



## Snohomish County

### Planning and Development Services

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#### MEMORANDUM

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

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

**FROM:** Frank Slusser, Senior Planner  
Planning and Development Services

**SUBJECT:** Ordinance Approving and Authorizing the County Executive to Sign an Interlocal Agreement Between Snohomish County and the City of Mukilteo for the Phase I Annexation pursuant to RCW 35A.14.296

**DATE:** January 21, 2025

#### PURPOSE

This ordinance would authorize the County Executive to enter into an annexation-specific interlocal agreement (ILA) with the City of Mukilteo ("City") to address the orderly transition of responsibilities and services for the annexation of an area known as the Phase I Annexation Area ("Annexation Area") pursuant to the ILA method of annexation under Revised Code of Washington (RCW) 35A.14.296. The County and City currently do not have a master annexation interlocal agreement (MAILA) in effect. The ILA addresses the orderly transition of responsibilities and services for the proposed Annexation Area and meets the requirements of RCW 35A.14.296. This ILA would not apply for any future annexation.

This ILA has already been approved by the City of Mukilteo on December 16, 2024, and the ILA approved by Mukilteo is attached to the ordinance for County consideration.

#### BACKGROUND

The City is proposing to annex an area of approximately 84 acres in the unincorporated portion of the Mukilteo Municipal Urban Growth Area south of and adjacent to Paine Field (see attached map). The Annexation Area is located east of State Route 525, also known as Mukilteo Speedway, and along Beverly Park Road. The Annexation Area is adjacent to and east of the existing boundaries of the City of Mukilteo. The area is designated Urban Industrial on the County's future land use map, with some Urban Commercial at the intersection of Mukilteo Speedway and Beverly Park Road, and is zoned

Light Industrial (LI) and Business Park (BP) by the County. The Annexation Area is within the regionally designated Paine Field/Boeing Everett Manufacturing Industrial Center. The area is mostly developed with industrial and commercial uses, with 26 existing residences as identified in the City notification to initiate annexation and negotiation of the ILA pursuant to RCW 35A.14.296.

### **ANNEXATION METHOD AND PROCESS**

The annexation method proposed by the City is the “Annexation of Unincorporated Territory Pursuant to Interlocal Agreement” per RCW 35A.14.296, which requires the development and approval of an ILA with a hearing on the proposed Agreement by all entities considered a party to the Agreement. Table 1 on the following page summarizes how the requirements of RCW 35A.14.296 have been met or are anticipated to be met.

As the County and City lack a MAILA to guide the transition of jurisdiction and services, this ILA would serve to facilitate the annexation.

In addition to the process in RCW 35A.14.296, the annexation is subject to review by the Boundary Review Board of Snohomish County (BRB). The City of Mukilteo will be required to submit a Notice of Intention to the BRB after the ILA is approved, starting a 45-day review period during which the County and other affected parties may request a public hearing by the BRB. If no party requests a hearing, or if the BRB approves the annexation following a hearing, the City can then finalize the annexation by adopting an ordinance.

While approval of the ILA would indicate County agreement to the annexation, the ILA includes pre-conditions for County support of the annexation. In particular, Subsection 4.2 of the ILA requires that, prior to submitting a Notice of Intention for annexation to the BRB, the City must adopt airport and land use compatibility regulations for the Annexation Area substantially in the form included as Exhibit E to the ILA. The draft regulations are modeled on the County airport and land use compatibility regulations in Chapter 30.32E Snohomish County Code. This ensures compatibility of uses in the Annexation Area with commercial airport operations and consistency with federal grant requirements for the airport, as the Annexation Area is located directly south of, and beneath the approach area for, the primary runway at Paine Field.

Therefore, during the BRB review period following submittal of the Notice of Intention for the annexation, the County would perform a final review of the annexation to ensure the terms of the Agreement are met.

**Table 1. Summary of Requirements of ILA Method of Annexation**

<b>Requirement of RCW 35A.14.296</b>	<b>How Requirement Has / Will be Meet</b>
City initiates annexation by notifying affected County, service providers.	City and County have been working on an annexation ILA for many years. City notified County and other affected service providers of intent to use RCW 35A.14.296 on 2/16/24.
Affected service providers indicate in writing their interest in being party.	Initially, South County Fire and Rescue responded, but later resolved to support the annexation and not be party to the agreement.
The interlocal agreement must ensure that for a period of five years after the annexation any parcel zoned for residential development within the annexed area shall: (a) Maintain a zoning designation that provides for residential development; and (b) Not have its minimum gross residential density reduced below the density allowed	Subsection 4.4 of the ILA identifies that the existing zoning of LI and BP do not allow residential development in the Annexation Area and this requirement is not applicable to this annexation.
The County and City shall jointly agree on the boundaries of the annexation and its effective date. The interlocal agreement shall describe the boundaries of the territory to be annexed and set a date for a public hearing on such agreement for annexation.	Exhibits B and C to the proposed ILA provide the boundaries of the Annexation Area agreed to be the County and City.  Subsection 3.10 of the proposed ILA includes the public hearing dates. The City Council held a public hearing and approved the ILA on 12/16/24.  Subsection 3.11 identifies that the effective date of the annexation would follow BRB review and passage of an ordinance by the City finalizing the annexation.
Separately or jointly, publish a notice of availability of the agreement at least once a week for four weeks before the date of the hearing in one or more newspapers of general circulation within the code municipality and one or more newspapers of general circulation within the territory proposed for annexation; and If the legislative body can do so, post the notice of availability of the agreement on its website for the same four weeks that the notice is published in the newspapers. The notice shall describe where the public may review the agreement and the territory to be annexed.	This requirement was satisfied by the City, and it is anticipated that the County Council will provide notice for the public hearing on the proposed Agreement consistent with the requirements of state law.
On the date set for hearing, the public shall be afforded an opportunity to be heard.	It is anticipated that each public hearing will provide the opportunity for public input.
Following the hearing, if the City determines to effect the annexation, they shall do so by ordinance. Upon the date fixed in the ordinance of annexation the area annexed shall become part of the City.	It is anticipated that the City will proceed to effectuate the annexation after Notice of Intention is submitted to the BRB, that review process is completed successfully, and all requirements are met.

## **INTERLOCAL AGREEMENT**

The attached ILA specifies the annexation area and covers procedural and topical issues to help guide the annexation consistent with the County and City comprehensive plans including:

- Requirements of RCW 35A.14.296;
- Airport compatibility regulations;
- Permit processing;
- Transfer of Records;
- Capital Facilities;
- Roads and Transportation;
- Surface Water Management;
- Police Services;
- Criminal Justice Service; and
- Fire Marshal Service.

## **ANALYSIS**

The following describes how this ILA meets the requirements and goals of the Washington State Growth Management Act (GMA), the Countywide Planning Policies (CPPs), and the County's comprehensive plan:

1. GMA planning goals (RCW 36.70A.020): The proposed ILA is consistent with the GMA planning goals, including goal (1) Urban Growth. The proposed annexation area is designated within the Mukilteo Municipal Urban Growth Area, and the City is the logical provider of public facilities and services.
2. The ILA is consistent with the CPPs by engaging in a mutual agreement that furthers the GMA and implements the comprehensive plans of both the City and County.
3. The ILA is consistent with policies in the County comprehensive plan regarding the use of agreements to help facilitate annexations and the orderly transition of services from the County to the City.

## **RECOMMENDATION**

PDS recommends approval of the ordinance authorizing the County Executive to execute the ILA between the County and City to facilitate the transition of services and jurisdiction for the City of Mukilteo Phase I Annexation.

Attachments:

- Map of Phase I Annexation Area
- Ordinance

cc: Ken Klein, Executive Director

Mike McCrary, Director, PDS

David Killingstad, Manager, PDS

Kelly Snyder, Director, DPW

Doug McCormick, Deputy Director / County Engineer, DPW

Tom Teigen, Director, DCNR  
Joshua Marcy, Director, Paine Field Airport  
Ryan Countryman, Senior Council Legislative Analyst  
Ryan Hembree, Council Legislative Analyst

# Attachment A

