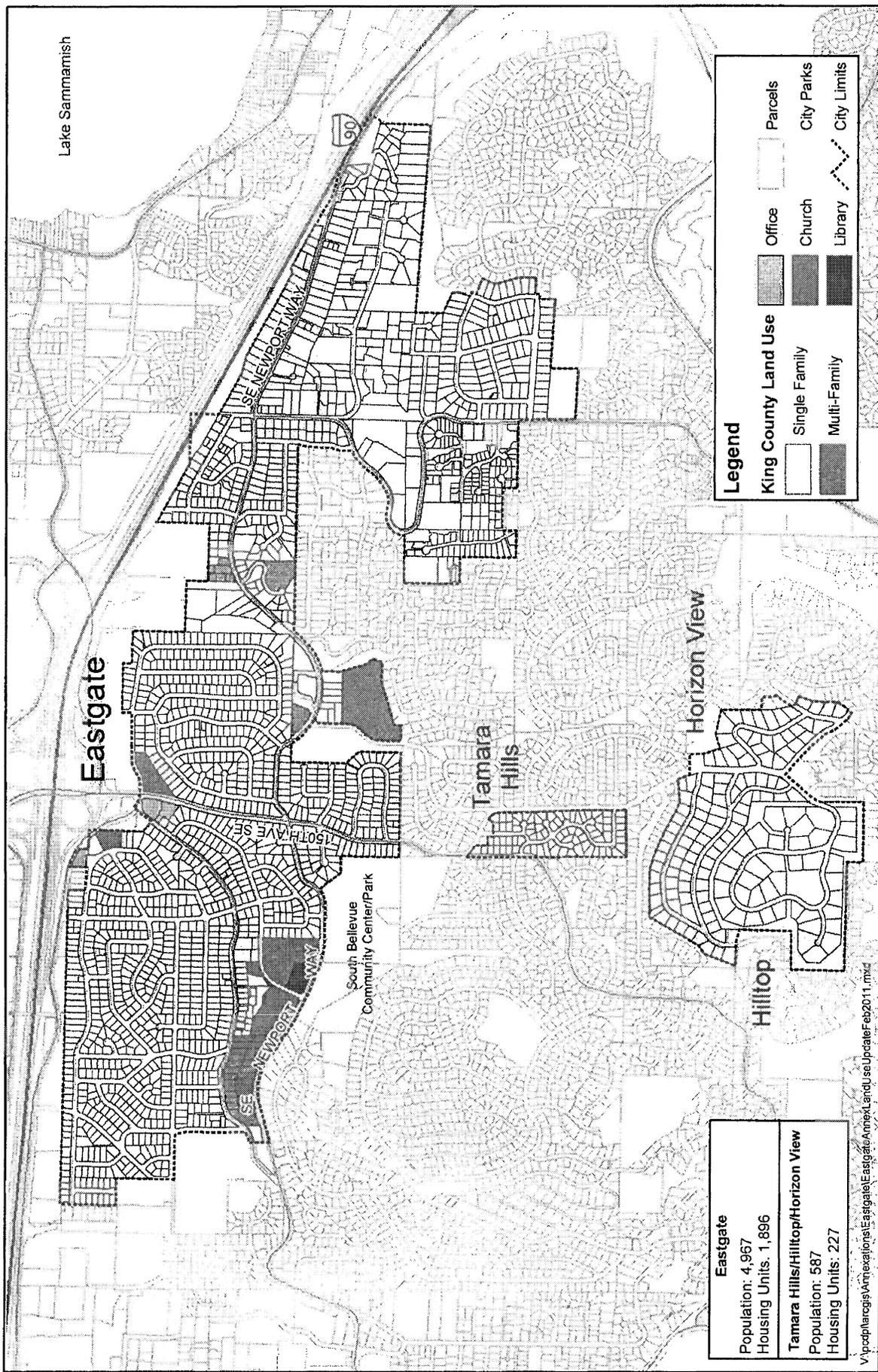
1. Direct City staff to initiate the South Bellevue PAA annexation work program.
2. Revise the proposal, then direct staff to initiate the South Bellevue PAA annexation work program.
3. Provide other direction to staff.
4. Do not initiate the South Bellevue PAA annexation work program at this time.

RECOMMENDATIONS

Alternative No. 1.

ATTACHMENTS

1. South Bellevue PAA area map
2. Service areas in South Bellevue PAA
3. Revenue and operating expenditure estimates
4. Tax implications for homeowners – Bellevue vs. King County
5. Methods of annexation review



Eastgate
Population: 4,967
Housing Units: 1,896
Tamara Hills/Hilltop/Horizon View
Population: 587
Housing Units: 227

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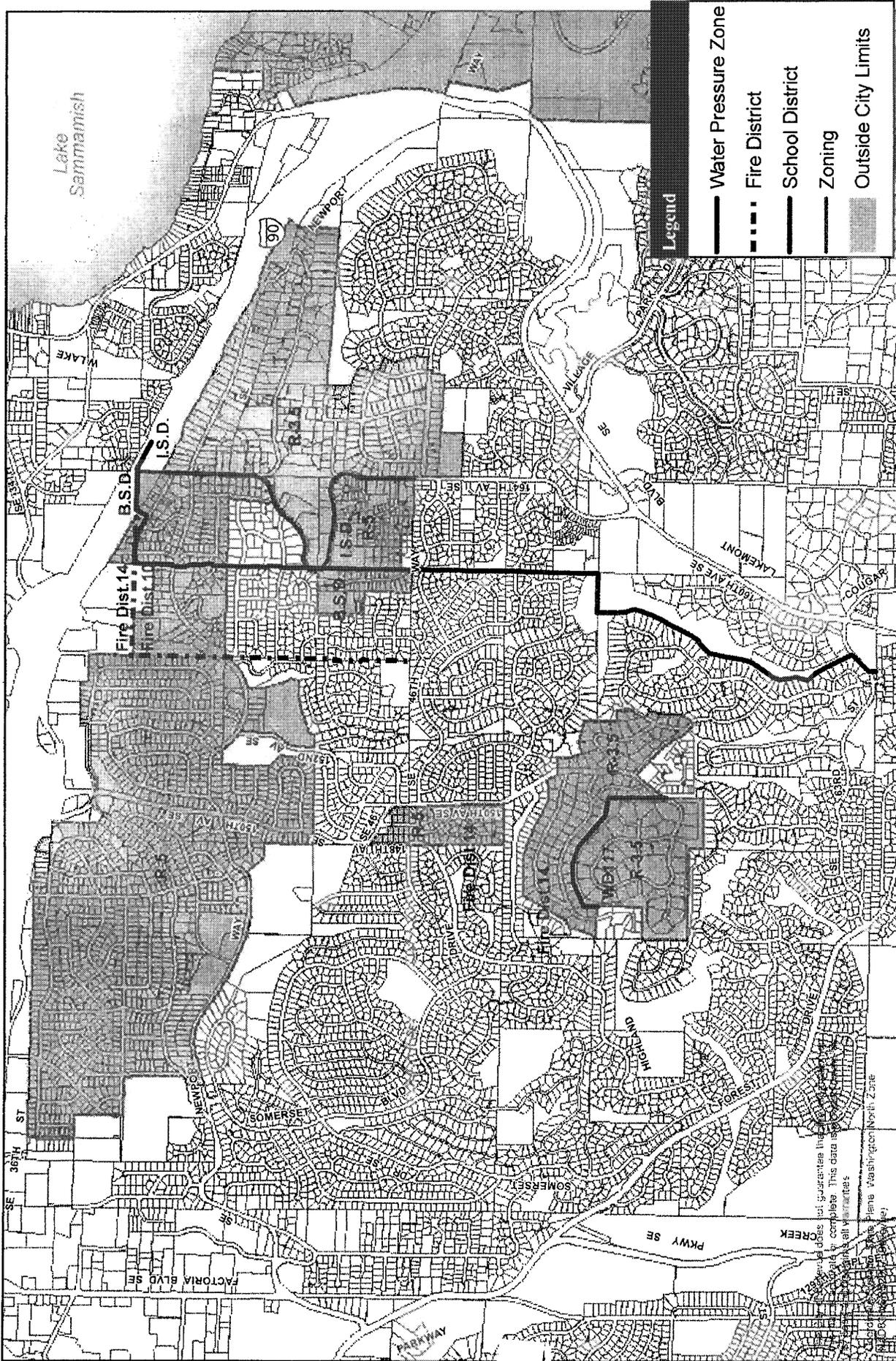
City of Bellevue
IT Department
GIS Services

Plot Date: 2/22/2011

South Bellevue Potential Annexation

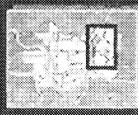
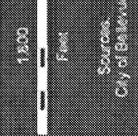


The information on this map is a geographic representation derived from the City of Bellevue Geographic Information System. The City of Bellevue does not guarantee that the information is accurate, complete, or current. This map is provided on an "as is" basis and disclaims all warranties, express or implied, including, but not limited to, warranties of merchantability, fitness for a particular purpose, and non-infringement. Any commercial use or sale of this map or portions thereof, is prohibited without express written authorization by the City of Bellevue. The City of Bellevue is not responsible for any damages arising from the use of information on this map. Use of this map is at user's risk. Users should verify the information before making project commitments.



Legend

- Water Pressure Zone
- - - Fire District
- School District
- Zoning
- █ Outside City Limits



Eastgate, Hilltop/Horizon View, and Tamara Hills

PAAS



Major Source Revenue and Main Operating Departments Operations costs estimates

South Bellevue PAAs

These "sketch level" estimates are valid for 2011

Revenue Source	Amount (\$)	Fund Use Restrictions
Property Tax	1,126,572	General Fund Human Services Funds
Utility Tax	688,795	General city operations
State-shared liquor taxes	61,290	General Fund
State-shared motor vehicle fuel tax	59,686	General Fund
General Fund subtotal	1,936,343	

Expenditures (General Fund operating cost)	Amount (\$)
Fire	1,114,577
Police	1,108,116
Parks and Community Services	280,000
Transportation	544,067
General Fund subtotal	3,046,760
Revenue total	1,936,343
Revenues (+) / Expenditures (-) net	(1,110,417)

Detached SF*	Bellevue levy \$7.89/\$1,000 AV	King County levy \$10.26/\$1,000 AV	Annual Property Tax difference	Bellevue Storm water drainage fee**		Utility tax*** diff. City (347)-County (25)	Annual Total Benefit
				E1 COB total	E2 Change from KC		
A	B	C	D (B-C)	E1	E2	F	D + E2 + F
Low AV Eastgate \$291,000	2,296	2,986	(690)	189	-6	322	(374)
High AV Eastgate \$1,561,000	12,316	16,016	(3,700)	354	+159	322	(3,219)
Average AV Tamara Hills \$365,730	2,886	3,752	(866)	161	-34	322	(578)
Average AV Hilltop \$812,755	6,413	8,339	(1,926)	630	+435	322	(1,169)
Average AV Horizon View \$774,891	6,114	7,950	(1,836)	368	+173	322	(1,341)

*All figures are based on 2010 tax year. AV = Assessed Value (source: King County Assessor)

*Bellevue schools, FD 14. See Attachment 1 for boundaries

**KCSWM is a fixed \$195. The change from KC is the difference between that fixed fee and the COB total.

***City average utility fee presumes all taxed utilities are used: garbage, electric, natural gas, water, sewer, storm drainage, cable TV, telephone, and cell phone for an average of \$347. The County fee is a fixed \$25 for street lights = difference of \$322

This chart shows the total tax (property, storm water fee, and utility tax) implications of individual annexation area properties being in Bellevue as compared to unincorporated King County.

For example, an exceptionally low assessed value property in Eastgate (\$291,000 AV) would annually pay an estimated \$374 less in Bellevue than in unincorporated King County; the highest single-family assessed valuation property in Eastgate (\$1,561,000) would save an estimated \$3,219 by being in Bellevue.

Method	Features	Sales Tax Credit applies	Timeline
<p>35A.14.120-150 Direct Petition</p> <p>Owners representing 10% of AV to initiate</p> <p>Owners representing 60% of AV to proceed to hearing on annexation</p> <p>Supermajority drops to 50% when PAA is surrounded more than 80%</p>	<ul style="list-style-type: none"> • City Council controls action both to initiate and to annex • Allows full city information role • Method addresses comp plan and zoning designations, and bonded indebtedness • Method excludes creation of community council (allowed only through election method) • Method is predominant in WA, even with newer methods 	Yes	<p>Typical calendar is 11-14 months:</p> <ul style="list-style-type: none"> ○ 10%/50% acceptance ○ Assessor certification ○ BRB review ○ Council hearing and action
<p>35A.14.420.450 Direct Petition – alternate</p> <p>Owners representing 10% of acreage to initiate</p> <p>Owners representing majority of area AND simple voter majority to proceed to hearing on annexation</p>	<ul style="list-style-type: none"> • Same features as Direct Petition 	Yes	Same features as Direct Petition
<p>35A.14.015-100 Election</p> <p>Council resolution or 10% voter initiates</p> <p>Boundary Review Board review</p> <p>City Council requests special election</p> <p>ballot filed and election held</p>	<ul style="list-style-type: none"> • Simple majorities to approve annexation, but bonded indebtedness requires majority of at least three-fifths (60%) of the voters • Number of electors voting on the question [needs to be] not less than forty percent of the total votes cast in last general election. • A combined ballot question requires a sixty percent supermajority, however, the Council may elect to accept simple majority results on the annexation question alone (no indebtedness) or turn down the results • Council must annex if annexation vote and bonded indebtedness pass; Council may decline to annex if annexation vote passes but bonded indebtedness vote fails • Allows creation of a community council 	Yes	<p>Typical calendar is 10 months, but must use specific election dates</p> <ul style="list-style-type: none"> ○ Council resolution or 10% voter initiate ○ BRB meets, holds hearing ○ Council requests election ○ Election ○ City acceptance and certification
<p>35A.14.295-299 - Unincorporated island</p> <p>Any size and 80% contiguous</p>	<ul style="list-style-type: none"> • Council resolves to annex • Council holds public hearing and adopts ordinance • Subject to 45-day referendum of ten percent of votes cast in last general election • Excludes community council formation 	No	Typical calendar is two months for action, then 45-day waiting period
<p>35A.14.460 - .470 City/County Interlocal</p> <p>If area is sixty percent contiguous</p>	<ul style="list-style-type: none"> • County or city may initiate and enter into an interlocal • Subject to 45-day referendum of fifteen percent of votes cast in last general election. • 	No	Typical calendar is >6 months
<p>35A.14.480 Fire District Interlocal</p> <p>A city may annex territory within fire district if the district, city, and county agree thru agreement</p>	<ul style="list-style-type: none"> • If all agree, the subsequent annexation ordinance is not subject to referendum. If the district doesn't enter into the agreement, the ordinance is subject to 45-day referendum of ten percent of votes cast in last general election 	No	Typical calendar is >6 months

City of
Bellevue



Notice of Intent to Commence Annexation

Post Office Box 90012 ■ Bellevue, Washington ■ 98009 9012

ANNEXATION South Bellevue – Eastgate FILE NO. 11-110360 AA

ASSESSED VALUE BY SIGNATURE \$726,078,600

DECLARATION

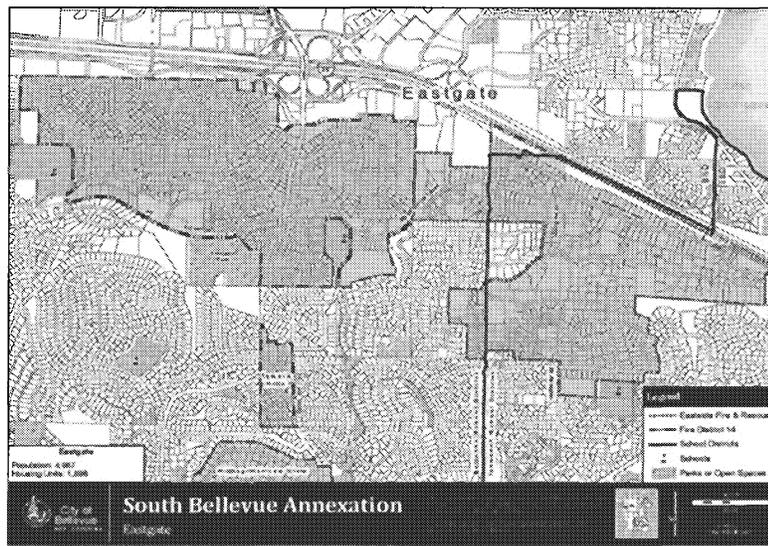
I/We, the undersigned, being the owners of real property within the area described which lies outside the corporate limits of the City of Bellevue, Washington, but contiguous thereto, having an assessed value in excess of **10%** of the total value of the said described area according to the assessed valuation for general taxation purposes, do hereby declare our intention to circulate a petition for annexation to the City of Bellevue, Washington. It is acknowledged that this petition may consist of multiple documents filed independently.

AUTHORIZATION

Name and signatures of all persons having an interest in real property in the subject area whose consent is required by virtue of such interest to authorize the filing of this notice are hereto attached.

EASTGATE ANNEXATION AREA: All of the South Half of Section 10, the South Half of Section 11, the North Half and the Southwest Quarter of Section 13, the East Half and the Northwest Quarter of Section 14, and the North Half of Section 15, all in Township 24 North, Range 5 East, W.M. EXCEPT those portions thereof being previously described in the following prior annexations:

Annexation Name	Ordinance	Annexation Name	Ordinance	Annexation Name	Ordinance
Somerset-Monthaven	1086	High Park	4060	Horizon Heights	3877
Huegli	3963	Cougar Ridge School	4798	Whispering Horizon	3955
East Lake Hills	1424	Vuermont South	4127	Cougar Hills	4702
Martindale	1719	Collingwood	3841	Eastgate School	4837
West Lake Sammamish	5277/5292	Hickel	5131	Eastgate Park	5435
Vuermont/Sky Mountain	4789	Whispering Heights	3877		





WARNING: Every person who signs this petition with any other than his true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he is not a legal voter, or signs a petition when he is not otherwise qualified to sign or who makes herein any false statement, shall be guilty of a misdemeanor.

1. NAME (print) _____ SIGNATURE _____

ADDRESS _____ DATE _____

or

PROPERTY DESCRIPTION _____

(Section and tax lot number or subdivision and lot number)

Email (optional) _____

2. NAME (print) _____ SIGNATURE _____

ADDRESS _____ DATE _____

or

PROPERTY DESCRIPTION _____

(Section and tax lot number or subdivision and lot number)

Email (optional) _____

3. NAME (print) _____ SIGNATURE _____

ADDRESS _____ DATE _____

or

PROPERTY DESCRIPTION _____

(Section and tax lot number or subdivision and lot number)

Email (optional) _____

4. NAME (print) _____ SIGNATURE _____

ADDRESS _____ DATE _____

or

PROPERTY DESCRIPTION _____

(Section and tax lot number or subdivision and lot number)

Email (optional) _____

5. NAME (print) _____ SIGNATURE _____

ADDRESS _____ DATE _____

or

PROPERTY DESCRIPTION _____

(Section and tax lot number or subdivision and lot number)

Email (optional) _____



ANNEXATION South Bellevue – Tamara Hills FILE NO. 11-110361 AA

ASSESSED VALUE BY SIGNATURE \$31,569,000

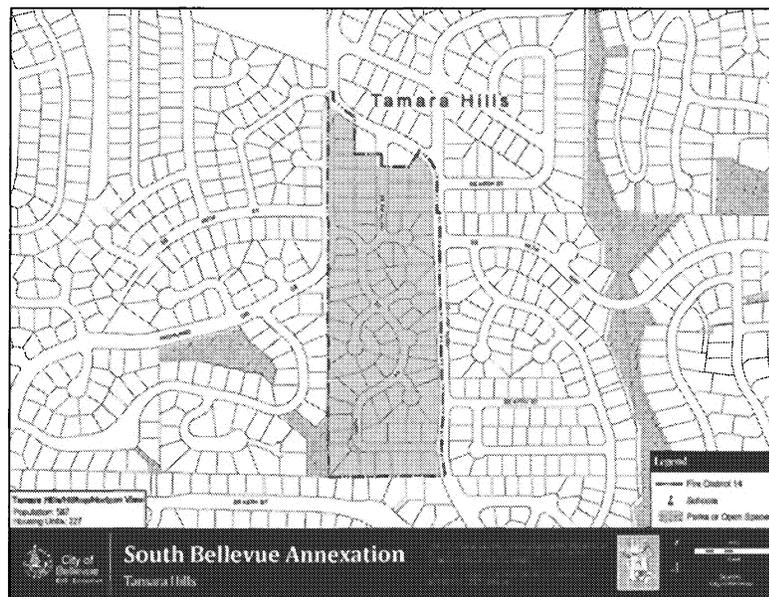
DECLARATION

I/We, the undersigned, being the owners of real property within the area described which lies outside the corporate limits of the City of Bellevue, Washington, but contiguous thereto, having an assessed value in excess of **10%** of the total value of the said described area according to the assessed valuation for general taxation purposes, do hereby declare our intention to circulate a petition for annexation to the City of Bellevue, Washington. It is acknowledged that this petition may consist of multiple documents filed independently.

AUTHORIZATION

Name and signatures of all persons having an interest in real property in the subject area whose consent is required by virtue of such interest to authorize the filing of this notice are hereto attached.

TAMARA HILLS ANNEXATION AREA: Commencing at the Southwest corner of Section 14, Township 24 North, Range 5 East, W.M., being the TRUE POINT OF BEGINNING; Thence Easterly along the South line of said Section 14, also being the South boundary of the plat of Tamara Hills, recorded in Volume 90 of Plats, Pages 58-59, records of King County, to the West margin of 150th Avenue S.E. (George Farmer Road); Thence Northerly along said West margin, also being the East boundary of said plat, to the Northeast corner of said plat; Thence continuing Northerly along said West margin of 150th Avenue S.E., also being the East line of Lots 5 and 6, Block 6, of the plat of Eastgate Addition Division "L", recorded in Volume 55 of Plats, Pages 47-48, records of King County; Thence continuing Northwesterly along the Northeast line of Lot 7, Block 6 of said plat to the Easterly most corner of Lot 1, Block 6 of said plat; Thence Southwesterly along the East line of said Lot 1 to the South line of said Lot 1; Thence Westerly along the South line of said Lot 1 and the Westerly extension thereof to the East line of Lot 10, Block 7 of said plat; Thence Northerly along the East line of said Lot 10 to the South line of Lot 11, Block 7 of said plat; Thence Westerly along said South line to the Southwest corner of said Lot 11; Thence Northerly along the West line of said Lot 11 to the South margin of S.E. 46th Street; Thence Northwesterly on the curve of said South margin and the extension thereof to a point on the West line of Section 14; Thence Southerly along said West line to the Southwest corner of said Section 14 being the TRUE POINT OF BEGINNING.





WARNING: Every person who signs this petition with any other than his true name, or who knowingly signs more than one of these petitions, or signs a petition seeking an election when he is not a legal voter, or signs a petition when he is not otherwise qualified to sign or who makes herein any false statement, shall be guilty of a misdemeanor.

1. NAME (print) _____ SIGNATURE _____
ADDRESS _____ DATE _____
or
PROPERTY DESCRIPTION _____
(Section and tax lot number or subdivision and lot number)
Email (optional) _____

2. NAME (print) _____ SIGNATURE _____
ADDRESS _____ DATE _____
or
PROPERTY DESCRIPTION _____
(Section and tax lot number or subdivision and lot number)
Email (optional) _____

3. NAME (print) _____ SIGNATURE _____
ADDRESS _____ DATE _____
or
PROPERTY DESCRIPTION _____
(Section and tax lot number or subdivision and lot number)
Email (optional) _____

4. NAME (print) _____ SIGNATURE _____
ADDRESS _____ DATE _____
or
PROPERTY DESCRIPTION _____
(Section and tax lot number or subdivision and lot number)
Email (optional) _____

5. NAME (print) _____ SIGNATURE _____
ADDRESS _____ DATE _____
or
PROPERTY DESCRIPTION _____
(Section and tax lot number or subdivision and lot number)
Email (optional) _____