



**Snohomish County**  
**Planning and Development**  
**Services**

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**MEMORANDUM**

**TO:** Councilmember, Jared Mead, District 4, Council Chair  
Councilmember, Nate Nehring, District 1, Council Vice-Chair  
Councilmember, Megan Dunn, District 2  
Councilmember, Strom Peterson, District 3  
Councilmember, Sam Low, District 5

**Dave Somers**  
*County Executive*

**FROM:** Michael McCrary, Director  
Planning and Development Services

**VIA:** Eileen Canola, Senior Planner  
Planning and Development Services

**SUBJECT:** Proposed City of Granite Falls MTIL Annexation, BRB File No. 2023-02

**DATE:** September 15, 2023

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The purpose of this staff report is to provide the County Council with a review and recommendation for the City of Granite Falls (City) proposed 60 percent petition method annexation, known as the MTIL Annexation. The area proposed for annexation (“Annexation Area”) is approximately 4.99 acres, is contiguous to the existing City limits, and is within the Granite Falls Urban Growth Area (UGA). The general location of the Annexation Area is the southwest corner of Mountain Loop Highway and Quarry Road.

**Boundary Review Board (BRB) 45-day Review**

The City submitted a Notice of Intention (NOI) to the Boundary Review Board (BRB) for the MTIL Annexation that was deemed complete and filed (BRB file no. 2023-02) on September 1, 2023, with the 45-day review period ending on October 17, 2023. The BRB, consistent with its annexation review procedures outlined in Chapter 2.77 of the Snohomish County Code (SCC), distributed the NOI. The Department of Planning and Development Services (PDS) circulated it to County departments for comments.

Within this 45-day review period, the options for the County Council on this proposed annexation are to invoke, or not invoke, the jurisdiction of the BRB. The County Council also has the option to state a position to oppose, or not oppose, the proposed annexation, or to not state a position.

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If BRB jurisdiction is invoked by the County Council or another party, the position that the County Council adopts will be provided to the BRB in writing prior to the hearing on the proposed annexation. If BRB jurisdiction is not invoked, the annexation would be deemed approved. If the annexation is approved by the BRB either following a public hearing or because no party invokes BRB jurisdiction, the annexation would still need to be finalized by city ordinance setting the effective date. The authority of the County Council for reviewing annexations is set forth in the Revised Code of Washington (RCW) 36.93.100 and SCC 2.77.040.

### BACKGROUND

The following PDS review, per criteria in SCC 2.77.040, of the City's proposed MTIL Annexation considers the factors and objectives for BRB consideration as established by state law and impacts to the County services, operations, budgets, and facilities. The County and City have an existing 2007 Master Annexation Interlocal Agreement (MAILA) that provides guidance on annexations including the transfer of services, responsibility of capital projects, and joint transportation system planning.

#### 1. Annexation Method

The MTIL Annexation is a 60 percent petition method of annexation per RCW 35A.14.120. As indicated in City Resolution No. 23-07, the County Assessor certified the sufficiency of the petition on June 23, 2023, as contained in BRB file no. 2023-02.

#### 2. Comments Received

PDS circulated the annexation proposal, (BRB file no. 2023-02), to County departments and agencies. Responses were received from SNO911, the Department of Public Works (DPW), and the Department of Conservation and Natural Resources (DCNR) indicating the proposed annexation would have minimal impact to County services, operations, budgets, and facilities.

#### 3. Locations/Acreage/Total Assessed Value / Residences

- a. The general location of the Annexation Area is the southwest corner of Mountain Loop Highway and Quarry Road.
- b. The assessed valuation is \$836,400.
- c. There are 4 residences and a population of 4.

#### 4. Consistency of the proposal with Growth Management Act (GMA) planning goals, urban growth area designations, countywide planning policies, and the County's comprehensive plan. The following describes how the MTIL Annexation proposal, is consistent or inconsistent with the state GMA goals, UGA designations, and local policies.

- a. **GMA planning goals (RCW 36.70A.020):** The MTIL Annexation, as proposed in BRB file no. 2023-02, is consistent with GMA planning goal (1) Urban growth and (12) Public facilities and services. The entirety of the Annexation Area is within the Granite Falls UGA and therefore planned for an urban level of densities and services. The Annexation Area is currently on septic systems and the City of Granite Falls is the

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water provider (water is sourced from Snohomish County Public Utilities District No. 1), Fire District 17 provides suppression and emergency services, and Snohomish County Sheriff provides law enforcement. The Annexation Area is within the County's Surface Water Management service area, but there are no current or planned projects.

Upon annexation, the transition in services would occur from Snohomish County to the City. A contract for service would be established with the Snohomish County Sheriff for law enforcement. The City is poised to provide sewer service to the Annexation Area.

GMA planning goal (1) Urban growth "Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner."

GMA planning goal (12) Public facilities and services. "Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards."

RCW 36.70A.110(4) "In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development."

- b. **UGA designations:** The MTIL Annexation as proposed in BRB file no. 2023-02 is consistent with County and City future land use designations and zoning that support urban level of density and development. Within the existing County's Future Land Use Map (FLUM), the Annexation Area has a future land use designation of Urban Medium Density Residential with R-9,600 zoning. The City has pre-designated the Annexation Area Industrial / Retail (IR) on its FLUM, and upon annexation would apply the zoning of Industrial / Retail (IR).

**Countywide Planning Policies (CPPs):** The proposed MTIL Annexation is consistent with CPP policies Joint Planning (JP) -1, Public Services (PS)-11 and PS-22.

Consistent with CPPs JP-1, PS-11, and PS-22 the City will be providing sewer and road maintenance service to the Annexation Area, as applicable. A service agreement with the County Sheriff's Office will be pursued for law enforcement services. The City and County maintain a MAILA that became effective on December 5, 2007, and applies to all annexations after that date. The MAILA facilitates an orderly transition of services and responsibilities for capital projects from the County to the City including, permits

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and applications in progress, violations and code enforcement cases, surface water management services. The City is planning to take in associated road rights-of-way consistent with Section 8 of the MAILA.

CPP JP-1: “Coordination of county and municipal planning particularly for urban services, governance, and annexation is fundamental in implementing the Regional Growth Strategy and GMA directives related to urban growth areas in RCW 36.70A.110. Interlocal agreements for this purpose are encouraged pursuant to the Interlocal Cooperation Act (chapter 39.34 RCW). These agreements should emphasize the importance of early and continuous public participation, focus on decision-making by elected or other appropriate officials, and review the consistency of comprehensive plans with each other and the Growth Management Act, where applicable. Appendix F provides an illustrative list of issues that could be considered appropriate for Interlocal Agreements.”

CPP PS-11: “The County and cities shall permit new development in urban areas only when sanitary sewers are available with the exception of where sewer service is not likely to be feasible for the duration of the jurisdiction’s adopted plan.<sup>29</sup>

<sup>29</sup> Currently identified exceptions include unsewerable enclaves, as well as the Darrington, Gold Bar, and Index Urban Growth Areas.”

CPP PS-22: “Sanitary sewer mains shall not be extended beyond Urban Growth Areas (UGAs) into rural areas except when necessary to protect basic public health and safety and the environment, and when such sewers are financially supportable at rural densities and do not result in the inducement of future urban development outside of UGAs. Sewer transmission lines may be developed through rural and resource areas to meet the needs of UGAs as long as any extension through resource areas does not adversely impact the resource lands. Sanitary sewer connections in rural areas are not allowed except in instances where necessary to protect public health and safety and the environment and as allowed in RCW 36.70A.213. Sanitary sewer mains are prohibited in resource areas.”

- c. **County comprehensive plan:** The proposal is consistent with the following Interjurisdictional Coordination (IC) policies and Land Use (LU) policy of the County’s General Policy Plan (GPP). The City and County have an existing MAILA in effect that speaks to the orderly transfer of facilities and services, and that ensures land use designations and zones for annexation areas will accommodate the population and employment projections assigned by the County. The City has adopted the pre-designation of IR for the Annexation Area, and upon annexation will apply the zone of IR, which will help meet the City’s 2044 initial employment target listed in the CPPs. It is noted that the MAILA does not include the specific requirement of GPP Policy LU

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2.A.1 regarding maintaining a minimum net density of 4 dwelling units per acre. The Annexation Area is not proposed for residential use, as the City has adopted pre-designation of IR for the Annexation Area, and upon annexation will apply the zone of IR where residential use is not proposed.

IC Policy 1.B.1, "The county shall work with cities in planning for orderly transfer of service responsibilities in anticipation of potential or planned annexations or incorporations within UGAs."

IC Policy 1.B.3, "The county shall seek interlocal agreements with the cities to establish a process for transferring authority over pending projects, permits, and records and establishes reciprocal impact mitigation for transportation, parks, and schools prior to potential or planned annexations or incorporations."

IC Policy 1.B.4, "The county shall not support any proposed annexation of unincorporated lands in Snohomish County by a city or special district situated predominantly outside of Snohomish County unless and until an annexation agreement has been signed by the county and said district or city. Such agreement shall address and substantially resolve issues of land use, applicable development regulations, permit processing, public services delivery, facilities financing, transportation planning, concurrency management, solid waste management, and any other similar jurisdictional issues identified by the county. Such agreement should be approved prior to city acceptance of an annexation petition."

LU Policy 2.A.1, "Maintain development regulations that will require that new residential subdivisions achieve a minimum net density of 4 dwelling units per acre in all unincorporated UGAs, except (1) in the UGAs of Darrington, Index, and Gold Bar as long as those cities do not have sanitary sewer systems and (2) in areas without sanitary sewers which the sewer purveyor with jurisdiction, or in nearest reasonable servicing proximity will certify are either an unsewered urban enclave or are not capable of being connected to public sewers via annexation within the next six years or by the improvements provided pursuant to its adopted six year capital facilities plan, (3) where regulations for development on steep slopes require reduced lot or dwelling unit yields, or (4) where a lower density is necessary because of the existence of critical areas that are large in scope, with a high rank order value, and are complex in structure and function. Lot size averaging, planned residential developments, sewerage regulations and other techniques may be used to maintain minimum density or to insure later development at minimum densities is not inhibited when sanitary sewers become available."

5. Impacts relevant to BRB considerations as established by state law:

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The following comments relate to RCW 36.93.170 – Factors to be considered by the BRB.

- a. **Factor 1.** “Population and territory; population density; land area and land 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 RCW; 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 City’s proposed annexation addresses Factor 1 in the following ways:

- The area proposed for annexation is approximately 4.99 acres and is located within the Granite Falls UGA, at the southwest corner of Mountain Loop Highway and Quarry Road. The proposed annexation has 4 residences and a population of 4. The assessed valuation is \$836,400.
- The proposal is consistent with the following IC policies of the GPP. As mentioned above, the City and County have an existing MAILA in effect that speaks to the orderly transfer of facilities and services, and that ensures land use designations and zones for annexation areas will accommodate the population and employment projections assigned by the County. The City has adopted the pre-designation of IR for the Annexation Area, and upon annexation will apply the zone of IR, which will help meet the City’s 2044 initial employment target listed in the CPPs. The Annexation Area does not contain prime agricultural land, the existing County land use designation is Urban Medium Density Residential with R 9,600 zoning.
  - IC Policy 1.B.1, “The county shall work with cities in planning for orderly transfer of service responsibilities in anticipation of potential or planned annexations or incorporations within UGAs.”
  - IC Policy 1.B.3, “The county shall seek interlocal agreements with the cities to establish a process for transferring authority over pending projects, permits, and records and establishes reciprocal impact mitigation for transportation, parks, and schools prior to potential or planned annexations or incorporations.”
  - IC Policy 1.B.4, “The county shall not support any proposed annexation of unincorporated lands in Snohomish County by a city or special district situated predominantly outside of Snohomish County unless and until an annexation agreement has been signed by the county and said district or city. Such agreement shall address and substantially resolve issues of land use, applicable development regulations, permit processing, public

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services delivery, facilities financing, transportation planning, concurrency management, solid waste management, and any other similar jurisdictional issues identified by the county. Such agreement should be approved prior to city acceptance of an annexation petition.”

It is noted that even though the City and County have a MAILA in effect, the MAILA does not include the specific requirement of GPP Policy LU 2.A.1 regarding maintaining a minimum net residential density of 4 dwelling units per acre. The Annexation Area is not proposed for residential use, as the City has adopted pre-designation of IR for the Annexation Area, and upon annexation will apply the zone of IR.

- In terms of the “...likelihood of significant growth in the area...”, as indicated in the attached NOI (2023-02), the Annexation Area is approximately 4.99 acres bound by Quarry Road to the north, Mountain Loop Highway to the east, and City limits to the west and south. It is unlikely the area would experience significant growth as to the west and south of the subject site is an established subdivision.
  - Regarding community facilities, there are no County Surface Water Management projects at this location, and no future projects are planned.
- b. **Factor 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 City’s proposed annexation addresses Factor 2 in the following ways:

- The County is not a full municipal service provider. After annexation, the City of Granite Falls is poised to provide sewer, and water (Snohomish County PUD is the source for water). Fire suppression will continue to be provided by Fire District 17, electricity would be provided by Snohomish County PUD, and natural gas will be provided by Puget Sound Energy.
- Upon annexation, the subject site would be subject to the City’s comprehensive plan and regulations.
- Based on information in the NOI, upon annexation, the City will incur minimal additional costs for Fire/EMS service and will gain minimal revenue for the Annexation Area. The Annexation area will provide some additional property taxes, and sales tax – through development of the site. The proposed annexation area would be required to assume its proportionate share of the City’s general indebtedness.

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- There is no significant impact on services that are provided by the County. The annexation will have minimal impact to each of the following revenue sources: sales tax, real estate excise tax, permit fees, parks fees, grants, animal control, District Court fines, and emergency management. The annexation is expected to have minimal impact to County expenses as well. SNO911, the DPW, and the DCNR indicated the proposed annexation would have minimal impact to County services, operations, budgets, and facilities. SNO911 states that the Annexation Area is already part of a quadrant/station and beat. A service agreement with the County's Sheriff's Office would allow for continued law enforcement service. The proposed annexation would slightly reduce DCNR's Surface Water Management's service area and would have minimal impact on programs. Program service area and functions would adjust to the annexation. DPW stated that Quarry Road is a state highway and is subject to a limited access plan that prescribes where access from adjoining property can be taken. Mountain Loop Highway adjacent to the annexation area is a City street, and therefore, DPW has no jurisdiction over the adjoining roads.
- c. **Factor 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."
- There were no comments applicable to Factor 3.
6. Impacts relevant to BRB considerations as established by state law. The MTIL Annexation proposal addresses the Objectives of the BRB as listed in RCW 36.93.180 in the following manner:
- a. Objective 1. "Preservation of natural neighborhoods and communities": The Annexation Area is bound by Quarry Road to the north and Mountain Loop Highway to the east, and there are four residences. City limits are adjacent to the south, southwest, east, and southeast. Industrial and retail uses exist to the south and southeast of the Annexation area. The annexation proposal furthers Objective 1.
  - b. Objective 2. "Use of physical boundaries, including but not limited to bodies of water, highways, and land contours": The Annexation Area is bound by Quarry Road to the north and Mountain Loop Highway to the east. The annexation proposal furthers Objective 2.
  - c. Objective 3. "Creation and preservation of logical service areas": The Annexation Area would enable the logical extension of sewer by the City. All of the other service providers would remain the same after annexation. The annexation proposal furthers Objective 3.
  - d. Objective 4. "Prevention of abnormally irregular boundaries": The City's MTIL Annexation proposal does not create abnormally irregular boundaries. The proposal includes 3 parcels and the associated rights-of-way Mountain Loop Highway. In general, the annexation proposal is not inconsistent with Objective 4.
  - e. Objective 5. "Discouragement of multiple incorporations of small cities and encouragement of incorporation of cities in excess of ten thousand population in heavily populated urban areas":



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The MTIL Annexation proposal is for the annexation of three parcels and associated rights-of-way. The annexation proposal furthers Objective 5.

- f. Objective 6. “Dissolution of inactive special purpose districts”: Objective 6 does not apply to this City annexation - this is not a special purpose district annexation.
  - g. Objective 7. “Adjustment of impractical boundaries”: The annexation provides practical boundaries that include three parcels bound by Quarry Road to the north and Mountain Loop Highway to the east, and the City limits on the south, southeast, and southwest. The annexation proposal furthers Objective 7.
  - h. Objective 8. “Incorporation as cities or towns or annexation to cities or towns of unincorporated areas which are urban in character”: The proposed MTIL Annexation as proposed in BRB file no. 2023-02 is consistent with the designations and zoning that support urban level of density and development. Upon annexation, the City’s land use designation of IR and zoning of IR will be implemented.
  - i. Objective 9. “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”: The City’s proposed MTIL Annexation is fully within the Granite Falls UGA and does not contain agricultural or resource lands. The annexation proposal is consistent with Objective 9.
7. **All County fiscal, departmental, and other impacts:** The annexation will have minimal impact to each of the following revenue sources: sales tax, real estate excise tax, permit fees, parks fees, grants, animal control, District Court fines, and emergency management. The annexation is expected to have a minimal impact to County expenses as well. SNO911, DCNR indicated the proposed annexation would have minimal impact to County services, operations, budgets, and facilities. SNO911 states that the Annexation Area is already part of a quadrant/station and beat. A service agreement with the County’s Sheriff’s Office would allow for continued law enforcement service.
8. **Impacts to County facilities and other county-owned property:** There are no known County surface water management facilities in the Annexation Area.
9. **Impacts to the provision of public facilities and services:** No impacts to the provision of public facilities and services anticipated.

### STAFF RECOMMENDATION

Based on the review detailed above, the proposed MTIL Annexation is consistent, in general, with the 2007 MAILA between the County and City, and an addendum to the MAILA is not necessary.

The proposed MTIL Annexation is generally consistent with the GMA, the CPPs, local comprehensive plans, and the Factors and Objectives of the BRB, and will have minimal impact to County services, operations, budgets, and facilities.

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This conclusion has been reached by comprehensively reviewing the annexation against the applicable BRB factors and objectives, County codes, and other applicable statutes and determining that the relevant factors and objectives that the BRB must consider would be advanced by the annexation.

The recommendation to the County Council from PDS is to **not oppose the annexation, not invoke BRB jurisdiction, and support** the City of Granite Falls MTIL Annexation.

cc: Ken Klein, Executive Director

Mike McCrary, Director, Planning and Development Services

David Killingstad, Manager, Planning and Development Services

Ryan Countryman, Senior Council Legislative Analyst