SNOHOMISH COUNTY COUNCIL EXHIBIT LIST

ORDINANCE 21-005 APPROVING AND AUTHORIZING THE COUNTY

and attached ILA EXECUTIVE TO SIGN AN INTERLOCAL AGREEMENT

BETWEEN SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE LAKE STEVENS SEWER DISTRICT FOR THE SOUTHEAST INTERLOCAL ANNEXATION

ECAF: 20071071

Date/Time: Wednesday, April 28, 2021, at 10:30 a.m.

Staff Person:

DPA: Matt Otten

ORDINANCE 21-005 and attached Interlocal Agreement (ILA)

- Exhibit A to the Ordinance (ILA)
 - Exhibit A to the ILA (Annexation Map)
 - Exhibit B to the ILA (Legal Description)
 - Exhibit C to the ILA (Sewer Expansion Area Map)
 - Exhibit D to the ILA (Snohomish County Tomorrow Annexation Priniciples)
 - Exhibit E to the ILA (List of drainage facilities)

EXHIBIT LIST

| Exhibit # | Date | Exhibit Description |
|-----------|---------|---|
| 1 | 1/29/21 | Council Staff Report |
| 2 | 1/19/21 | ECAF Received |
| 3 | 1/19/21 | Ordinance Introduction Slip Signed |
| 4 | 1/19/21 | PDS Staff Report |
| 5 | 2/19/21 | PowerPoint Presentation (presented at Planning Committee February 2 nd) |

| 6 | 2/09/21 | Proposed Amendment |
|----|---------|---|
| 6A | 2/09/21 | Proposed Revised ILA - Attachment to Proposed Amendment |

| 7 | 03/09/21 | PowerPoint Presentation |
|----|----------|--|
| | | (presented at Joint Public Hearing March 9th with City of Lake |
| | | Stevens and Lake Stevens Sewer District) |
| 8 | 03/08/21 | Public Testimony – e-mail from Michael & Lisa Jones |
| 9 | 03/08/21 | Public Testimony – e-mail from Bruce & Janice Thompson |
| 10 | 03/08/21 | Public Testimony – e-mail from Janice Huxford |
| 11 | 03/08/21 | Public Testimony – e-mail from James & Angela Monroe |
| 12 | 03/09/21 | Public Testimony – e-mail from Charles & Uma Nielsen |

| 13 | 03/12/21 | Public Testimony – e-mail from Tom Matlack |
|-----------|----------|--|
| 14 | 03/18/21 | Public Testimony – Letter from Gordy Marks |
| Exhibit # | Date | Exhibit Description |
| 15 | 03/18/21 | Public Testimony – e-mail from Bart Pierce & Patricia Anderson |
| 16 | 03/19/21 | Public Testimony – e-mail from Tony McAllister |
| 17 | 03/19/21 | Public Testimony – e-mail from Mike & Karen Mashock |
| 18 | 03/20/21 | Public Testimony – e-mail from Michael & Lisa Jones |
| 19 | 03/23/21 | Public Testimony – e-mail from Alan Cohen |
| 20 | 03/09/21 | Minutes from the Joint Public Hearing with City of Lake Stevens and the Lake Stevens Sewer District March 9, 2021 https://snohomish.granicus.com/MinutesViewer.php?view_id=2&clip_id=7848&doc_id=b1ba4904-8cec-11eb-8549-0050569183fa |
| 21 | 03/25/21 | Letter of Support from City of Lake Stevens |
| 22 | 03/23/21 | City of Lake Stevens Ordinance 1112 – Approved Effective 03/31/21 |
| 23 | 03/23/21 | City of Lake Stevens Council Meeting 03/23/21 YouTube link |
| 24 | 03/25/21 | Lake Stevens Sewer District Resolution 996 - Approved |
| 25 | 03/25/21 | Lake Stevens Sewer District Board Meeting : YouTube link |
| 26 | 03/25/21 | Lake Stevens Sewer District Board Meeting Minutes 03/25/21 |
| 27 | 04/28/21 | Updated Council Staff Report |
| 28 | 04/28/21 | Proposed Amendment Sheet 2 |
| 29 | 03/24/21 | Public Testimony e-mail from Tom Matlack |
| 30 | 03/24/21 | Public Testimony e-mail from Robert Booth |
| 31 | 03/25/21 | Public Testimony e-mail Vickie Hollingsworth |
| 32 | 03/24/21 | Public Testimony e-mail from B. Pierce & P. Anderson |
| 33 | 03/25/21 | Public Testimony e-mail from Toby Tuor |
| 34 | 03/25/21 | Public Testimony e-mail from Garrett Welch |
| 35 | 03/09/21 | Public Testimony e-mail from Michael Jones |
| 36 | 04/23/21 | Public Testimony e-mail from Dennis Miniken |
| 37 | 04/23/21 | Public Testimony e-mail from Janice Huxford |
| 38 | 04/23/21 | Public Testimony e-mail from Michael Jones |
| 39 | 04/24/21 | Public Testimony e-mail from Tom Matlack |
| 40 | 04/24/21 | Public Testimony e-mail from Alen Cohen |
| 41 | 04/26/21 | Public Testimony e-mail from Ellie Brubaker |
| 42 | 04/27/21 | Public Testimony e-mail from Lauren Cahill |
| 43 | 04/27/21 | Public Testimony e-mail from Kate MacKenzie |
| 44 | 04/27/21 | Public Testimony e-mail from James & Angela Monroe |
| | | I. |



| EXHIBIT # | 1 |
|-----------|------------|
| ILE (| ORD 21-005 |

Snohomish County Council

Committee: Planning & Community Development Analyst: Yorik Stevens-Wajda

ECAF: 7 1071

Consideration

Ordinance 21-005 would authorize the executive to sign the an interlocal agreement with the City of Lake Stevens and the Lake Stevens Sewer District regarding annexation of a roughly 550-acre area known as the Southeast Interlocal Annexation area. County staff are working with city and sewer district staff to confirm a proposed effective date, to be inserted into the interlocal agreement prior to publishing notice of the public hearing.

Background

Annexations

State law provides a variety of methods for annexation of unincorporated land into cities. Annexations may be initiated by cities or by petition from property owners within a proposed annexation area. The proposed annexation area may then be refined by the city or by negotiation between the city and the county. Proposed annexations may then be implemented by the city by resolution or ordinance or by election of residents of the proposed annexation area. Certain annexations may be subject to referendum, and most annexations are subject to review by the county's Boundary Review Board if invoked by affected governments or 5% of residents in the area to be annexed or property owners representing 5% of the assessed value in the area to be annexed.

RCW 35A.14.296 Annexation Method

The interlocal agreement method proposed for this annexation is provided by RCW 35A.14.296. This method is initiated through an interlocal agreement between the city, the county, and, optionally, certain types of affected jurisdictions. Consideration of the interlocal agreement by the parties to it must be preceded by a public hearing for which public notice is provided weekly for at least four consecutive weeks.

Following approval of the agreement by all parties, which must set the annexation boundaries and the effective date, the city may implement the annexation by ordinance.

This method requires that for five years after annexation, any parcel zoned for residential development within the annexation area (a) maintain a zoning designation that provides for residential development and (b) not have its *minimum gross residential density* reduced below that provided by the zoning designation for that parcel prior to annexation.

This method of annexation is subject to Boundary Review Board review if invoked. If review of a proposed annexation is invoked, the Boundary Review Board may hold public hearings and approve, deny, or modify the proposed annexation. Boundary Review Board decisions must be consistent with Growth Management Act provisions including the planning goals and framework for urban growth areas and countywide

planning policies. State law also defines objectives (RCW 36.93.180) for board review and provides factors (RCW 36.93.170) for board consideration in making its decision.

Current Proposal

In July 2020, the City of Lake Stevens adopted Resolution 2020-17, declaring its intent to initiate negotiations for annexation of the subject area via interlocal agreement. The Lake Stevens Sewer District subsequently notified the city of its intent to be party to the agreement.

The city, the county, and the sewer district have since negotiated a proposed interlocal agreement, which builds on and modifies the 2005 master annexation interlocal agreement between the city and the county (see exhibit D to the PDS staff report in the ordinance packet), and is presented to the county council via this ordinance.

The interlocal agreement addresses an orderly transition of public services and facilities from the county to the city, addresses processing and transition of any active permit applications, identifies areas that the sewer district intends to annex in the future, and addresses the specific requirements of RCW 35A.14.296.

Annexation area

The annexation area (see Exhibit A for a map) consists of two distinct areas (separated by the 2018 Rhodora annexation area) southeast of Lake Stevens, within the urban growth area, and the entirety of the lake itself.

The area consists of roughly 550 acres of land, 1,200 parcels, 1,200 housing units, and the entirety of Lake Stevens (the lake). The assessed value is roughly \$500,000,000.

The area's future land use designation in the comprehensive plan is Urban Low Density Residential, and the zoning is R 9,600 and R 7,200. The city has adopted preannexation comprehensive plan future land use designations Waterfront Residential and Medium Density Residential, and pre-annexation zoning of Waterfront Residential and R6.

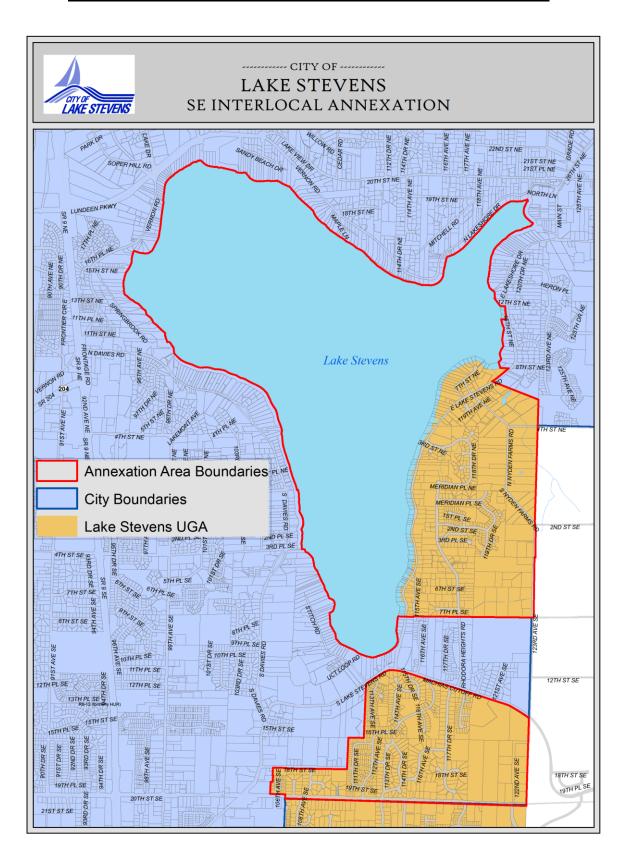
Fiscal Impacts: Typically, county staff performs a full review of fiscal impacts of a proposed annexation after a city submits a notice of intention to the Boundary Review Board. With this annexation method, that phase would occur after approval of the interlocal agreement, at which point it may be difficult for the county to respond to any concerns that may be identified. As of January 29th, county staff have performed an initial review of the fiscal impacts are continuing to work on that analysis. The city commissioned a fiscal analysis for annexation areas including this one, which may be informative.

<u>Handling</u>: Expedite. The county and the city have tentatively scheduled a public hearing March 9th, 6pm (it's still unclear whether the sewer district board will attend). RCW 35A.14.296 requires four consecutive weeks of public notice prior to that public hearing, so the council would need to formally schedule the public hearing and begin providing public notice by Friday, February 12.

Approved-as-to-form: Yes Risk Management: N/A

Executive Recommendation: Approve

Exhibit A: Map of Lake Stevens Southeast ILA Annexation Area



| LOG NUMBERS | | | | | |
|-------------|-----------|-----|----------|---|---------|
| BGT. | , 1/20/21 | CEO | 20071071 | , | 1/20/21 |

EXECUTIVE/COUNCIL APPROVAL FORM

| MANAGEMENT RO | HTINC. | TO: | COUNCIL CHAIRD | ERSON! OHOMISH CO | UNTY COUNC |
|--|----------------------------|--|---------------------------|-----------------------------------|------------|
| EXECUTIVE | | 10. | SNOHOMISH COU | NTY COUNCIL 2 | |
| EXECUTIVE | Dave Somers | | SHOHOWISH COU | YYYY EXHIBIT# | |
| EXEC. DIR. | Ken Klein | | | FUE OR | D 21_005 |
| DIRECTOR/ELECTED | Barbara Mock Oym | <u>,</u> | EXECUTIVE RECO | MMENDATION: OR | D 21-003 |
| DEPARTMENT | Planning & Dev. Serv | <u>. </u> | Approve | No Recommendation | on |
| DIV. MGR. | Mike McCrary WW | <u>L</u> | Further Proces | ssing | |
| DIVISION | Long Range Planning | | Requested By | | |
| ORIGINATOR | Eileen Canola | | 14 14 1 | Digitally signed by Ken Klein | |
| DATE January 19, 20 | 021 EXT. 2253 | <u></u> | Ken Klein | Date: 2021.01.21 13:24:19 -08'00' | / |
| | | | Executive Office Sign | ature MG | |
| | | | CEO Staff Review | 41.000 0 C D) f | 1/20/2021 |
| | | | Received at Council C | office ALC 3:26 PM | 1/21 /2022 |
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| BUDGET ACT | ION: | | GRANT APPI | LICATION | |
| Emerge | ncy Appropriation | • | ORDINANCE | | |
| | nental Appropriation | • | | nent to Ord.# | |
| Budget | | | PLAN | | |
| CONTRACT: | Transici | - | | ocal Agreement - Anne | vation |
| New | | • | OTTLE men | Jear Agreement - Anne | Adilon |
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| DOCUMENT / AGEN | | | | | |
| Ordinance / APPROVING | | | | | |
| BETWEEN SNOHOMISH FOR THE SOUTHEAST I | | | EVENS, AND THE LAKE | STEVENS SEWER DIS | IRICI |
| - OK THE GOOTHEAOTT | TT EILEOOME MINEMAT | | | | |
| APPROVAL AUTHO | RITY: | | EXECUTIVE | COUN | CIL X |
| | | | | 35A.14.296, Chapter | |
| HANDLING. | _ | v | | | |
| HANDLING: NOR | MAL EXP | EDITE X | URGENT | DEADLINE DATE | 2/20/21 |
| PURPOSE: | | | | | |
| To authorize the County E | Executive to enter into an | interlocal a | greement with the City of | of Lake Stevens and the L | ake |
| Stevens Sewer District pe | | | | | |

BACKGROUND:

- The county and the City of Lake Stevens (City) have an existing Master Annexation Interlocal Agreement (MAILA), effective October 26, 2005 concerning annexation, urban development, and the orderly transition of responsibilities and services for the City's urban growth area.
- RCW 35A.14.296 provides for the annexation of a territory by a code city through an interlocal agreement process with the county
 that allows for affected public service providers to be a party to the interlocal agreement by providing written notice.
- The City Council passed Resolution 2020-17 commencing negotiations for an interlocal agreement with the County.
- The Lake Stevens Sewer District (Distrcit), consistent with RCW 35A.14.296(2), provided written notice of its intent to be a party to the interlocal agreement.
- On September 21, 2020 and December 9, 2020, the City held public meetings on the proposed Southeast ILA Annexation.
- As required by RCW 35A.14.296, a joint hearing is scheduled for March 9, 2021, with proper noticing, for the County and City councils.
- The attached ordinance authorizes the county executive to enter into an interlocal agreement with the City and District for the City of Lake Stevens Southeast Interlocal Annexation.

FISCAL IMPLICATIONS:

| EXPEND : FUND, AGY, O | ORG, ACTY, OBJ, AU | CURRENT YR | 2ND YR | 1ST 6 YRS |
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| DEPARTMENT FISCAL | IMDACT NOTES: | | | |
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| | this proposal is for considerat Il be performed upon receipt o | | | ement. A more |
| detailed listal allalysis wil | i be periormed aport receipt | or arractual armexation | ргорозаг. | |
| BUDGET REVIEW: | Analyst DM A | Administrator N | Kecommend | d Approval |
| CONTRACT INFOR | MATION: | | | |
| ORIGINAL | CONTRACT # | | AMOUNT | \$ |

CONTRACTOR NAME & ADDRESS (City/State only):

Start

Start

CONTRACT

APPROVED:

AMENDMENT

AMENDMENT

ORIGINAL

CONTRACT PERIOD:

CONTRACT / PROJECT TITLE:

| RISK MANAGEMENT | Yes | n/a | No |
|--------------------------------|-----|-----|----|
| COMMENTS | | | |
| PROSECUTING ATTY - AS TO FORM: | Ves | X | No |

No

End End AMOUNT

OTHER DEPARTMENTAL REVIEW / COMMENTS:

ELECTRONIC ATTACHMENTS: (List & include path & filename for each, e.g. G:\ECAF\deptname\docname_Motion)

Yes

G:\ECAF\Council\20071071 ECAF

G:\ECAF\Council\20071071 Ordinance

G:\ECAF\Council\20071071 Staff Report

G:\ECAF\Council\20071071 ILA

G:\ECAF\Council\20071071 Attachment A

G:\ECAF\Council\20071071 Attachment B

G:\ECAF\Council\20071071 Attachment C

G:\ECAF\Council\20071071 Attachment D

G:\ECAF\Council\20071071 Attachment E

NON-ELECTRONIC ATTACHMENTS:

ECAF NO.: 20071071 ECAF RECEIVED: 1/21/2021

ORDINANCE INTRODUCTION SLIP

SNOHOMISH COUNTY COUNCIL

EXHIBIT # 3 TO: Clerk of the Council FILE ORD 21-005 TITLE OF PROPOSED ORDINANCE: APPROVING AND AUTHORIZING THE COUNTY EXECUTIVE TO SIGN AN INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE LAKE STEVENS SEWER DISTRICT FOR THE SOUTHEAST INTERLOCAL ANNEXATION Proposed Ordinance No. <u>21-005</u> Clerk's Action: Assigned to: Planning and Community Development Committee Date: 1/25/2021 STANDING COMMITTEE RECOMMENDATION FORM The following action item was considered by Planning Committee (name of Committee) on 02/02/21 _____. By a vote of __------Yeas and --------Nays, the - CONSENSUS Committee makes the following recommendation: X Move to Council to schedule public hearing GLS 02/10 _____ Move to Council as amended to schedule public hearing Move to Council with no recommendation This item should/should not be placed on the Consent Agenda. (Consent agenda may be used for routine items that do not require public hearing and do not need discussion at General Legislative Session)

This item should/should not be placed on the Administrative Matters Agenda (Administrative Matters agenda may be used for routine action to set time and date for public hearings)

Committee Chair

SNOHOMISH COUNTY COUNCIL

EXHIBIT # 4

FILE ORD 21-005

Snohomish County

Planning and Development Services

3000 Rockefeller Ave., M/S 604 Everett, WA 98201-4046 (425) 388-3311 www.snoco.org

Dave Somers

County Executive

MEMORANDUM

TO:

Councilmember, Stephanie Wright, Council Chair Councilmember, Megan Dunn, Council Vice-Chair

Councilmember, Nate Nehring, District 1 Councilmember, Jared Mead, District 4 Councilmember, Sam Low, District 5

VIA: Barb Mock, Director

Planning and Development Services

FROM: Eileen Canola, Senior Planner

Planning and Development Services

SUBJECT: City of Lake Stevens SE Interlocal Agreement Annexation – Ordinance Approving and

Authorizing the County Executive to Enter into the Interlocal Agreement

DATE: January 19, 2021

PURPOSE

The attached ordinance (Attachment A) would authorize the County Executive to enter into the interlocal agreement with the City of Lake Stevens (City), and the Lake Stevens Sewer District (District) for the City of Lake Stevens SE Interlocal Agreement Annexation to address the orderly transition of responsibilities and services for the proposed for the annexation area described in the attached interlocal agreement (Attachment B).

The City is pursuing this annexation using a new method of annexation, "Annexation of Unincorporated Territory Pursuant to Interlocal Agreement" per RCW 35A.14.296 (Attachment C). that became effective on June 11, 2020 through ESSB 5522.

BACKGROUND

The proposed SE Interlocal Agreement Annexation area is comprised of the entirety of the lake (approximately 1,000 acres) and two distinct areas that are adjacent to the City limits and within the Lake Stevens Urban Growth Area: west of 123rd Ave SE and north of 20th St SE (totaling approximately 500 acres), as shown in the map of the attached ILA. The area is designated Urban Low Density Residential (4 DU/Acre) and (6 DU/Acre) with R 9,600 and R 7,200 by the County. The City has adopted land use pre-designations of Waterfront Residential and Medium Density Residential and pre-zoning

of Waterfront Residential and R6 for the annexation area as detailed in City Ordinances Nos. 1105 and 1106, respectively.

The City of Lake Stevens has taken measures to coordinate and plan for the annexation of areas within its Lake Stevens Urban Growth Area by executing a Master Annexation Interlocal Agreement (Attachment D) with the County, adopting an Annexation Plan, and providing supporting policies and land use designations in its comprehensive plan. Snohomish County and the City have an existing Master Annexation Interlocal Agreement (MAILA), effective October 26, 2005 concerning annexation, urban development, and the orderly transition of responsibilities and services for the City's urban growth area. This MAILA serves as a general guide for all annexations except where more specific agreements supersede sections of the MAILA, as is the case with the attached interlocal agreement. The attached interlocal agreement specifies the annexation area, the effective date of the annexation, and supersedes specific sections of the MAILA. In 2016, the City Council adopted Resolution No. 2016-21 (Attachment E) that provided an annexation strategy for the City to annex several areas in a phased approached with proposed zoning, including the area proposed in this SE Interlocal Annexation area. The Lake Stevens Comprehensive Plan documents the City's efforts to achieve its 20year growth targets with various measures that includes a supportive annexation framework intent on unifying the one community around the Lake with supporting goals, policies, and objectives (Attachment F).

ANNEXATION METHOD

As mentioned, the City is using the new annexation method, "Annexation of Unincorporated Territory Pursuant to Interlocal Agreement" according to RCW 35A.14.296, which includes the following finding:

"The legislature finds that city annexations of unincorporated areas within urban growth areas will be more efficient and effective if the county and city develop a jointly approved interlocal agreement so as not to create illogical boundaries or islands of unincorporated territory."

The following are requirements of RCW 35A.14.296 and how they have / will be met (italicized):

- City initiates annexation through an interlocal agreement with affected County, service
 providers such as fire district and sewer district.

 City Council adopted Resolution No. 17-2020 (Attachment G) to initiate annexation. County
 staff received and acknowledged City's request to engage in annexation method in RCW
 35A.14.296.
- Affected service providers indicate in writing their interest in being party to interlocal agreement.

The Lake Stevens Sewer District (District) provided written notice declaring its desire to be a party to the ILA. As described in the ILA, the District includes a map of sewer service expansion areas. However, the District will pursue this service expansion through a separate process.

- 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

 The City Council through approved Ordinance No. 1073 had adopted pre-designations and

 zoning for the proposed annexation area that included a change in the City's zoning for four

 parcels directly north of 20th St SE from Urban Residential to Local Business. However, in

 December 2020 the City Council adopted land use pre-designations of Waterfront Residential

 and Medium Density Residential and pre-zoning of Waterfront Residential and R6 for the

 annexation area as detailed in City Ordinances Nos. 1105 and 1106, respectively.
- 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.
 The attached interlocal agreement contains the boundaries of the annexation with a legal description and map, and the effective date of the annexation is provided. A joint hearing date of March 9, 2021 has been tentatively scheduled for the City and County Councils to approve the contents of the interlocal agreement.
- A public hearing shall be held by each legislative body, separately or jointly, before the agreement is executed. Each legislative body holding a public hearing shall:
 - 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 city and one or more newspapers of general circulation
 within the territory proposed for annexation; and

For the joint public hearing that is tentatively scheduled for March 9, 2021, the City and County will publish a notice of the availability of the interlocal agreement once a week for four weeks in advance of the joint hearing date in the Everett Herald or other newspaper pertaining to the City of Lake Stevens.

 Post the notice of availability of the agreement on its web site 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.

For the joint public hearing that is tentatively scheduled for March 9, 2021, the City and County will post a notice on their respective websites of the availability of the interlocal agreement and the area to be annexed once a week for four weeks in advance of the joint hearing.

• On the date set for hearing, the public shall be afforded an opportunity to be heard.

For the joint public hearing that is tentatively scheduled for March 9, 2021, the City and County will post a notice there will be opportunities for public comment.

 Following the joint 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 following the joint hearing, the City Council will hold a public hearing to approve the annexation with an effective date.

- If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of such requirements.

 It is anticipated that following the joint hearing, the City Council will approve an ordinance that summarizes the annexation including the assumption of indebtedness.
- Upon passage of the annexation ordinance a certified copy shall be filed with the board of county commissioners of the county in which the annexed property is located.
 It is anticipated that following passage of the annexation ordinance, the City will file the ordinance with the appropriate County departments or boards and other affected agencies.

ANALYSIS

At this time, the requirements of RCW 35A.14.296 are being met, and a joint hearing for the City and County councils is being scheduled with preparations for public noticing. The following describes how this annexation proposal meets requirements 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 Lake Stevens SE Interlocal Agreement Annexation is consistent with the GMA planning goals, including goals (1) Urban Growth and (5) Economic Development. The proposed annexation area is designated within the Lake Stevens UGA, and the City is the logical provider of public facilities and services. Annexation by the City would allow efficient provision of services to support development consistent with City's comprehensive plan, annexation plans, and existing MAILA with the County.
- 2. UGA designations: The proposed annexation area is designated within the County Future Land Use Map, within the Lake Stevens UGA, and the City is the logical provider of public facilities and services.
- 3. CPPs: The annexation proposal is consistent with the CPPs. The proposal allows for the transition of unincorporated areas to incorporated areas within the UGA which is supported by the following CPP policies:
 - JP-6 The County and cities shall develop comprehensive plan policies and development regulations that provide for the orderly transition of unincorporated Urban Growth Areas (UGAs) to incorporated areas in UGAs. Mutual agreements may be utilized to address governance issues and expedite the transition.
 - PS-1 Jurisdictions should support cities as the preferred urban service providers.

4. County Comprehensive Plan: Snohomish County has adopted a comprehensive plan under the authority of chapter 36.70A RCW (GMA). The proposed annexation area is identified as urban and within the Lake Stevens UGA, intended to be eventually annexed to the City.

RECOMMENDATION

PDS recommends approval of the ordinance authorizing the County Executive to execute the interlocal agreement between the County, City and District.

cc: Ken Klein, Executive Director
Barb Mock, Director, PDS
Mike McCrary, Deputy Director, PDS
Kelly Snyder, Director, DPW
Doug McCormick, Deputy Director / County Engineer, DPW
Tom Teigen, Director, Department of Conservation and Natural Resources
Yorik Stevens-Wajda, AICP, Council Legislative Analyst

Attachment A Proposed Ordinance

| 1 2 | Approved: Effective: |
|--|--|
| 3 4 5 | SNOHOMISH COUNTY COUNCIL SNOHOMISH COUNTY, WASHINGTON |
| 6 7 8 | ORDINANCE NO. 21 |
| 9 10 | APPROVING AND AUTHORIZING THE COUNTY EXECUTIVE TO SIGN AN INTERLOCAL AGREEMENT BETWEEN |
| 11 12 13 | SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE LAKE STEVENS SEWER DISTRICT FOR THE SOUTHEAST INTERLOCAL ANNEXATION |
| 14 15 16 17 18 | WHEREAS, the City of Lake Stevens ("the City") and Snohomish County ("the County") recognize that the Growth Management Act (GMA), chapter 36.70A RCW, encourages cities with urban services to annex unincorporated urban areas within a county; and |
| 19 20 21 22 23 24 25 | WHEREAS, the City and the County have entered into a master interlocal agreement titled <i>Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area</i> , effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation; and |
| 26 27 28 29 | WHEREAS, RCW 35A.14.296 authorizes the annexation of unincorporated territory through adoption of an interlocal agreement between a county and a code city; and |
| 30 31 32 33 | WHEREAS, the City initiated the annexation process for the area known as the "Southeast Interlocal Annexation" by adopting Resolution 2020-17 and commencing negotiations for an interlocal agreement with the County; and |
| 34 35 36 37 38 | WHEREAS, the Lake Stevens Sewer District ("the District") provided written notice of its interest in being a party to the interlocal agreement under RCW 35A.14.296(2); and |
| 38 39 40 41 42 43 | WHEREAS, the City, County, and District have negotiated the terms of an interlocal agreement titled <i>Interlocal Agreement Between the City of Lake Stevens, Snohomish County, and the Lake Stevens Sewer District Concerning the Southeast Interlocal Annexation and the Orderly Transition of Services Pursuant to RCW 35A.14.296</i> (the "ILA") to implement the annexation, and coordinate planning and the transition of services within the annexation area; and |
| | ORDINANCE NO. 21 APPROVING AND AUTHORIZING THE COUNTY EXECUTIVE TO SIGN AN INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE |

LAKE STEVENS SEWER DISTRICT FOR THE SOUTHEAST INTERLOCAL ANNEXATION - 1

| 1 | WHEREAS, the ILA recognizes the continued applicability, force and effect of the |
|----------|---|
| 2 | Master Annexation ILA, effective October 26, 2005, and addenda thereto except for those |
| 3 | provisions specifically amended by the ILA; and |
| 4 | |
| 5 | WHEREAS, the ILA applies only to the Southeast Interlocal Annexation by the |
| 6 | City and future annexations within the Lake Stevens Urban Growth Area will continue to |
| 7 | be governed by the Master Annexation ILA; and |
| 8 | |
| 9 | WHEREAS, the ILA describes the boundaries and effective date of the Southeas |
| 10 | Interlocal Annexation; and |
| 11 | MULTIPE AC the U.A. recognized that the Dietwist plane to expand its comice |
| 12 | WHEREAS, the ILA recognizes that the District plans to expand its service |
| 13 14 | boundaries by separate action under chapter 57.24 RCW; and |
| 15 | WHEREAS, the ILA is authorized by and is consistent with the requirements of |
| 16 | the Interlocal Cooperation Act, chapter 39.34 RCW; and |
| 17 | the interiodal Gooperation Act, chapter 39.34 NOW, and |
| 18 | WHEREAS, the ILA is consistent with the GMA comprehensive plans of both the |
| 19 | City and County; and |
| 20 | ony and county, and |
| 21 | WHEREAS, the Snohomish County Council held a joint public hearing with the |
| 22 | Lake Stevens City Council on, 2021, to consider approving the ILA and |
| 23 | authorizing the Snohomish County Executive, to sign the ILA on behalf of the County; |
| 24 | |
| 25 | NOW, THEREFORE, BE IT ORDAINED: |
| 26 | |
| 27 | Section 1. The Snohomish County Council hereby adopts the foregoing recitals |
| 28 | as findings of fact and conclusions as if set forth in full herein. |
| 29 | |
| 30 | Section 2. The Snohomish County Council authorizes the Snohomish County |
| 31 | Executive to sign the Interlocal Agreement Between the City of Lake Stevens, |
| 32 | Snohomish County, and the Lake Stevens Sewer District Concerning the Southeast |
| 33 | Interlocal Annexation and the Orderly Transition of Services Pursuant to RCW |
| 34 | 35A.14.296, a copy of which is attached to this ordinance as Exhibit A. |
| 35 36 | |
| | DACCED this day of 2004 |
| 37 | PASSED this day of, 2021. |
| 38 | |
| 39 | |
| 40 | SNOHOMISH COUNTY COUNCIL |
| 41 | Snohomish County, Washington |
| 42 | |
| 43 | |
| | ORDINANCE NO. 21 |
| | |

ORDINANCE NO. 21-____
APPROVING AND AUTHORIZING THE COUNTY EXECUTIVE
TO SIGN AN INTERLOCAL AGREEMENT BETWEEN
SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE
LAKE STEVENS SEWER DISTRICT FOR THE
SOUTHEAST INTERLOCAL ANNEXATION - 2

| | Council Chairperson |
|-----------------------------|---------------------|
| ATTEST: | |
| | |
| Clerk of the Council | |
| () APPROVED | |
| () EMERGENCY | |
| () VETOED | |
| | DATE: |
| | |
| | County Executive |
| ATTEST: | |
| | |
| Approved as to form only: | |
| Mm At 1/12/21 | |
| Deputy Prosecuting Attorney | |
| | |
| | |
| | |
| | |
| | |
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| | |

SOUTHEAST INTERLOCAL ANNEXATION - 3

| 1 | Exhibit A |
|----|----------------------|
| 2 | Interlocal Agreement |
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38

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the City of Lake Stevens ("City"), a Washington municipal corporation; Snohomish County ("County"), a political subdivision of the State of Washington; and the Lake Stevens Sewer District ("District"), a special purpose district of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

- 2.1 <u>Primary purpose</u>. The primary purpose of this Agreement is to set forth the terms of the Parties' agreement to the annexation ("Annexation") to the City of territory located within the Southeast Interlocal Annexation area, which area is referred to herein as the "Annexation Area," pursuant to RCW 35A.14.296. The territory included in the Annexation Area, including the entirety of the lake, is depicted in Exhibit A and a legal description is provided in Exhibit B to this Agreement, and incorporated herein by this reference. The Annexation Area is completely within the City's Urban Growth Area (UGA) designated under RCW 36.70A.110.
- 2.2. Orderly transition of services and capital projects. The City, County, and District recognize the need to facilitate an orderly transition of services and capital projects from the County to the City at the time of the Annexation.
- 2.3 <u>Secondary purpose</u>. The secondary purpose of this Agreement is to identify those areas within the City's UGA that the District intends to annex pursuant to one of methods authorized under Chapter 57.24 RCW. This area is referred to herein as the "Sewer Expansion Area". The Sewer Expansion Area is completely within the City's UGA, as depicted in Exhibit C and consistent with the City of Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005, and recorded under Auditor File # 200604250536), and its subsequent amendments. No specific timeframe has been established for future annexations of the sewer expansion area.

3. GENERAL AGREEMENT REGARDING ANNEXATION

- 3.1 Applicability of Master Annexation ILA. The Parties recognize the existence of a certain Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area, effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation. The Parties agree and intend that the Master Annexation ILA shall have applicability, force, and effect with respect to the Annexation contemplated herein, except where specifically amended in Section 4.1 of this Agreement, where specific issues are identified that are not contained in the Master Annexation ILA.
- 3.2 Applicability of Unified Sewer Services and Annexation Agreement. The Parties recognize the existence of a certain *City of Lake Stevens and Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement*, effective May 23, 2005 and recorded under Auditor's File # 200604250536 and amended on four occasions, most recently on September 27, 2010 ("Unified Sewer Services and Annexation Agreement"), that addresses the unification of the sewerage system within the UGA and coordination of capital projects and annexations affecting the sewerage system
- 3.3 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement, together with the Master Annexation ILA, be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles. For this purpose, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit D and incorporated herein by this reference.
- 3.4 <u>Annexation approval.</u> The Parties agree to hold a joint public hearing on this Agreement on March 9, 2021. The Parties agree that following execution of this Agreement, the City shall pursue the annexation of the territory depicted and described in Exhibits A and B by adoption of an ordinance pursuant to RCW 35A.14.296
- 3.5 <u>Effective date of annexation</u>. The Parties agree that the City's annexation shall become effective ______, 2021.

4. AMENDMENT TO THE MASTER ANNEXATION ILA AND ADDITIONAL AGREEMENTS

- 4.1 <u>Amendment to Section 9.1 of the Master Annexation ILA</u>. Section 9.1 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the COUNTY has an ownership interest, (ii) over or to which the COUNTY has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the COUNTY has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the CITY, effective by the date of the annexation, except as otherwise negotiated between the Parties in any subsequent agreements. The COUNTY agrees to provide a list of all such known surface water management improvements and facilities to the CITY. If the COUNTY'S current Annual Construction Plan or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Parties will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.
- 4.2 <u>Amendment to Section 9.2 of the Master Annexation ILA</u>. Section 9.2 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.2 Taxes, fees, rates, charges and other monetary adjustments. The CITY recognizes that service charges are collected by the COUNTY for unincorporated areas within the COUNTY'S Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an annexation, the CITY hereby agrees that the COUNTY may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the COUNTY. If the CITY intends for the COUNTY to continue providing surface water services beyond the calendar year after annexation, a separate interlocal agreement must be negotiated between the Parties.

- 4.3 <u>Amendment to Section 9.3 of the Master Annexation ILA</u>. Section 9.3 of the Master Annexation ILA is deleted in its entirety.
- 4.4 <u>Amendment to Section 9 of the Master Annexation ILA</u>. Section 9 of the Master Annexation ILA is amended to add new Master Annexation ILA sections 9.3, 9.4, 9.5, 9.6, 9.7, and 9.8 as follows:
 - 9.3 <u>Compliance with National Pollutant Discharge Elimination System</u>
 (NPDES) <u>Municipal Stormwater Permit</u>. The Parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the CITY'S Phase II NPDES Municipal Stormwater Permit, and will no longer be subject to the requirements of the COUNTY'S Phase I NPDES Municipal Stormwater Permit. Notwithstanding the COUNTY'S continued provision of stormwater management services in an annexation area pursuant to Subsection 9.2, the CITY expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the CITY shall be solely responsible for ensuring the requirements of the CITY'S NPDES Permit are met relating to the annexation area, and (ii) any stormwater management services the COUNTY continues to provide in the annexation area pursuant to Subsection 9.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the CITY'S Phase II NPDES Permit.
 - 9.4 <u>Access during remainder of calendar year in which annexation occurs</u>. To ensure the COUNTY is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2, the CITY shall provide the COUNTY with reasonable access to all portions of the annexation area in which such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.
 - 9.5 <u>Surface Water Facility Data</u>. In addition to the list of COUNTY facilities and assets provided in Subsection 9.1, the COUNTY shall provide:
 - 9.5.1 Available data on surface water facilities which the COUNTY has in its database, which may include but not be limited to: inspection and maintenance records, spatial and attribution data (ArcGIS), As-Built construction plans, ownership status (private, public), and current maintenance responsibility.
 - 9.5.2 Available data on surface water programs concerning the annexation area, which may include but not be limited to: drainage complaints; water quality complaints; business inspections; facility

inspections; education and outreach; monitoring; salmon recovery; and special studies.

- 9.6 <u>Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations.</u> Any pending Surface Water Management cases referred to PDS code enforcement for county code violations relating to real property located in an annexation area will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY, if necessary, to assist with transferred code enforcement cases. Upon request, the COUNTY agrees to provide the CITY with copies of any files and records related to any transferred case.
- 9.7 <u>Government service agreements.</u> The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
- 9.8 <u>Transfer of Federal and State Permits</u>. If there are structures or work related to COUNTY surface water management improvements or facilities that are authorized under active federal or state permits located in an annexation area, as the new owner the CITY, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing. Active federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

5. SURFACE WATER MANAGEMENT IMPROVEMENTS AND FACILITIES

In accordance with Section 9.1 of the Master Annexation ILA, an initial list of known surface water management improvements and facilities owned by the County or over which the County has rights or responsibilities in the Annexation Area is attached and incorporated hereto as Exhibit E. While the County has made its best efforts to provide a list of all known surface water management improvements and facilities, the exclusion of any County owned facilities or property interests located within the Annexation Area from Exhibit E, does not change the Parties agreement that any ownership interests, rights and responsibilities associated with County surface water management improvement and facilities in the Annexation Area shall be transferred to the City, effective by the date of the annexation.

6. RESIDENTIAL ZONING

For all parcels zoned by the County for residential development in the Annexation Area, in accordance with RCW 35A.14.296(2) the City agrees that for a period of five years after the effective date of annexation the City shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density allowed for by the County zoning designation in effect prior to annexation. The City assigned zoning pre-designations for the Annexation Area via City Ordinance 1073 and as amended by City Ordinance 1106, which comply with the requirements of RCW 35A.14.296(2).

7. TRANSFER OF SUNSET PARK

Sunset Park is a 0.27-acre park located at 410 E Lake Stevens Rd (Assessor Parcel # 00533400001500) that is currently owned and managed by the County. As part of this Agreement, ownership and maintenance responsibilities for Sunset Park will be transferred to the City in its existing condition. The City has identified several capital improvements to the park to bring it up to the City's level of service for parks and to address bank and shore stabilization issues. The County agrees to support the City in its pursuit of funding sources for necessary park improvements.

8. FUTURE CAPITAL IMPROVEMENTS

The County has not identified any planned capital improvements to roads or other existing transportation infrastructure or to the list of surface water facilities listed in Exhibit E. The County agrees to work cooperatively on identifying and planning needed transportation improvements within and adjacent to the annexation area that will meet the needs of both city and countywide multimodal traffic. The County Surface Water Management staff expertise provided under this section will be limited to available technical knowledge about surface water conditions and infrastructure in the Annexation Area.

9. THIRD PARTY BENEFICIARIES

There are no third-party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

10. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each Party shall be responsible for the costs of their own legal representation. Each Party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process.

The Parties agree to mediate any disputes arising under this Agreement including, without limitation, disputes regarding the annexation process or responsibilities of the Parties prior to the Boundary Review Board hearing on the Annexation.

11. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict. As between the District and the City, this Agreement is intended to address the future annexation of territory by the District located within the Southeast Interlocal Annexation Area under chapter 57.24 RCW. Other than the implications of the additional territory, this Agreement does not change the terms and conditions of the Unified Sewer Services and Annexation Agreement.

12. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all Parties will comply with all applicable state or local laws. The County and City retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and City do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

13. EFFECTIVE DATE, DURATION AND TERMINATION

- 13.1 <u>Effective Date</u>. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of the Parties and the signing of the Agreement by an authorized representative of each Party hereto.
- 13.2 <u>Duration</u>. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the terms of the Agreement after the Agreement is set to expire, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 13.3 <u>Termination</u>. Any Party may terminate this Agreement upon ninety (90) days advance written notice to the other party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.

14. INDEMNIFICATION AND LIABILITY

14.1 <u>Indemnification of County</u>. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials,

officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees, or agents.

- 14.2 <u>Indemnification of City</u>. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the City, its elected and appointed officials, officers, employees, or agents.
- 14.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the City and the County, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the City, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 14.4 <u>Hold harmless</u>. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

15. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

16. EXERCISE OF RIGHTS OR REMEDIES

Failure of any Party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by any other Party and shall not prevent any other Party from pursuing that right at any future time.

17. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice.

The City, the County, and the District each acknowledges, agrees and understands that each party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. This Agreement and all public records associated with this Agreement shall be retained and be available from the City, the County, and the District for inspection and copying where required by the Public Records Act, Chapter 42.56 RCW.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the Annexation, except as set forth in Section 3 and Section 4 of this Agreement.

19. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

20. CONTINGENCY

The obligations of the City, the County and the District in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City, the County, or the District may terminate the Agreement under Subsection 13.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

21. FILING

A copy of this Agreement shall be filed with the Lake Stevens City Clerk and recorded with the Snohomish County Auditor's Office or as otherwise allowed or required under state law.

22. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Russ Wright Community Development Director City of Lake Stevens 1812 Main St. Lake Stevens, WA 98258 (425) 334-1012 Eileen Canola Snohomish County Department of Planning and Development Services 3000 Rockefeller Ave. Everett, WA 98201 (425) 262-2253

Johnathan Dix Assistant General Manager Lake Stevens Sewer District 1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

| Dated t | thisday of | 20 <u></u> . |
|-------------------------------------|----------------------|--------------------------------------|
| CITY OF LAKE STEVENS BY: | SNOHON BY: | MISH COUNTY |
| Brett Gailey Mayor | Dave Sor County E | xecutive |
| Date: | ATTEST: | |
| City Clerk | Clerk of the | he County Council |
| Approved as to form only: | Approved | l as to form only: |
| Attorney for the City of Lake Steve | | rosecuting Attorney for sh County |
| LAKE STEVENS SEWER DISTRIC BY: | т | |
| Dan Lorentzen President | _ | |
| DATE: | | |
| ATTEST: | | |
| Approved as to form only: | | |
| Attorney for Lake Stevens Sewer D | istrict | |

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

EXHIBIT A – Southeast UGA Annexation Map

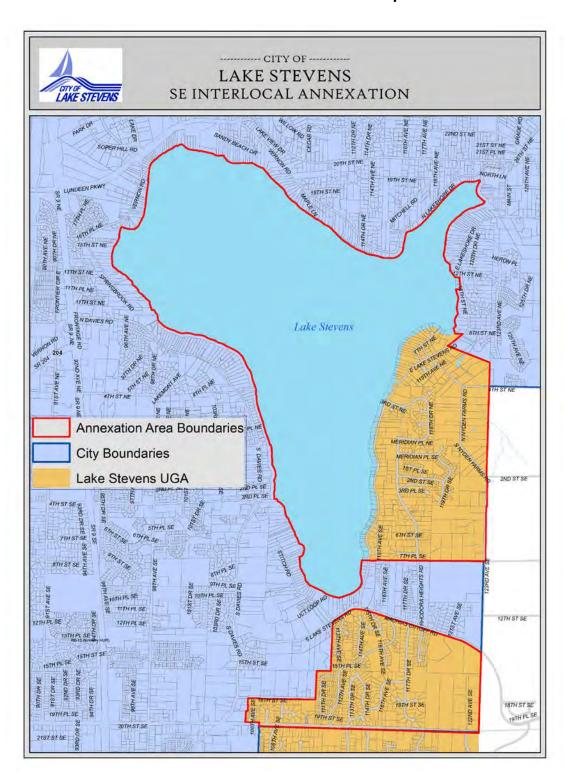


EXHIBIT B – Southeast UGA Annexation Legal Description

CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (NORTH)

Those portions of the Southwest quarter of Section 6, Section 7, Section 17, Section 18, the Northeast quarter of Section 19, and the Northwest quarter and Northeast quarter of Section 20, all in Township 29 North, Range 6 East, W.M., and those portions of Section 12, and the Northeast quarter of Section 13, all in Township 29 North, Range 5 East, W.M., all in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 17 and following along the existing city limits of the City of Lake Stevens;

Thence Easterly, 25 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 695 feet plus or minus, to the southerly right of way of 2nd Street SE;

Thence Northwesterly, 54 feet plus or minus, to the northerly right of way of 2rd Street SE and its intersection with the east line of the Southwest quarter of said Section 17;

Thence Northerly along the east line of the Southwest quarter of said Section 17, 2115 feet plus or minus, to the Southeast corner of the Northwest quarter of said Section 17;

Thence continuing Northerly along the east line of the Northwest quarter of said Section 17, 610 feet plus or minus, to the south line of Tract 501 of The Reserve at Lake Stevens Division No. 5 as recorded under recording number 199711132006;

Thence Northwesterly along said south line of Tract 501 and extended to the westerly Right of Way of E Lake Stevens Rd, 1094 feet plus or minus, which is also the south line of Tract 999 of Cedar Cove as recorded under recording number 198302175001;

Thence Northeasterly along the westerly right-of-way of E Lake Stevens Rd, 467 feet plus or minus, to the north line of said Tract 999 of Cedar Cove;

Thence Northwesterly along the said north line of Tract 999, 315 feet plus or minus, to the Second class Shoreland and Navigable Boundary of Lake Stevens as conveyed by the State of Washington;

Thence Northerly, Westerly, Southerly, Easterly, Northerly along the said navigable boundary of said Lake Stevens and the existing city limits of the City of Lake Stevens (said navigable boundary also referred to as mean low water, the shore of, the navigable boundary of shorelands, second class shorelands and westerly limit of shorelands) approximately 30,000 feet plus or minus, to a point of a line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19;

Thence Easterly along the line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19, 333 feet plus or minus, to the east line of said Section 19 and the west line of Lot 13 of North Star Plat as recorded under recording number 201411240384;

Thence Northerly along the east line of said Section 19, 12 feet plus or minus, to the South line of the North half of the Northwest quarter of Section 20;

Thence Easterly along the said south line of the North half, 2617 feet plus or minus, to the east line of the said Northwest quarter of Section 20;

Thence Easterly 30 feet plus or minus, to the Easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 1316 feet plus or minus, to a point 25 feet east of the SE Corner of the Southwest quarter of said Section 17;

Thence Westerly 25 feet plus or minus to the east line of the Southwest quarter of said Section 17 and the True Point of Beginning.

This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (SOUTH)

Those portions of the Northeast quarter, Southeast quarter and the Southwest quarter of Section 19, the Northwest quarter, Southwest quarter and the Southeast quarter of Section 20, the Northwest quarter of Section 29, and the Northeast quarter of Section 30, all in Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 20;

Thence northerly along the east line of the southwest quarter of said Section 20, 1392 feet plus or minus, to the South line of the North half of the Southwest quarter of said Section 20;

Thence easterly, 30 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence northerly along the easterly right of way of 123rd Ave SE, 468 feet plus or minus, to its intersection with the southerly right of way of Machias Cutoff and the existing city limits of the City of Lake Stevens;

Thence northwesterly along the southerly right of way of Machias Cutoff, 3360 feet plus or minus, to its intersection with southerly right of way of S Lake Stevens Rd and following along the existing city limits of the City of Lake Stevens;

Thence southwesterly along the southerly right of way of S Lake Stevens Rd, 560 feet plus or minus, to the west line of Mission Ridge Division No 3 as recorded under recording number 200212185001;

Thence southerly along the said west line, 1192 feet plus or minus, to the north line of Mission Ridge Division No. 2 as recorded under recording number 200101035002;

Thence westerly along the said north line, 339 feet plus or minus, to the west line of said Mission Ridge Division No. 2;

Thence southerly along the said west line, 687 feet plus or minus, to the southerly right of way of 18th Street SE;

Thence westerly along the southerly right of way of 18th Street SE, 1625 feet plus or minus, to the east line of the West 75 feet of the East 375 feet of Lot 2 of Ideal Garden Tracts as recorded under Volume 7 of plat, page 33;

Thence southerly along the east line West 75 feet of the East 375 feet of said Lot 2, 120 feet plus or minus, to the south line of the North 187 feet of said Lot 2;

Thence easterly along the south line of said North 187 feet of Lot 2, 20 feet plus or minus, to the west line of Lot 19 of Silver Leaf Condominium as recorded under recording number 200510175207;

Thence southerly along the west line of said Lot 19 and the west line of Common Element A, 180 feet plus or minus, to the north line of Lot 25 of said Silver Leaf Condominium;

Thence westerly along the said north line, 44 feet plus or minus, to the west line of said Silver Leaf Condominium:

Thence southerly along the said west line, 315 feet plus or minus, to the northerly right of way of 20th Street SE;

Thence easterly along the said northerly right of way, 335 feet plus or minus, to the west line of the Southeast quarter of said Section 19;

Thence southerly along the west line of said Southeast quarter, 60 feet plus or minus to the southerly right of way of 20th Street SE

Thence easterly along the said southerly right of way, 5324 feet plus or minus, to the west line of Cascade Acres Division A as recorded under Volume 25 of plats, Page 6 and 7;

Thence northerly along said East line, 30 feet plus or minus, to the south line of said Section 20 and the True Point of Beginning.



This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



EXHIBIT C – Southeast UGA Sewer Expansion Area Map

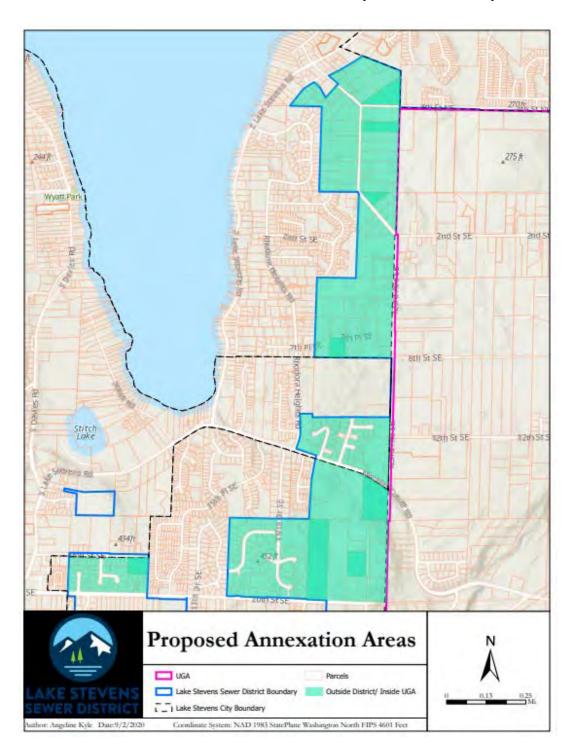


EXHIBIT D – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a "roadmap" for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County's current delivery of municipal services within the urban growth area while strengthening the County's regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

- 1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county's Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
- 2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will reevaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.
 - The report to the county council should be based upon each city's internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads' priority within the county's current 6-year road plan. Where financing and other considerations are not compelling, the city and county may "re-visit" the annexation strategies at the next two-year interval.
- 3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if

densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

- 4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
- 5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
- 6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

EXHIBIT E – KNOWN DRAINAGE FACILITIES OWNED BY THE COUNTY OR OVER WHICH THE COUNTY HAS RIGHTS OR RESPONSIBILITIES

| Area | FacID | Owner_Type | ROW | To Transfer |
|--------|----------------|------------|-----|---|
| Area 1 | F#429 | County | Yes | Facility |
| Area 1 | F#430 | County | Yes | Facility |
| Area 1 | F#1890, F#1891 | County | | Facility, property rights or responsibilities |
| Area 1 | F#2724 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3599 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3600 | County | Yes | Facility |
| Area 2 | F#173 | County | | Facility, property rights or responsibilities |
| Area 2 | F#175 | County | Yes | Facility |
| Area 2 | F#176 | County | Yes | Facility |
| Area 2 | F#177 | County | Yes | Facility |
| Area 2 | F#239 | County | Yes | Facility, property rights or responsibilities |
| Area 2 | F#3595 | County | | Facility, property rights or responsibilities |
| Area 1 | F#815 | Private | | Property rights or responsibilities |
| Area 1 | F#1736 | Private | | Property rights or responsibilities |
| Area 1 | F#1737 | Private | | Property rights or responsibilities |
| Area 1 | F#2323 | Private | | Property rights or responsibilities |
| Area 1 | F#2641 | Private | | Property rights or responsibilities |
| Area 1 | F#3634 | Private | | Property rights or responsibilities |
| Area 2 | F#178 | Private | | Property rights or responsibilities |
| Area 2 | F#1406 | Private | | Property rights or responsibilities |
| Area 2 | F#1551 | Private | | Property rights or responsibilities |
| Area 2 | F#1999 | Private | | Property rights or responsibilities |
| Area 2 | F#3347 | Private | | Property rights or responsibilities |

Attachment B Interlocal Agreement

(See Exhibit A of Interlocal Agreement *above*)

Attachment C RCW 35A.14.296

RCW 35A.14.296 ATTACHMENT C

Annexation of unincorporated territory pursuant to interlocal agreement.

- (1) A code city as provided in subsection (2) of this section may annex unincorporated territory pursuant to an interlocal agreement. This method of annexation shall be an alternative method and is additional to all other methods provided for in this chapter.
- (2) The county legislative authority of a county and the governing body of a code city may jointly initiate an annexation process for unincorporated territory by adopting an interlocal agreement as provided in chapter 39.34 RCW and under this section between the county and code city within the county. If a code city is proposing to annex territory where the sole access or majority of egress and ingress for the territory proposed for annexation is served by the transportation network of an adjacent city, or that will include areas in a fire protection district under Title 52 RCW, regional fire protection service authority under chapter 52.26 RCW, water-sewer district under Title 57 RCW, or transportation benefit district under chapter 36.73 RCW, the code city must provide written notice to the governing authority of such adjacent city, regional fire protection service authority, fire protection district, water-sewer district, or transportation benefit district. Such adjacent city or notified district shall have thirty calendar days from the date of the notice to provide written notice of its interest in being a party to the interlocal agreement. If timely notice is provided, such city or district shall be included as a party to the interlocal agreement. If the adjacent city or district does not approve the interlocal agreement, the annexation may not proceed under this section. For purposes of this subsection, "adjacent" means that the territory proposed for annexation is contiguous with the existing city limits of the nonannexing city. 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 for by the zoning designation for that parcel prior to annexation.
- (3) The county and code 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. An interlocal agreement may include phased annexation of territory, and may be amended following the same process as initial approval, including adding additional territory. A public hearing shall be held by each legislative body, separately or jointly, before the agreement is executed. Each legislative body holding a public hearing shall:
- (a) 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 city and one or more newspapers of general circulation within the territory proposed for annexation; and
- (b) If the legislative body has the ability to do so, post the notice of availability of the agreement on its web site for the same four weeks that the notice is published in the newspapers under (a) of this subsection. The notice shall describe where the public may review the agreement and the territory to be annexed.
- (4) On the date set for hearing, the public shall be afforded an opportunity to be heard. Following the hearing, if the legislative body determines to effect the annexation, they shall do so by ordinance. If the annexation agreement includes phased annexation of territory, the legislative body shall adopt a separate ordinance at the time of each phase of annexation. Upon the date fixed in the ordinance of annexation the area annexed shall become part of the city. If the annexation ordinance provides for assumption of indebtedness or adoption of a proposed zoning regulation, the notice shall include a statement of such requirements. Upon passage of the annexation ordinance a certified copy shall be filed with the board of county commissioners of the county in which the annexed property is located.

[2020 c 142 § 2.]

NOTES:

Finding—2020 c 142: "The legislature finds that city annexations of unincorporated areas within urban growth areas will be more efficient and effective if the county and city develop a jointly approved interlocal agreement so as not to create illogical boundaries or islands of unincorporated territory." [**2020 c 142 § 1**.]

Attachment D Snohomish County – City of Lake Stevens Master Interlocal Annexation Agreement

After Recording Return to

Barbara Sikorski, Asst Clerk Snobomish County Council 3000 Rockefeller, M/S 609 Everett; WA 98201



11-10-2005 12:47pm \$0.00 SNOHOMISH COUNTY. WASHINGTON

Agencies Tax Account No Legal Description Snohomish County and City of Lake Stevens

N/A N/A

Reference No of Documents Affected Interlocal Recorded at AF#

Filed with the Auditor pursuant to RCW 39 34 040

Documents Title

INTERLOCAL AGREEMENT BETWEEN
THE CITY OF LAKE STEVENS AND SNOHOMISH COUNTY
CONCERNING ANNEXATION AND URBAN DEVELOPMENT WITHIN
THE LAKE STEVENS URBAN GROWTH AREA

GENERAL RECITALS

1. PARTIES

This Interlocal Agreement (hereinafter "AGREEMENT" or "ILA") is made by and between the City of LAKE STEVENS (hereinafter referred to as the "CITY") and Snohomish County (hereinafter referred to as the "COUNTY"), political subdivisions of the State of Washington, pursuant to the Growth Management Act, codified at chapter 36 70A RCW, the Governmental Services Act, codified at chapter 36 115 RCW, Chapter 43 21C RCW (SEPA), Chapter 36 70B RCW (Local Project Review), Chapter 58 17 RCW (Subdivisions), Chapter 82 02 RCW (Excise Taxes), and the Interlocal Cooperation Act, codified at chapter 39 34 RCW

2. PURPOSE AND RECITALS

The purpose of this AGREEMENT is to facilitate an orderly transition of services and responsibility for capital projects from the COUNTY to the CITY at the time of annexation of unincorporated areas of the County to the City. This AGREEMENT between the CITY and the COUNTY also addresses joint transportation system planning and the policies and procedures for developing a separate agreement for reciprocal review and mitigation of interjurisdictional transportation system impacts of land development.

- 2 1 This AGREEMENT applies to all annexations that are approved after the effective date of this AGREEMENT
- 2 2 The City of Lake Stevens's Growth Management Act (GMA) Comprehensive Plan, as now existing or hereafter amended, identifies the Lake Stevens Urban Growth Area (UGA), within which potential future annexations may occur (Exhibit A)
- 2 3 The CITY and COUNTY recognize that this framework AGREEMENT includes general statements of principle and policy, and that addenda to existing interlocal agreements or government service agreements or additional agreements on specific topical subjects relating



to annexation and service transition may be developed subsequently. Separate interlocal or government service agreements on specific annexation issues will supersede the specific language in this AGREEMENT only for that specific issue. Potential topics for additional agreements include roads and traffic impact mitigation, surface water management, parks, recreation and open space, police services, and fire marshal services.

- 2.4 The CITY and COUNTY wish to establish a generalized, framework interlocal agreement to implement urban development standards within the Lake Stevens UGA prior to annexation, for the planning and funding of capital facilities in the unincorporated portion of the uncontested UGA, and to enable consistent responses to future annexations
- 2 5 The CITY and COUNTY share a commitment to ensure that infrastructure which is within the funding capacities of the CITY and COUNTY will be in place within the UGA to serve development as it is ready for occupancy and use without decreasing service levels below locally established minimum standards
- 2 6 The CITY and COUNTY believe it is in the best interest of the citizens of both jurisdictions to enable reciprocal imposition of impact mitigation requirements and regulatory conditions that effect improvements in the respective jurisdictions
- 2 7 The CITY and COUNTY recognize the need for joint planning to establish local and regional facilities the jurisdictions have planned or anticipate for the area, to identify ways to jointly provide these services, and to identify transition of ownership and maintenance responsibilities as annexations occur. This may result in mutual ongoing planning efforts, joint capital improvement plans, and reciprocal impact mitigation. Joint planning issues could include planning, design, funding ROW acquisition, construction, and engineering for road projects, regional transportation plans, infrastructure coordination, watershed management planning, capital construction and related services, parks, recreation, and open space.
- 2.8 Within their own jurisdictions, the COUNTY and the CITY each have responsibility and authority derived from the Washington State Constitution; State laws, and any local charter to plan for and regulate uses of land and resultant environmental impacts, and by law must consider the impacts of governmental actions on adjacent jurisdictions
- 2 9 The CITY and the COUNTY recognize that land use decisions and transportation planning can have extra-jurisdictional impacts and that intergovernmental cooperation is an effective manner to deal with impacts and opportunities that transcend local jurisdictional boundaries

3. GMA AND LAND USE

<u>Purpose</u> To ensure land use requirements under GMA and the COUNTY's land use codes are met

- 3.1 <u>Support of Annexation</u> If the COUNTY legislative authority finds that a proposed annexation is consistent with this AGREEMENT and applicable annexation provisions of state law, and that preparation of an addendum pursuant to Section 13 of this Agreement is completed or not necessary, the COUNTY will not oppose the annexation and will send a letter to the Boundary Review Board in support of the annexation during the term of this AGREEMENT
- 3 2 <u>Adoption of County Code</u> The CITY agrees to adopt the COUNTY codes listed in Exhibit B by reference for the purpose of allowing the COUNTY to process and complete permits and fire inspections in annexed areas. Adoption of the COUNTY's codes in no way affects projects applied for under the CITY's jurisdiction. The COUNTY shall be responsible for providing copies of all the codes listed in Exhibit B in addition to all the updates thereto to the Lake Stevens City Clerk, so that the City Clerk may maintain compliance with RCW 35A 12 140
- 3 3 <u>Urban density requirements</u> Except as may be otherwise allowed by law, the CITY agrees to adopt and maintain land use designations and zones for the annexation areas that will accommodate within its jurisdiction the population and employment allocation assigned by Snohomish County under GMA for the subject area Provided, however, this shall not be deemed as a waiver of the City's right to appeal the assignment of population and employment allocation by any means provided by law
- 3 4 Imposition of City Standards The COUNTY agrees to encourage development applicants within the Lake Stevens UGA to design projects consistent with the CITY's urban design and development standards. The CITY agrees to make written recommendations, when appropriate, to the COUNTY on how proposed new land use permit applications could be changed to make them consistent with CITY standards. When approval of the development is contingent upon extension of water and/or sewer service provided by the CITY, the COUNTY agrees to impose only those conditions voluntarily negotiated between the developer and the CITY, and/or the developer and the Lake Stevens Sewer District, as a condition of a water and/or sewer contract between the property owner or developer and the CITY, provided that the conditions meet minimum COUNTY DEVELOPMENT standards and mitigation conditions. The CITY agrees that the COUNTY can only impose standards and conditions in addition to those that the COUNTY would impose under COUNTY codes, if the applicant agrees in writing
- 3 5 Zoning and Land Use Designation Consistency The COUNTY agrees to coordinate with the CITY on any proposals to amend the City's or the County's GMA Comprehensive Plans and any rezone proposals within the CITY's unincorporated urban growth area in order to determine consistency within the Lake Stevens Subarea Plan

4. TRANSFER OF PERMITS IN PROCESS BY THE COUNTY

<u>Purpose</u> To guarantee continuity for permit applicants by the COUNTY and CITY working together to set a process for transfer of permits at an appropriate stage of a permit review process and/or when the CITY is able to handle the additional workload

- 4 1 <u>Land use permit application consultation</u> After the effective date of this AGREEMENT, the COUNTY agrees to give the CITY timely written notice and review opportunity related to all land use permit applications inside the Lake Stevens UGA, as defined in Section 4.5.1 below, as soon as the COUNTY is aware of such applications. The COUNTY will invite the staff representatives from the CITY to attend staff meetings with the applicant relating to the permit, including pre-application meetings.
- 4 2 <u>Review of county land use permit applications</u> All land use applications submitted to the COUNTY within the Lake Stevens UGA that are subject to SEPA will be reviewed under the terms of Sections 3 and 8 of this Interlocal Agreement, the provisions of SEPA, and any other interlocal agreements relating to interjurisdictional coordination
- 4 3 <u>County will process permits</u>. The COUNTY agrees to continue processing both building and land use permit applications in the annexed area for which complete applications were filed before the effective date of the annexation, as provided below

4 4 Building permits

- 4 4.1 <u>Definitions</u> For the purposes of this AGREEMENT, the following definitions apply "building permits" is defined as printed permission issued by the authorizing jurisdiction that allows for the construction of a structure, and includes repair, alteration, or addition of or to a structure "Associated permits" means mechanical, electrical, plumbing and sign permits for the building being permitted "Completion" means final administrative or quasi-judicial approvals; including final inspection and issuance of an occupancy permit
- 4 4 2 <u>Completion of building permits</u> In areas that have been annexed, the COUNTY agrees, at no cost to the City, to complete processing of building permit applications that were deemed complete prior to the effective date of the annexation, subject to the limitations in Sections 4 4 4 and 4 4 5 of this AGREEMENT. In addition, the COUNTY agrees to accept, process, and conduct inspections through completion for any associated permits for which it receives an application and accompanying fees before the effective date of the annexation. Where legislative approval by the Lake Stevens City Council is required, the COUNTY will provide appropriate staff for the City Council is deemed necessary by the CITY. Permit renewals shall be governed by Section 4 6.
- 4 4 3 <u>Appeals of building permits</u> The COUNTY agrees to be responsible for defending, at no cost to the CITY, any administrative, quasi-judicial or judicial appeals of building permits issued by the COUNTY in the annexed area

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- 4.4.4 Post Annexation County Permits Building permits may be issued up to four months following annexation in areas that have been annexed. The COUNTY agrees to continue processing building permit applications pursuant to Section 4.4.2 of this AGREEMENT for up to four months following the effective date of the annexation. On or about the effective date of the annexation, the COUNTY and CITY will determine, in consultation with the applicant(s), whether any pending building permit applications will be transferred to the CITY for completion
- 4 4 5 <u>Transfer by request of permit applicant</u> The CITY may at any time request the COUNTY to transfer pending building permit applications upon receipt of a written request by the permit applicant. The COUNTY will contact applicants for pending permit applications to provide advance notification of the transfer date. The CITY will honor any intermediate approvals (such as building plan check approval) that are effective prior to transfer of the permit application. Following consultation with the COUNTY, CITY staff must approve extension of intermediate approvals following the annexation.
- 4 4 6 <u>Transfer of permit fees</u> The CITY and COUNTY agree to proportionately share the permit application fees for any transferred cases. The COUNTY agrees to transfer a proportionate share of the application fee collected to the CITY, commensurate with the amount of work left to be completed on the permit. The proportionate share will be based on the COUNTY's permitting fee schedule.

4 5 Land use permits

- Definitions For the purposes of this AGREEMENT, the following definitions apply "land use permits" is defined as non-single family building permits for structures greater than 4,000 square feet in size, subdivisions, planned residential developments, short subdivisions, conditional uses, special uses, rezones, shoreline substantial development permits, and variances "Review stage" is defined for subdivisions and short subdivisions to include the following elements which will individually be regarded as a distinct "stage" preliminary plat approval, plat construction plan approval, inspection or final plat processing "Review stage" for all other land use permits includes preliminary approval, construction plan approval, construction inspections or final sign-off, but does not include related building permit applications unless applied for in the COUNTY prior to the effective date of the annexation
- 452 Land use dedications, deeds or conveyances Final plats or other dedications of public property will be transmitted to the CITY for City Council acceptance of dedication of right-of way or public easements, if dedication occurs after the effective date of annexation Dedications, deeds or conveyances will be in the name of the CITY after the effective date of the annexation and will be forwarded to the City Council for acceptance by the CITY even if the COUNTY is continuing to process the permit

- Appeals of land use permits The COUNTY agrees to be responsible for defending, at no cost to the CITY, any administrative, quasi-judicial or judicial appeals of land use permits issued by the COUNTY in the annexed area
- 4.6 <u>Permit renewal or extension</u> After the effective date of annexation, any request to renew a building permit or to renew or extend a land use permit issued by the COUNTY in the annexation area is to be made to and administered by the CITY
- 4 7 <u>Transfer of permit fees</u> The CITY and COUNTY agree to proportionately share the permit application fees for any transferred permit applications. The COUNTY agrees to transfer a proportionate share of the application fee collected to the CITY, commensurate with the amount of work left to be completed on the permit. The proportionate share will be based on the COUNTY's permitting fee schedule.
- 4 8 <u>Land use code enforcement cases</u> Any land use code enforcement cases in the annexation area pending in the COUNTY will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY and at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY if necessary to prosecute transferred cases. Upon request, the COUNTY agrees to provide the CITY with copies of any non-privileged files and records related to any transferred case.
- 4 9 <u>Enforcement of County conditions</u>. Following the effective date of the annexation, the CITY agrees to enforce any conditions imposed by the COUNTY relating to the issuance of a building or land use permit in an area which has been annexed, to the same extent it enforces its own conditions. The COUNTY agrees to make its employees available, at no cost to the CITY, to provide assistance in enforcement of conditions on permits originally processed by COUNTY personnel.
- 4 10 <u>Transference of bonds</u> For permits transferred to the City, any performance, maintenance, or other bonds held by the COUNTY to guarantee performance, maintenance or completion of work associated with the issuance of those permits will be transferred to the CITY along with responsibility for enforcement of conditions tied to said bonds

5. RECORDS TRANSFER

<u>Purpose</u> For the CITY and COUNTY to mutually determine the appropriate timing for the transfer of permit records Transfer of COUNTY records will be subject to an interlocal agreement between the CITY and the COUNTY, to be entitled "Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Transfer, Custody, and Retention of and Access to Public Records Following Annexation"

COUNTY CAPITAL FACILITIES REIMBURSEMENT

<u>Purpose</u> To identify recent capital projects that have occurred within the CITY's UGA for which the COUNTY and CITY need to discuss if reimbursement for a portion of the expenditures is necessary and the best course of action for reimbursement.

- 6 1 Reimbursement for capital facilities investment. The CITY recognizes that the COUNTY may request reimbursement for the depreciated value of certain capital facilities expenditures made in the five-year period preceding the effective date of an annexation based on a negotiated repayment schedule. At the effective date of this AGREEMENT, the CITY and the COUNTY tinderstand that there are no capital facilities that the COUNTY would seek reimbursement for, although projects may be added in the future by mutual agreement. However, the CITY and COUNTY agree to use their best efforts to pursue cost sharing where feasible, when planning for new local and regional capital construction projects. Nothing in this paragraph shall be construed as imposing a duty to share costs or reimburse capital expenditures.
- 6 2 Consultation on capital expenditures for active and future projects. The COUNTY will consult with the CITY in planning for new local and regional capital construction projects within the Lake Stevens UGA, but the CITY has not determined at this time that the COUNTY is legally entitled to any such reimbursement. The COUNTY and CITY agree to begin consultation regarding existing active COUNTY projects within sixty (60) days of approval of this AGREEMENT. At the time of this consultation, or at the project planning stage, the parties will discuss the need for shared responsibilities in implementing capital projects, including the potential for indebtedness by bonding or loans. The CITY and COUNTY will pursue cooperative financing for capital facilities where appropriate Interlocal agreements addressing shared responsibilities for capital projects within the UGA will be negotiated, where appropriate
- 6 3 <u>Continued planning, design, funding, construction, and services for active and future capital projects</u> Separate interlocal agreement(s) for specific projects will be used to address shared responsibilities for local capital projects and local share of regional capital facilities within the Lake Stevens UGA and continued COUNTY services relating to the planning, design, funding, property acquisition, construction, and engineering for local capital projects within an annexation area. An annexation addendum under Section 13 of this AGREEMENT will document appropriate interlocal agreements relating to planning, design, funding, property acquisition, construction, and other architectural or engineering services for active and future capital projects within an annexation area
- 6 4 <u>Capital facilities finance agreements</u> The CITY and COUNTY will discuss project-specific interlocal agreements for major new local capital facility projects and local share of regional capital facilities within the Lake Stevens UGA. Depending on which jurisdiction has collected revenues, these agreements may include transfers of future revenues from the CITY to the COUNTY, or from the COUNTY to the CITY, proportionate share

reimbursements from the CITY to the COUNTY, or from the COUNTY to the CITY, and/or CITY assumption of COUNTY debt service responsibility (or COUNTY assumption of CITY debt service responsibility) for loans or other financing mechanisms for new local capital projects and existing local capital projects with outstanding public indebtedness within the annexation area at the time of annexation. Both parties agree in principle that there should not be any reimbursement for projects that have already been paid for by the citizens of the annexing area (e.g., through special taxes or assessments, traffic mitigation, or other attributable funding sources)

6 5 Continuation of latecomers cost recovery programs and other capital facility financing mechanisms. After annexation, the CITY agrees to continue administering any non-protest agreements, latecomers assessment reimbursement programs established pursuant to Chapter 35 72 RCW, or other types of agreements or programs relating to future participation or cost-share reimbursement, in accordance with the terms of any agreement recorded with the Snohomish County Auditor relating to property within the Lake Stevens UGA. In addition to the recorded documents, the COUNTY will provide available files, maps, and other relevant information necessary to effectively administer these agreements or programs. If a fee is collected for administration of any of the programs or agreements contained in this Section, the COUNTY agrees to transfer a proportionate share of the administration fee collected to the CITY, commensurate with the amount of work left to be completed on the agreement. The proportionate share will be based on the COUNTY's fee schedule

7. ESSENTIAL PUBLIC FACILITIES

Purpose To ensure adoption of a common siting process for essential public facilities

Essential Public Facilities Siting Process If the CITY has not already signed the Interlocal Agreement to Implement Common Siting Process for Essential Public Facilities, the COUNTY and CITY agree to review any proposed annexation and consider whether that interlocal should be adopted or some provisions for implementation of siting of essential public facilities included in an annexation addendum under Section 13 of this AGREEMENT

8. ROADS AND TRANSPORTATION

<u>Purpose</u> To ensure an orderly transfer of ownership and maintenance of existing road and transportation facilities and the future planning, construction and maintenance of transportation facilities including circulation plans, arterial network plans and transit-oriented development

8 1 Annexation of road right-of-ways Except for noncontiguous municipal purpose annexations under RCW 35 13 180 or 35A.14 300, the CITY agrees to propose annexation of the entire right-of way of COUNTY roads adjacent to an annexation boundary. The CITY agrees to assume full legal control and maintenance responsibility for roads and associated drainage facilities within the annexed area upon the effective date of annexation, unless otherwise mutually agreed in writing

- 8.2 Road maintenance responsibility Where possible, the CITY agrees to annex continuous segments of road to facilitate economical division of maintenance responsibility and avoid discontinuous patterns of alternating city and county road/street ownership. Where annexation of segments of road are unavoidable, the CITY and COUNTY agree to consider a governmental services agreement providing for maintenance of the entire road/street segment by the jurisdiction best able to provide maintenance services on an efficient and economical basis.
- 8 3 <u>Taxes, fees, rates, charges, and other monetary adjustments</u> In reviewing annexation proposals, the CITY and COUNTY must consider the effect on the finances, debt structure, and contractual obligations and rights of all affected governmental units. Tax and revenue transfers are generally provided for by state statute.
- 8 4 Traffic Mitigation and Capital Facilities.
- Reciprocal impact mitigation. The CITY and COUNTY agree to mutually enforce each other's traffic mitigation ordinances and policies to address multi-jurisdictional impacts under the terms and conditions as provided for in the reciprocal mitigation to be subsequently adopted pursuant to Section 2 of this Agreement and documented in the annexation addenda required by Section 13 of this Agreement. In addition to reciprocal impact mitigation, the subagreement may address implementation of common UGA development standards (including access and circulation requirements), level of service standards, concurrency management systems, and other transportation planning issues
- Transfer of concurrency and road impact mitigation fees payments. The COUNTY collects impact fees payments as a condition of land development permits pursuant to Chapter 30 66B of the Snohomish County Code (SCC) for roads in the impact fee cost basis. Where the annexation area includes system improvement(s) for which impact fees have been collected and which remain programmed for improvement(s), the COUNTY and CITY will negotiate fee transfers of all or a portion of these payments to the CITY for the improvements based upon such factors as the legal requirements for expending the payments, the ability of the CITY to expend any transferred payments on the annexed system improvements, and whether or not developments that made such payments are located in the annexed area. Any issues relating to unbudgeted improvements for the annexation area will be resolved prior to the transfer of any funds for roads. Impact mitigation funds for roads will be transferred to the CITY upon resolution of the maintenance and ownership responsibilities.....

8 5 Joint transportation planning

8 5 1 Arterial network plan The CITY and COUNTY agree to cooperate on the development and maintenance of a regional arterial network plan through the

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Snohomish County Arterial Network (SnoCAN) project or other efforts to coordinate regional arterial planning and transportation circulation

- 8 5 2 <u>Transit-oriented development implementation</u> The CITY and COUNTY agree to cooperate on the development of transit-oriented development (TOD) regulations and transit supportive policies to implement the, COUNTY and CITY comprehensive planning policies
- 8 6 <u>Maintenance services</u> The CITY and COUNTY agree to evaluate whether an interlocal agreement addressing maintenance of streets, traffic signals, or other transportation facilities will be appropriate. Any COUNTY maintenance within an annexation area after the effective date of the annexation will be by separate service agreement negotiated between the CITY and COUNTY.

9. SURFACE WATER MANAGEMENT

<u>Purpose</u> To ensure a smooth transfer of ownership and maintenance of existing surface water facilities and to cooperate on future planning, construction and maintenance of surface water facilities

- 9 1 <u>Legal control and maintenance responsibilities</u> If the annexed area includes surface water drainage improvements or facilities the COUNTY currently owns or maintains, the CITY and COUNTY agree to negotiate the disposition of legal control and maintenance responsibilities by the end of the year in which the annexation becomes effective. The COUNTY agrees to provide a list of regional facilities prior to the start of negotiations. Residential detention facilities over which the COUNTY holds maintenance easements will transfer to the CITY. If the COUNTY's current Annual Construction Program or Surface Water Management. Division budget includes major surface water projects in the area to be annexed, the CITY and COUNTY will determine how funding, construction, programmatic and/or subsequent operational responsibilities will be assigned for these improvements.
- 9 2 <u>Taxes, fees, rates, charges and other monetary adjustments</u>. The CITY recognizes that fees are collected by the COUNTY for unincorporated areas within designated Watershed Management Areas and/or the Clean Water District. Watershed management fees are collected at the beginning of each year through real property tax statements. Upon the effective date of the annexation, the CITY hereby agrees that the COUNTY will continue to collect and, pursuant to Chapter 25 20 SCC and to the extent permitted by law, to apply the fees collected during the calendar year in which the annexation occurs to the provision of watershed management services designated in that year's budget. These services will be provided through the year in which the annexation becomes effective and will be of the same general level and quality as those provided to other fee payers in the COUNTY.
- 9 3 <u>Government service agreements</u> The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction



infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services

10. PARK, OPEN SPACE AND RECREATIONAL FACILITIES

<u>Purpose</u> To ensure an orderly transfer of ownership and maintenance of existing park, open space and recreational facilities in accordance with parks and recreation policies and future planning, construction and maintenance of park facilities

- 10 1 <u>Local or community parks</u>. If an annexed area includes parks, open space or recreational facilities that are listed as a local or community park, the CITY agrees to assume maintenance, operation and ownership responsibilities for the facility upon the effective date of the annexation. The only exception is if prior to the annexation, the COUNTY declares its intention to retain ownership of the park
- 10 2 <u>Criteria for County to retain ownership</u> The COUNTY, in consultation with the CITY, will make the decision on whether to retain ownership based on the following criteria and consistent with the Snohomish County Comprehensive Parks and Recreation Plan
 - The park has a special historic, environmental or cultural value to the citizens of Snohomish County, as determined by the Snohomish County Department of Parks and Recreation.
 - There are efficiencies with the COUNTY's operation and/or maintenance of the park property,
 - The COUNTY has made a substantial capital investment in the park property, including the purchase of the property, the development of the park, and/or the construction of facilities.
 - There are specialized stewardship or maintenance issues associated with the park that the COUNTY is best equipped to address.
 - The property generates revenue that is part of the larger COUNTY park operation budget, and/or
 - The facility serves as a regional park or is part of the COUNTY'S trail system and would be better included in the COUNTY's regional network
- Joint planning for parks, recreation and open space. The CITY and COUNTY may, upon the effective date of this Agreement, establish an interlocal agreement for parks, open space and recreational facilities. In the event such an interlocal agreement is established, it shall be based upon the CITY and COUNTY's efforts to provide parks, recreational and open space within the UGA and surrounding area. This agreement shall establish the nature and type of facilities the jurisdictions have planned or anticipate for the area, identify ways to jointly provide these services and identify transition of ownership and maintenance responsibilities as annexations occur. This effort will result in a mutual ongoing planning effort, joint capital improvement plans and reciprocal impact mitigation.

11. POLICE SERVICES

<u>Purpose</u> To ensure a smooth transition of police services from the COUNTY to the CITY upon annexation. As necessary, the CITY and COUNTY agree to discuss the needs for contracting or transfer of police services within an annexed area and the unincorporated UGA Agreements between the CITY and COUNTY will be made consistent with RCW 41 14 250 through 41-14 280 and RCW 35 13 360 through 35 13 400. The County Sheriff's Department, upon request by the CITY, will provide detailed service and cost information for the area to be annexed.

12. FIRE MARSHAD SERVICES

<u>Purpose</u> To ensure a smooth transition of fire marshal services from the COUNTY to the CITY upon annexation

- 12 1 <u>COUNTY to complete certain annual fire inspections</u> The COUNTY agrees to process and complete fire inspections in an annexed area that were scheduled before the effective date of annexation and occur within four months following the effective date of the annexation
- 12.2 <u>COUNTY to complete certain fire code enforcement cases</u> The COUNTY will complete any pending fire code enforcement cases within the annexation area until final disposition of the case. After final disposition, any further action or enforcement will be at the discretion of the CITY

LEGALLY REQUIRED LANGUAGE

13. ADDENDA AND AMENDMENTS

- 13.1 <u>Addenda related to annexation</u> An addendum to this AGREEMENT may be prepared for each annexation, if necessary, to address parks, transportation, surface water management, capital facilities, or other issues specific to that annexation. The CITY and COUNTY will negotiate the addendum prior to or during the forty-five (45) day review period following the date the Boundary Review Board accepts the CITY's Notice of Intention for the annexation
- 13 2 <u>Amendments</u> The CITY and COUNTY recognize that amendments to this AGREEMENT may be necessary to clarify particular sections or to update and expand the AGREEMENT Either party may pursue an amendment, as necessary
- 13 3 <u>Process for addending or amending this agreement</u> An addendum or amendment must be mutually agreed upon by the parties and executed in writing before becoming effective Any addendum or amendment to the AGREEMENT will be executed in the same manner as provided by law for the execution of the AGREEMENT



13.4 <u>Additional agreements</u> Nothing in this agreement limits parties entering into interlocal agreements on additional issues not covered by, or in lieu of, the terms of this agreement

14. THIRD PARTY BENEFICIARIES

There are no third party beneficiaries to this AGREEMENT, and this AGREEMENT shall not be interpreted to create such rights

15. DISPUTE RESOLUTION

The CITY and COUNTY mutually agree to use a formal dispute resolution process such as mediation, through an agreed upon mediator and process, if agreement cannot be reached regarding interpretation or implementation of any provision of this AGREEMENT. All costs for mediation services would be divided equally between the CITY and COUNTY. Each jurisdiction would be responsible for the costs of their own legal representation. The CITY and COUNTY agree to mediate any disputes regarding the annexation process or responsibilities of the parties prior to any Boundary Review Board hearing on a proposed annexation, if possible. The parties shalf use the mediation process in good faith to attempt to come to agreement early in the annexation process and prior to any hearings that may be required before the Boundary Review Board.

16. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

Unless otherwise specified in this AGREEMENT and attachments, the CITY and COUNTY mutually agree to honor all existing mitigation agreements; interlocal agreements, appropriate interjurisdictional studies and agreed upon standards which affect an annexation area and to which the CITY or COUNTY is a party

17. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This AGREEMENT in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this AGREEMENT, all parties will comply with the requirements of the Open Meetings Act, Public Records Act, Growth Management Act, State Environmental Policy Act, Annexation Statutes, and other applicable state or local laws. The COUNTY and CITY retain the ultimate authority for land use and development decisions within their respective jurisdictions as provided herein. By executing this AGREEMENT, the COUNTY and CITY do not purport to abrogate the decision making responsibility vested in them by law.

18. EFFECTIVE DATE, DURATION AND TERMINATION

18 1 <u>Effective Date</u> This AGREEMENT shall become effective following the approval of the AGREEMENT by the official action of the governing bodies of each of the parties hereto and the signing of the AGREEMENT by the duly authorized representative of each of the parties hereto

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18-2 Termination. Either party may terminate its obligations under this AGREEMENT upon 90 days advance written notice to the other party and subject to the following condition. Following a termination, the COUNTY and CITY are mutually responsible for fulfilling any outstanding obligations under this AGREEMENT incurred prior to the effective date of the amendment of termination.

19. \ INDEMNIFICATION AND LIABILITY

- 19 1 The CITY shall protect, save harmless, indemnify and defend, at its own expense, the COUNTY, its elected and appointed officials, officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the CITY's performance of this AGREEMENT, including claims by the CITY's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the COUNTY, its elected and appointed officials, officers, employees, or agents
- The COUNTY shall protect, save harmless, indemnify, and defend at its own expense, the CITY, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the COUNTY's performance of this AGREEMENT, including claims by the COUNTY's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the COUNTY, its elected and appointed officials, officers, employees, or agents
- 19 3 In the event of liability for damages of any nature whatsoever arising out of the performance of this AGREEMENT by the CITY and the COUNTY, including claims by the CITY's or the COUNTY's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the COUNTY and the CITY, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence
- No liability shall be attached to the CITY or the COUNTY by reason of entering into this AGREEMENT except as expressly provided herein. The CITY shall hold the COUNTY harmless and defend at its expense any legal challenges to the CITY's requested mitigation and/or failure by the CITY to comply with chapter 82 02 RCW. The COUNTY shall hold the CITY harmless and defend at its expense any legal challenges to the COUNTY's requested mitigation and/or failure by the COUNTY to comply with chapter 82 02 RCW.

20. SEVERABILITY

If any provision of this agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and/or the application of the provisions to other persons or circumstances shall not be affected

21. EXERCISE OF RIGHTS OR REMEDIES

Failure of either party to exercise any rights or remedies under this AGREEMENT shall not be a waiver of any obligation by either party and shall not prevent either party from pursuing that right at any future time

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22. RECORDS

Both parties shall maintain adequate records to document obligations performed under this AGREEMENT Both parties shall have the right to review the other party's records with regard to the subject matter of this AGREEMENT, upon reasonable notice Such rights last for six (6) years from the date of permit issuance for each specific development subject to this AGREEMENT

23. ENTIRE AGREEMENT

This AGREEMENT constitutes the entire AGREEMENT between the parties with respect to the framework issues for annexations. It is anticipated that the parties will enter into further interlocal agreements on specific subject areas, as indicated in the text of the AGREEMENT.

24. GOVERNING LAW AND STIPULATION OF VENUE

This AGREEMENT shall be governed by the laws of the State of Washington Any action hereunder must be brought in the Superior Court of Washington for Snohomish County

25. CONTINGENCY

The obligations of the CITY and COUNTY in this AGREEMENT are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this contract, the CITY or COUNTY may terminate the contract under Part 18 of this AGREEMENT, subject to renegotiation under those new funding limitations and conditions.

26. CONTACTS FOR AGREEMENT

The contact persons for this AGREEMENT are

Carl Nelson, Annexation Coordinator Steve Roberge, Senior Planner City of Lake Stevens City Hall 1812 Main St Lake Stevens, WA 98258 (425) 334-1012

Department of Planning and Development Services 3000 Rockefeller Avenue Everett, WA 98201 (425) 388-3311

Snohomish County:

Richard Craig, Senior Planner

IN WITNESS WHEREOF, the parties have signed this AGREEMENT, effective on the date indicated below

CITY OF Lake Stevens SNOHOMISH COUNTY By Aaron G Reardon, County Executive ATTEST ATTEST Norma Scott City Clerk ASSA. Clerk of the County Council Approved as to form. Approved as to form Snohomish County Prosecuting Attorney Office of the City Attorney Deputy Prosecuting Attorney for Attorney for the City of Lake Stevens Snohomish County

EXHIBIT A

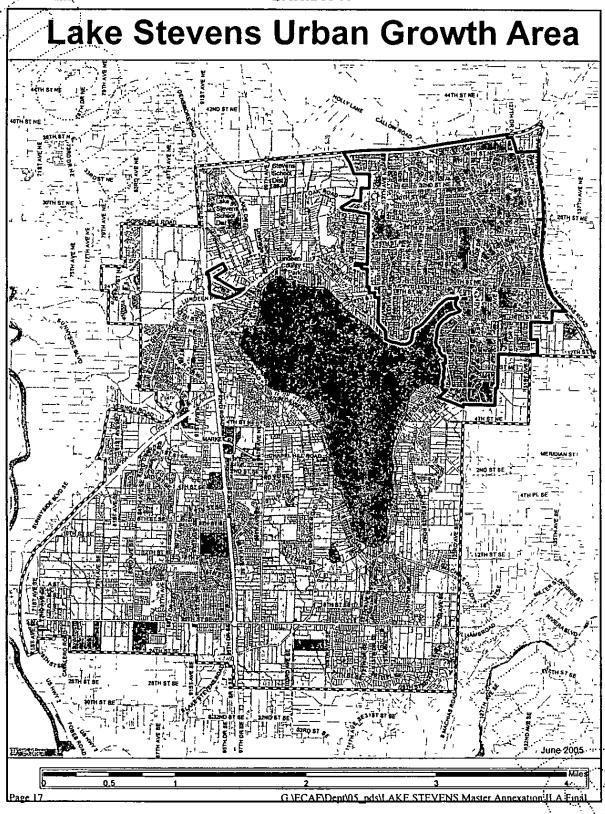


EXHIBIT B -COUNTY LEGISLATIVE MEASURES AND CONTRACTUAL AGREEMENTS

Snohomish County Land Use and Development Codes that need to be adopted by the City All codes are "as amended."

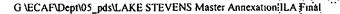
- A. SCC Title 13, entitled ROADS AND BRIDGES, Chapters 13 01, 13 02, 13 05, and 13 10 through 13 70, 13 95, 13 110 and 13 130
- B SCC Chapter 30 53A; entitled UNIFORM FIRE CODE,
- C SCC Chapter 30 52A, entitled UNIFORM BUILDING CODE,
- D SCC SUBTITLE 30 2, entitled ZONING AND DEVELOPMENT STANDARDS
- E SCC Chapter 30 41A; entitled SUBDIVISIONS
- F SCC Chapter 30 41D, entitled BINDING SITE PLANS
- G SCC Chapter 30 41B, entitled SHORT SUBDIVISIONS
- H SCC Chapter 30 44, entitled SHORELINE MANAGEMENT
- I SCC SUBTITLE 30 6, entitled ENVIRONMENTAL STANDARDS AND MITIGATION
- J SCC Title 25, entitled STORM AND SURFACE WATER MANAGEMENT
- K SCC Chapter 30 66A, entitled PARK AND RECREATION FACILITY IMPACT MITIGATION
- L SCC Chapter 30 66B, entitled CONCURRENCY AND ROAD IMPACTMITIGATION
- M SCC Chapter 30 66C, entitled SCHOOL IMPACT MITIGATION
- N Ordinance 93-036, entitled SHORELINE MASTER PROGRAM
- SCC Chapter 30 42B, entitled PLANNED RESIDENTIAL DEVELOPMENTS

All applicable state building and construction codes as adopted and amended by Snohomish County, including, but not limited to

- a) 1997 Uniform Building Code
- b) 1997 Uniform Plumbing Code
- c) 1997 Uniform Mechanical Code
- d) Washington State Energy Code adopted April 1, 1990

Other Contractual Agreements

Interlocal Agreement between Snohomish County and the Washington State Department of Transportation Relating to Policies and Procedures for Interjurisdictional Review of Land Development Impacts Related to Transportation, and for Reciprocal Impact Mitigation for Interjurisdictional Transportation System Impacts, July, 1997, as amended



Attachment E City Council Resolution No. 2016-21

RESOLUTION NO. 2016-21

A RESOLUTION OF THE CITY OF LAKE STEVENS, WASHINGTON, ADOPTING AN ANNEXATION PLAN AND RECOMMENDING ZONING FOR FUTURE ANNEXATION AREAS

WHEREAS, the Lake Stevens City Council (Council) adopted Ordinance No. 937 establishing the 2015 – 2035 Comprehensive Plan that sets planning goals, policies and implementation strategies for the Lake Stevens Urban Growth Area (UGA) pursuant to Chapter 36.70A RCW; and

WHEREAS, the City of Lake Stevens (City) and Snohomish County entered into an updated Interlocal Agreement related to Annexation and Urban Development in the Lake Stevens UGA recorded under Auditors File No. 200511100706 on November 10, 2005; and

WHEREAS, the Council has recently reviewed the City's annexation strategy to determine whether it is consistent with current practices, policies and procedures; and

WHEREAS, the City is preparing an Annexation Plan that provides an annexation strategy for the orderly transfer and transition of unincorporated territories within the Lake Stevens UGA into city limits; and

WHEREAS, the Council deems it necessary, appropriate and in the public interest to identify preferred Land Use and Zoning designations for the future annexation areas for consistency with the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED:

That the City Council of the City of Lake Stevens, Washington, does hereby accept and adopt the Annexation Plan set forth herein.

<u>Section 1.</u> Following Land Use Goal 2.9 of the Lake Stevens Comprehensive Plan, the City will support and promote the timely annexations of unincorporated areas within the City's UGA into the City in a manner that is fiscally responsible to ensure the City is able to provide a high level of urban service.

<u>Section 2.</u> Prior to initiating or accepting an annexation of unincorporated areas, within the Lake Stevens UGA, the City will consider the recommended sequence, proposed annexation methods and preferred land use / zoning designations as identified and attached to this resolution.

- 1. The attached Future Annexation Areas Maps (Exhibit A1 and A2) depict the Future Annexation Areas.
- 2. The attached recommended Annexation Sequence Table (Exhibit B) identifies a timeline for annexing Future Annexation Areas (FAA's) within the Lake Stevens UGA, preferred land use /zoning designations and proposed annexation methods authorized pursuant to Chapter 35A.14 RCW.
- 3. The City will consider citizen-initiated petition method annexations, on a case-by-case basis, when such annexations are supported by the technical review of factors considered in annexation proposals identified in this resolution and the Comprehensive Plan.

Section 3. Prior to initiating or accepting an annexation, the City will analyze Boundary Review

Board objectives, as specified in RCW 36.93.170 and 36.93.180.

- 1. In considering all annexations, the City will evaluate the factors outlined in RCW 36.93.180:
 - a. 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;
 - b. 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; and
 - c. 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.
- 2. In considering all annexations, the City will evaluate preservation of existing neighborhoods, consider natural physical boundaries e.g., bodies of water, highways and land contours; preserving logical service areas; preventing abnormal or irregular boundaries; and adjusting of impractical boundaries outlined in RCW 36.93.180.
- 3. The City will support and promote the annexation and logical extension of urban services (e.g., sewer, water, stormwater, etc.) following annexation within the UGA to implement the City's adopted comprehensive land use plan. Implementation measures will include adherence to the City's land use designations, development standards, utility codes, and neighborhood annexation and development strategies contained within the comprehensive plan.

<u>Section 4.</u> The provisions of this resolution are guidelines, which are intended to maximize coordination with Snohomish County that the City Council may (but is not compelled to) consider when reviewing an annexation proposal. This Resolution does not serve to rezone any property and is intended solely for the purpose of identifying zoning preferences in advance of future annexations. Nothing in this resolution shall be construed as limiting the discretion of the City Council or dictating any result in annexation review. Failure of the City Council to consider or implement the terms of this resolution shall not serve as grounds for Snohomish County or any other party to challenge an annexation.

PASSED by the City Council and APPROVED by the Mayor of the City of Lake Stevens, at a regular meeting held this 25th day of October 2016.

CITY OF LAKE STEVENS, WASHINGTON

John Spencer, Mayor

ATTEST:

Barb Stevens, City Clerk

APPROVED AS TO FORM:

Grant Weed, City Attorney

Exhibit A1

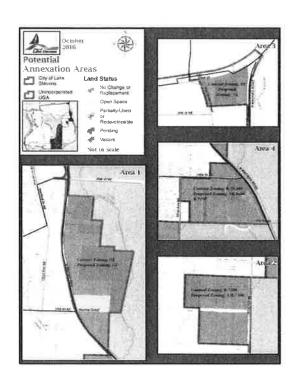


Exhibit A2

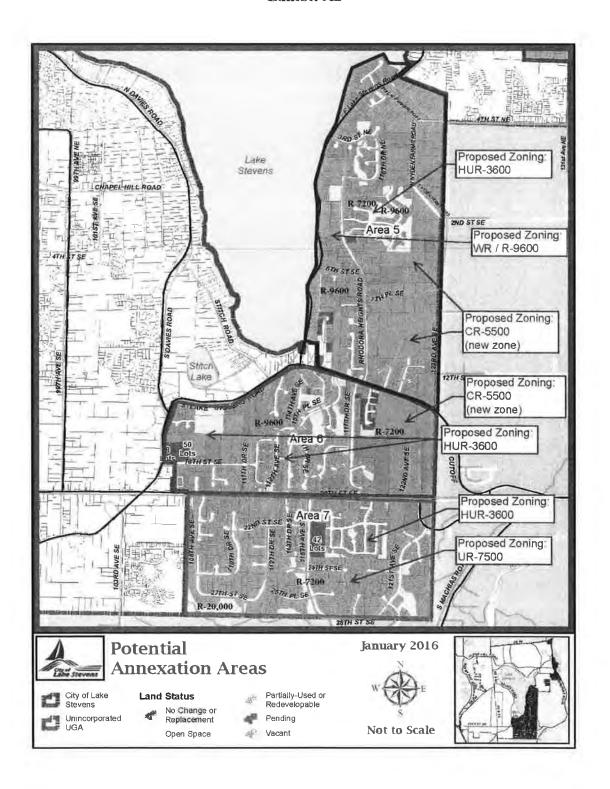


Exhibit B

| Annexation ID | Future Annexation Area | Acres | Potential Annexation Methods | Proposed Zoning | Timing |
|-----------------|------------------------------|----------------|---|---|---------------------------------|
| Northern | | | | | |
| Area 1 | Machias Industrial | App. 60 | Election or Petition | General Industrial | 4 th Quarter 2016 |
| Area 2 | 131st Ave NE | App. 36 | Election or Petition | UR-7500 | 1 st Quarter 2017 |
| Area 3 | Northeastern Industrial | App. 16 | Election or Petition | General Industrial | 2 nd Quarter 2017 |
| Area 4 | Pilchuck / Bonneville | App. 70 | Election or Petition Bonneville Field - Municipal | SR-9600 Public/Semi- Public | 3 rd Quarter 2017 |
| Southern | | | | | |
| Area 5 | East Lake | App. 400 acres | Election or Petition | HUR – 3600 WR / SR 9600 CR – 5500 (Compact Residential new zone) | TBD |
| Area 6 | South Lake Stevens Road | App. 300 acres | Election or Petition | HUR – 3600 SR 9600 CR – 5500 (new zone) | TBD |
| Area 7 | 20 th Street SE | App. 300 acres | Election or Petition | HUR – 3600 SR 9600 UR – 7500 | TBD |
| West (not mappe | ed) | | | | |
| Area 8 | West Lake Stevens | App. 5 acres | Election or Petition | UR – 7500 | TBD |

Attachment F Lake Stevens Comprehensive Plan – Annexation Goal, Objectives, Policies



2.7.2 Ensure that design of highway accessible/visible commercial uses along SR-92, SR-9, and the Hartford/Machias Road is aesthetically pleasing from both the roadway and the local roads.

GOAL 2.8 COORDINATE GROWTH AND DEVELOPMENT WITH ADJACENT JURISDICTIONS TO PROMOTE AND PROTECT INTERJURISDICTIONAL INTERESTS.

Policies

- 2.8.1 Participate in the Snohomish County Tomorrow Planning Advisory Committee (PAC) to improve inter-jurisdictional coordination of land use planning activities in the adopted urban growth area.
- 2.8.2 Coordinate planning efforts among jurisdictions, agencies, and federally recognized Indian tribes, where there are common borders or related regional issues, to facilitate a common vision.
- 2.8.3 Promote cooperation and coordination among transportation providers, local governments and developers to ensure that developments are designed to promote and improve physical, mental and social health, and reduce the impacts of climate change on the natural and built environments.
- GOAL 2.9 PROMOTE ANNEXATIONS OF LANDS INTO THE CITY IN A MANNER THAT IS FISCALLY RESPONSIBLE TO ENSURE THE CITY IS ABLE TO PROVIDE A HIGH LEVEL OF URBAN SERVICES.

Policies

- 2.91 Affiliate all urban unincorporated lands appropriate for annexation with an adjacent city or identify those that may be feasible for incorporation.
- 2.9.2 It is the city's intent to annex the entire Lake Stevens Urban Growth Area over the planning horizon to become one city, considering the following:
 - a. To manage growth in the UGA it is important to note that elected officials who reside within, and represent the Lake Stevens community make the best land use and Comprehensive Plan decisions for the Lake Stevens area.
 - b. To keep locally generated sales tax revenues within the community to meet local needs rather than allowing those revenues to be distributed throughout the entire county.
 - c. To provide an accessible and open forum in which citizens may participate in their own governance.



- d. To create a larger city which can have greater influence on regional and state policy decisions and can be more competitive for grants.
- e. To stabilize the development environment, striving to bring land use predictability to residents and property owners.
- d. To ensure that urban infrastructure is provided at the time development occurs to minimize the need to retrofit substandard improvements in the future.
- 2.9.3 To the degree reasonably possible, annexations should serve to regularize city boundaries, and not divide lots. The intent is to ensure practical boundaries in which services can be provided in a logical, effective and efficient manner.
- 2.9.4 Prior to any annexation, the city should consider the effects on special purpose districts and County services within the Urban Growth Area, considering the following:
 - a. Outstanding special bonds or other debt,
 - b. Absorbing the district's or county's service provision responsibilities and acquiring the necessary assets at the appropriate stage (set by state law); and
 - c. Impacts on the district's or county's operations and personnel.
- 2.9.5 The city's intent is to minimize disruption to residents, businesses and property owners in annexed areas, considering the following:
 - a. Annexed property should be designated in the Comprehensive Plan and zoning ordinance in a manner that most closely reflects the pre-annexation designations adopted by Snohomish County. The City Council will consider alternative designations proposed by those properties included in the annexation. Council may adopt alternative designations if it finds the proposal protects the general health, safety, and welfare of the community and it meets the requirements of the Growth Management Act.
 - b. Uses that are either previously established legal non-conforming, or are made non-conforming with the annexation, will be allowed to continue in a manner consistent with the rights established in the city's land use code.
 - c. Annexed areas shall be accorded equal accommodation in the distribution of capital improvements, maintenance of roads and other facilities, police and other services.
 - d. For annexed areas, the city shall strive to ensure annexed areas are fairly represented by the Mayor and city Council, with extra care during the initial two years in which the annexed area may have not had a chance to vote for their local officials.



2.9.6 At such time an annexation proposal is made, the city shall make every reasonable effort to provide accurate, timely and useful information to community members so that they may make reasoned and well-informed decisions.

GOAL 2.10 ENSURE THAT LAND USES OPTIMIZE ECONOMIC BENEFIT AND THE ENJOYMENT AND PROTECTION OF NATURAL RESOURCES WHILE MINIMIZING THE THREAT TO HEALTH, SAFETY AND WELFARE.

Policies

- 2.10.1 Preserve and accentuate the lake as the centerpiece of Lake Stevens in compliance with the shoreline master program.
- 2.10.2 Preserve and promote a safe, clean living environment.
- 2.10.3 Prohibit storage of soil, yard waste, refuse, machines and other equipment in front vard setbacks.
- 2.10.4 Where a sight distance or safety problem is created, prohibit storage of vehicles in front and side yard setbacks, except on driveways (and then no more than three) or in parking lots.
- 2.10.5 Protect and preserve wetlands and riparian corridors associated with Shorelines of the State and open space corridors within and between urban growth areas useful for recreation, wildlife habitat, trails, and connection of critical areas.
- 2.10.6 Encourage growth that is responsive to environmental concerns and that enhances the natural environment of the lake drainage basin and the area watersheds.

GOAL 2.11 WHERE POSSIBLE, USE ELEMENTS OF THE NATURAL DRAINAGE SYSTEM TO MINIMIZE STORM WATER RUNOFF IMPACTS.

Policies

- 2.11.1 Encourage new developments to use natural drainage patterns and incorporate means to contain storm water pollutants.
- 2.11.2 Encourage new developments to implement "low impact development" techniques which can better manage stormwater while providing cost savings in terms of land and improvements.
- 2.11.3 Recognize that storm drainage problems cross jurisdictional lines and therefore create the need to work with the Drainage Improvement District and residents to address those problems.

Attachment G City of Lake Stevens Resolution No. 17-2020



ATTACHMENT G

LAKE STEVENS CITY COUNCIL STAFF REPORT

Council Agenda Date: July 14, 2020

Subject: Resolution 2020-17 initiating Southeast Interlocal Annexation

David Levitan, Senior Planner **Budget** Contact

Person/Department: Russ Wright, Planning and CD Director Impact: None

RECOMMENDATION(S)/ACTION REQUESTED OF COUNCIL: Approve Resolution 2020-017, initiating annexation negotiations with Snohomish County for certain real property identified as the Southeast Interlocal Annexation through the Interlocal Coordination Act

SUMMARY/BACKGROUND: On April 28, 2020 Council discussed a proposed annexation strategy for the remainder of the Urban Growth Area (UGA). Staff provided a summary of a recent financial analysis of different areas of the UGA conducted by the FCS group, as well as an overview of a new annexation method passed by the state legislature earlier this year (ESSB 5522) and which became effective on June 11, 2020. ESSB 5522 outlines the requirements for the city to annex areas via an interlocal agreement with Snohomish County, including public notice to affected property owners and service districts and public hearings by both the City Council and Snohomish County Council (either joint or separate). The April 28 staff report included a draft schedule that would result in public hearings in November 2020, which staff will work with county staff to revise and refine.

At the conclusion of that meeting, Council instructed staff to begin the process to annex Areas 1 and 2 from the FCS report, which consist of the areas of the UGA north of 20th Street SE and west of 123rd Avenue SE. In June city consultants prepared a legal description and map for the proposed annexation area (Exhibit A of Attachment 1), which would extend to the south side of 20th Street SE and include the entirety of the lake. Annexation of this area would help fulfill the goal of creating "One Community Around the Lake". These areas received Zoning and Comprehensive Plan land use pre-designations as part of Ordinance 1073 (the city's annual Comprehensive Plan amendments), which the Council adopted on November 26, 2019 and which are shown in Exhibits C and D of Attachment 1.

Staff is currently developing a public outreach program for the annexation. Staff has prepared a fact sheet and summary of potential tax impacts (previously shared with Council on April 28), which will be mailed to property owners in the annexation area and made available online. Staff also intends to hold an informational public meeting to discuss the proposed annexation, most likely via an online platform such as Zoom. Pursuant to ESSB 5522, the city will be required to provide the Lake Stevens Sewer District, Snohomish County Fire District 7 and Snohomish County PUD with a 30-day period to review the proposed annexation, and they will have the option to become a party to the interlocal agreement.

All affected property owners will receive a postcard advertising the time and location of the public hearing, as well as the availability of the interlocal agreement for public review. The city will be required to advertise the public hearing in a local newspaper on a weekly basis for a period of four weeks and will also make those notices available on the city website and Facebook page.

In June, staff initiated preliminary discussions with Snohomish County Planning and Development Services (PDS) to identify important issues to include in the agreement. Before city staff moves forward with additional discussions with the county, staff is requesting that Council adopt a resolution (Attachment 1) initiating negotiation with Snohomish County on the Southeast Interlocal Annexation. The draft resolution includes the legal description, vicinity map, and zoning and comprehensive plan map pre-designations.

APPLICABLE CITY POLICIES: N/A

BUDGET IMPACT: None at this time. A detailed financial analysis will be prepared as part of the interlocal agreement developed with Snohomish County.

ATTACHMENTS:

► Attachment 1: Draft Resolution 2020-017 and Exhibits

CITY OF LAKE STEVENS LAKE STEVENS, WASHINGTON

RESOLUTION 2020-17

A RESOLUTION OF THE LAKE STEVENS CITY COUNCIL TO INITIATE ANNEXATION TO THE CITY OF LAKE STEVENS CERTAIN REAL PROPERTY KNOWN AS SOUTHEAST INTERLOCAL ANNEXATION THROUGH AN INTERLOCAL AGREEMENT WITH SNOHOMISH COUNTY.

WHEREAS, the City Council wishes to initiate an annexation through the Interlocal Cooperation Act subject to an interlocal annexation agreement with Snohomish County, pursuant to a new section of the Revised Code of Washington Cities (RCW) 35A.14 created by Senate Bill 5522 that became effective on June 11, 2020, of the area identified in Exhibit A and generally shown in the site map Exhibit B, attached hereto and incorporated by this reference as if set forth in full; and

WHEREAS, the area identified in Exhibits A and B is within the City of Lake Stevens Urban Growth Area (UGA); and

WHEREAS, the City of Lake Stevens has entered into an Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development within the Lake Stevens Urban Growth Area, recorded under Snohomish County Auditor's File Number 200511100706 to facilitate the orderly transition of services and responsibilities for capital projects from the County to the City at the time of annexation of unincorporated areas of the County to the City; and

WHEREAS, the purpose of interlocal agreements is to permit local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby providing services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

Whereas, the annexation area is already served by Snohomish County Fire District 7, Snohomish County PUD and the Lake Stevens Sewer District and the majority of egress and ingress into the area is served by the transportation network of the City; and

WHEREAS, the City of Lake Stevens has adopted an Annexation Plan, under Resolution 2016-21, as a reasonable measure that provides an annexation strategy and which will help address the projected population deficiency, identified in the Snohomish County 2007 Buildable Lands Report, for the Lake Stevens UGA; and

WHEREAS, the City of Lake Stevens City Council has determined that the area will be liable for any of the outstanding indebtedness of the City of Lake Stevens; and

WHEREAS, as part of Ordinance 1073, the City Council established Comprehensive Plan and Zoning pre-designations for the annexation area, which are illustrated in Exhibits C and D and correspond to present Snohomish County zoning;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAKE STEVENS AS FOLLOWS:

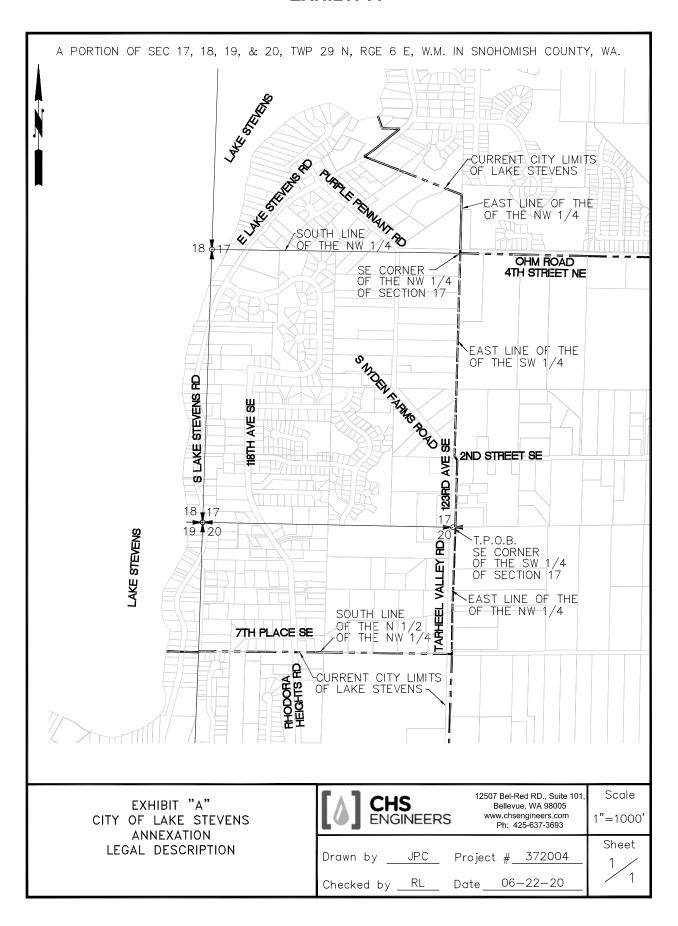
City of Lake Stevens City Council Regular Meeting 07-14-2020 Page 148

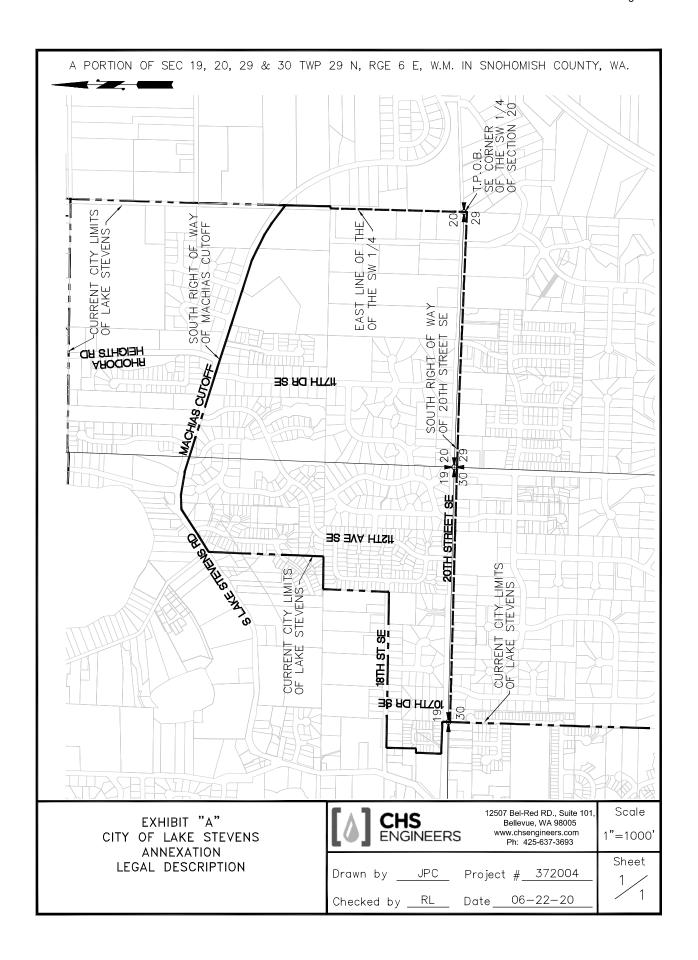
- **Section 1.** That the City Council of the City of Lake Stevens is declaring its intent to initiate negotiations with Snohomish County for annexation through the Interlocal Cooperation Act subject to an interlocal agreement, pursuant to the Revised Code of Washington (RCW) 35A.14 of the area legally described in Exhibit A and shown in Exhibit B.
- **Section 2.** All property within the territory hereby shall be assessed and taxed at the same rate and at the same basis as property within the City of Lake Stevens, including an assumption of a proportionate share of indebtedness of all City of Lake Stevens.
- **Section 3.** The Comprehensive Plan and Zoning designations for the annexation area shall be consistent with Exhibits C and Exhibit D, upon the effective date of annexation.

PASSED by the City Council of the City of Lake Stevens this 14th day of July 2020.

| | Brett Gailey, Mayor |
|------------------------|---------------------|
| ATTEST: | |
| | |
| Kathy Pugh, City Clerk | |

EXHIBIT A



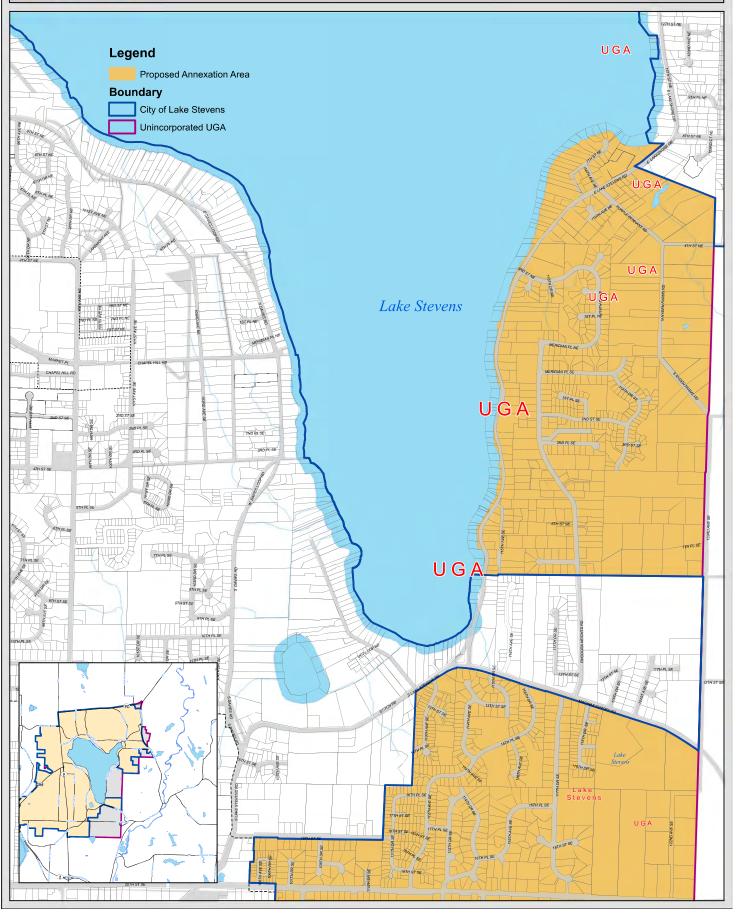




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EXHIBIT B

LAKE STEVENS INTERLOCAL ANNEXATION

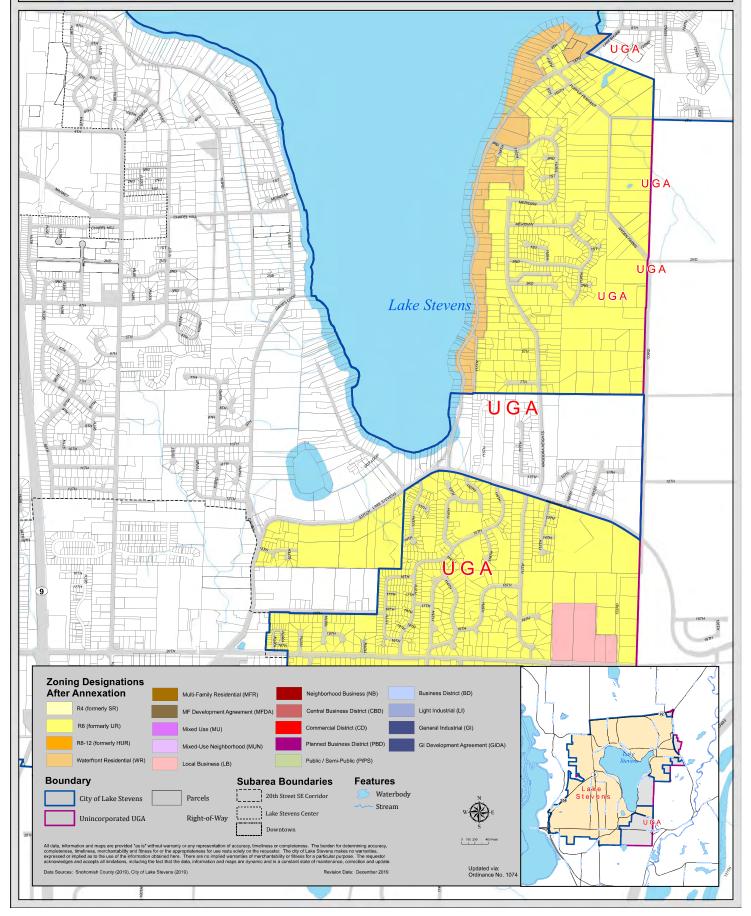




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EXHIBIT C

LAKE STEVENS UGA DESIGNATIONS - ZONING

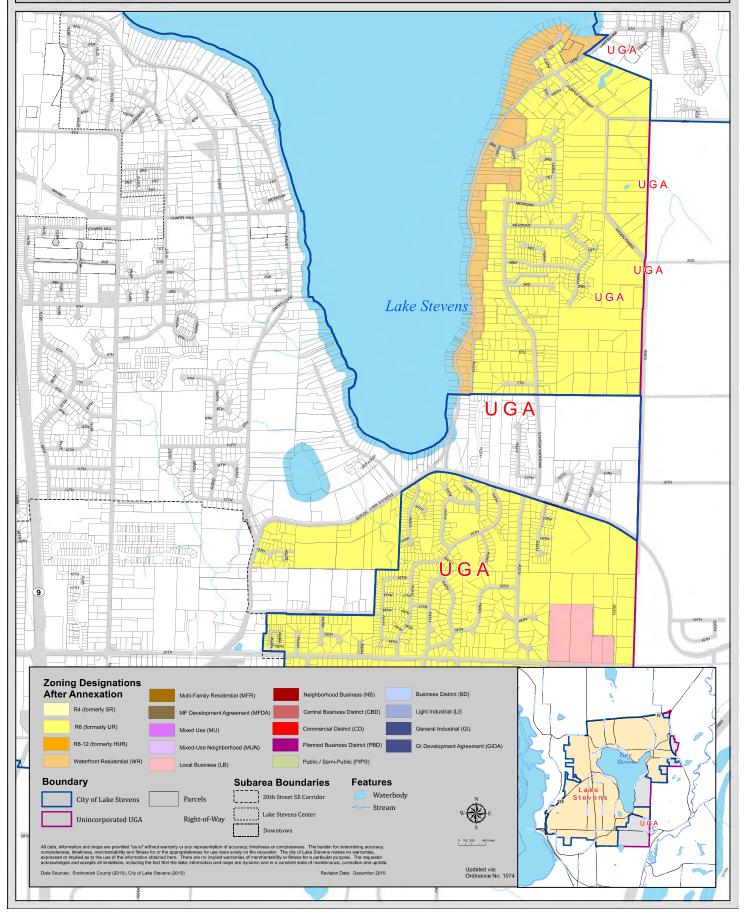




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EXHIBIT D

LAKE STEVENS UGA DESIGNATIONS - ZONING





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EXHIBIT # 5
FILE ORD 21-005

City of Lake Stevens Proposed SE Interlocal Annexation

Snohomish County Council
Briefing
February 2, 2021



PDS Transmittal Package

 Proposed Ordinance: to authorize County Executive to sign the Annexation Interlocal Agreement with City and Lake Stevens Sewer District

• Interlocal Agreement: for joint hearing on Lake Stevens SE Interlocal Annexation - tentatively scheduled for March 9, 2021



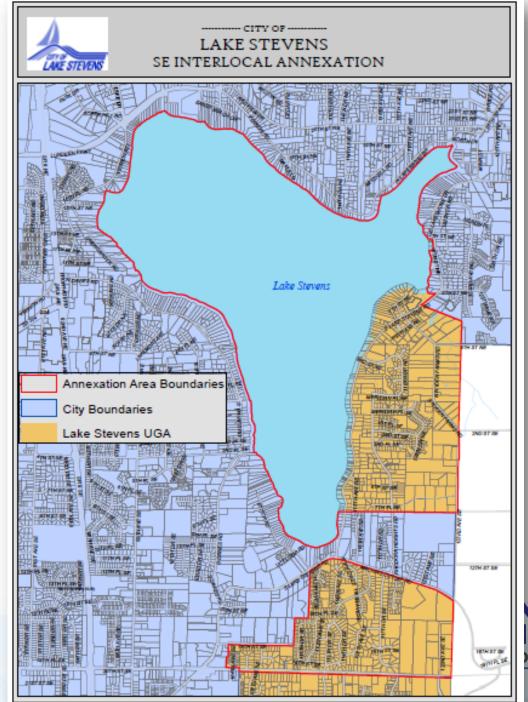
City of Lake Stevens Planning for Annexations

- Master Annexation Interlocal Agreement (MAILA) with County
- City Comprehensive Plan with Annexation Goals 2.8 & 2.9 and policies guiding annexations efforts
- Resolution No. 2016-21, adopting an "Annexation Plan" coordinated with County, detailing specific areas, proposed pre-zoning, and target timelines
- Ordinance Nos. 1073 & 1074 pre-designations and pre-zoning for annexation areas with amendments in 2020
- Fiscal Analysis for planned annexation areas



Proposed Annexation Area:

- Lake entirety (approx. 1,00 acres)
- Two areas (approx. 500 acres)
 - Northern portion: west of 123rd Ave SE, from 7th St NE to 7th PL SE
 - Southern portion: west of 123rd Ave SE, from Machias Cutoff Rd to 20th St SE





New Annexation Method

"Annexation of Unincorporated Territory Pursuant to Interlocal Agreement" (RCW 35A.14.296)

Finding:

"The legislature finds that city annexations of unincorporated areas within urban growth areas will be more efficient and effective if the county and city develop a jointly approved interlocal agreement so as not to create illogical boundaries or islands of unincorporated territory."



Requirements of Interlocal Agreement Method (RCW 35A.14.296)

- City initiates annexation with ILA with County & notifies affected service providers
- Service providers indicate in writing their interest to being party to ILA
- The ILA must:
 - Ensure that for 5 years post 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 for by the zoning designation for that parcel prior to annexation.
 - State the Hearing date for ILA and boundaries of annexation
- Hearing on ILA to agree on effective date of annexation and boundaries of annexation
 - Noticing requirements: 4 weeks prior to hearing, website
 - Opportunity for Public Comment
- ILA is signed by all parties
- City adopts ordinance effecting annexation



Meeting Requirements of Interlocal Agreement Method (RCW 35A.14.296)

| Requirement | Action Taken |
|--|---|
| City initiates annexation: County & affected service providers | City adopts Resolution No. 17-2020 & notifies County, Lake Stevens Sewer District, Snohomish Regional Fire & Rescue |
| Service Provider(s) indicate interest in being party to ILA | Lake Stevens Sewer District provided notice of interest in being party to ILA - |
| ILA Requirements – Residential designations (5 years); hearing date; annexation boundaries | City Council adopted Ordinance Nos. 1105 and 1106 re-designate / rezone 4 parcels to meet this requirement ILA contains Joint Hearing date of March 9, 2021 ILA contains legal descriptions of proposed annexation area |
| Hearing on ILA & Notification | Joint Hearing (City & County Councils) tentatively scheduled March 9 4-week advanced notification — City/County in communication |
| ILA signed by all parties | City, County, Sewer District to sign ILA |
| City adopts Ordinance effecting annexation | It is anticipated City will hold public hearing to effect annexation |
| | |

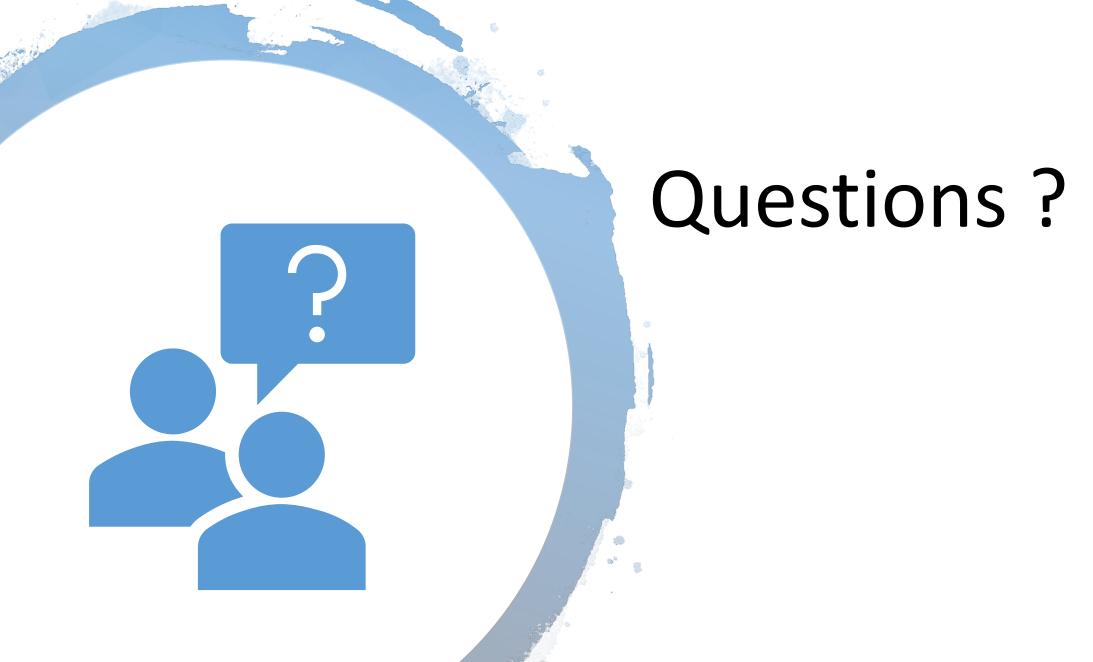
Interlocal Agreement Document – Topics Covered

- References existing Master Annexation Interlocal Agreement (MAILA)
- Meet requirement of RCW 35A.14.296 City Annexation, joint hearing date, annexation boundaries
- Orderly transfer of facilities and services:
 - Transfer of Sunset Park
 - Right-of-ways to be included
 - Surface Water Management maintenance agreements, service charges, stormwater regulations, facilities
- Lake Stevens Sewer District: Proposed "sewer expansion area" under Chapter 57.24 RCW



Next Steps in Annexation Process

| Item | Target Date |
|---|------------------------|
| Hearing scheduled at general legislative session | Wednesday, Feb 3 |
| Public hearing notice published | Friday, Feb 5 |
| Consider Effective date of Annexation | March 8 |
| Joint Public Hearing (county council, city council, maybe district board) consideration of interlocal agreement, county ordinance | Tuesday, Mar 9, 6 p.m. |
| County Executive signs the interlocal agreement | After April 5 |
| Boundary Review Board | TBD |
| City holds public hearing to adopting ordinance | TBD |
| effecting annexation | |



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| EXHIBIT# | 6 | |
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AMENDMENT SHEET 1

04/28/21

Date:

ORDINANCE NO. 21-005 (ECAF 7 1071)

| Amendment Name: | ILA effective date and minimum density | |
|---|--|--|
| Brief Description: | Revises the proposed interlocal agreement (exhibit A) to insert May 28 as the effective date for the annexation, adds a subsection to section 4 regarding ensuring minimum net residential density in the annexation area, and updates references and section numbering. | |
| Affected Ordinance Section: | Exhibit A | |
| Affected Code Section: | N/A | |
| Existing Ordinance Recitals, Findings, or Sections to Add, Delete, or Modify: | | |
| Page 4, delete : Exhibit A | | |
| And insert : Exhibit A, as set forth be | elow | |
| | | |
| | | |
| | | |

Council Disposition: NO ACTION

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the City of Lake Stevens ("City"), a Washington municipal corporation; Snohomish County ("County"), a political subdivision of the State of Washington; and the Lake Stevens Sewer District ("District"), a special purpose district of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

- 2.1 <u>Primary purpose</u>. The primary purpose of this Agreement is to set forth the terms of the Parties' agreement to the annexation ("Annexation") to the City of territory located within the Southeast Interlocal Annexation area, which area is referred to herein as the "Annexation Area," pursuant to RCW 35A.14.296. The territory included in the Annexation Area, including the entirety of the lake, is depicted in Exhibit A and a legal description is provided in Exhibit B to this Agreement, and incorporated herein by this reference. The Annexation Area is completely within the City's Urban Growth Area (UGA) designated under RCW 36.70A.110.
- 2.2. Orderly transition of services and capital projects. The City, County, and District recognize the need to facilitate an orderly transition of services and capital projects from the County to the City at the time of the Annexation.
- 2.3 Secondary purpose. The secondary purpose of this Agreement is to identify those areas within the City's UGA that the District intends to annex pursuant to one of methods authorized under Chapter 57.24 RCW. This area is referred to herein as the "Sewer Expansion Area". The Sewer Expansion Area is completely within the City's UGA, as depicted in Exhibit C and consistent with the City of Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005, and recorded under Auditor File # 200604250536), and its subsequent amendments. No specific timeframe has been established for future annexations of the sewer expansion area.

3. GENERAL AGREEMENT REGARDING ANNEXATION

- 3.1 Applicability of Master Annexation ILA. The Parties recognize the existence of a certain Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area, effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation. The Parties agree and intend that the Master Annexation ILA shall have applicability, force, and effect with respect to the Annexation contemplated herein, except where specifically amended in Section 4_1 of this Agreement, where specific issues are identified that are not contained in the Master Annexation ILA.
- 3.2 Applicability of Unified Sewer Services and Annexation Agreement. The Parties recognize the existence of a certain *City of Lake Stevens and Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement*, effective May 23, 2005 and recorded under Auditor's File # 200604250536 and amended on four occasions, most recently on September 27, 2010 ("Unified Sewer Services and Annexation Agreement"), that addresses the unification of the sewerage system within the UGA and coordination of capital projects and annexations affecting the sewerage system
- 3.3 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement, together with the Master Annexation ILA, be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles. For this purpose, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit D and incorporated herein by this reference.
- 3.4 <u>Annexation approval.</u> The Parties agree to hold a joint public hearing on this Agreement on March 9, 2021. The Parties agree that following execution of this Agreement, the City shall pursue the annexation of the territory depicted and described in Exhibits A and B by adoption of an ordinance pursuant to RCW 35A.14.296
- 3.5 <u>Effective date of annexation</u>. The Parties agree that the City's annexation shall become effective May 28, 2021.

4. AMENDMENT TO THE MASTER ANNEXATION ILA AND ADDITIONAL AGREEMENTS

4.1 Amendment to Section 3.3 of the Master Annexation ILA. Section 3.3 of the Master Annexation ILA is amended as follows:

3.3 Urban density requirements Except as may be otherwise allowed by law, the CITY agrees to adopt and maintain land use designations and zones for the annexation areas that will ensure that new residential subdivisions and development will achieve a minimum net density¹ of four dwelling units per acre and that will accommodate within its jurisdiction the population, housing, and employment allocation assigned by Snohomish County under GMA for the subject area. Provided, however, this shall not be deemed as a waiver of the City's right to appeal the assignment of population and employment allocation by any means provided by law.

¹For purposes of this agreement, minimum net density is the density of development excluding roads, drainage detention/retention areas, biofiltration swales, areas required for public use, and critical areas and their required buffers. Minimum density is determined by rounding up to the next whole unit or lot when a fraction of a unit or lot is 0.5 or greater.

- 4.14.2 Amendment to Section 9.1 of the Master Annexation ILA. Section 9.1 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the COUNTY has an ownership interest, (ii) over or to which the COUNTY has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the COUNTY has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the CITY, effective by the date of the annexation, except as otherwise negotiated between the Parties in any subsequent agreements. The COUNTY agrees to provide a list of all such known surface water management improvements and facilities to the CITY. If the COUNTY'S current Annual Construction Plan or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Parties will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.
- 4.24.3 Amendment to Section 9.2 of the Master Annexation ILA. Section 9.2 of the Master Annexation ILA is deleted in its entirety and replaced with the following:

- 9.2 Taxes, fees, rates, charges and other monetary adjustments. The CITY recognizes that service charges are collected by the COUNTY for unincorporated areas within the COUNTY'S Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an annexation, the CITY hereby agrees that the COUNTY may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the COUNTY. If the CITY intends for the COUNTY to continue providing surface water services beyond the calendar year after annexation, a separate interlocal agreement must be negotiated between the Parties.
- 4.34.4 Amendment to Section 9.3 of the Master Annexation ILA. Section 9.3 of the Master Annexation ILA is deleted in its entirety.
- 4.4<u>4.5 Amendment to Section 9 of the Master Annexation ILA</u>. Section 9 of the Master Annexation ILA is amended to add new Master Annexation ILA sections 9.3, 9.4, 9.5, 9.6, 9.7, and 9.8 as follows:
 - 9.3 <u>Compliance with National Pollutant Discharge Elimination System</u>
 (NPDES) <u>Municipal Stormwater Permit</u>. The Parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the CITY'S Phase II NPDES Municipal Stormwater Permit, and will no longer be subject to the requirements of the COUNTY'S Phase I NPDES Municipal Stormwater Permit. Notwithstanding the COUNTY'S continued provision of stormwater management services in an annexation area pursuant to Subsection 9.2, the CITY expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the CITY shall be solely responsible for ensuring the requirements of the CITY'S NPDES Permit are met relating to the annexation area, and (ii) any stormwater management services the COUNTY continues to provide in the annexation area pursuant to Subsection 9.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the CITY'S Phase II NPDES Permit.
 - 9.4 <u>Access during remainder of calendar year in which annexation occurs</u>. To ensure the COUNTY is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2, the CITY shall provide the COUNTY with reasonable access to all portions of the annexation area in which

such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.

- 9.5 <u>Surface Water Facility Data</u>. In addition to the list of COUNTY facilities and assets provided in Subsection 9.1, the COUNTY shall provide:
 - 9.5.1 Available data on surface water facilities which the COUNTY has in its database, which may include but not be limited to: inspection and maintenance records, spatial and attribution data (ArcGIS), As-Built construction plans, ownership status (private, public), and current maintenance responsibility.
 - 9.5.2 Available data on surface water programs concerning the annexation area, which may include but not be limited to: drainage complaints; water quality complaints; business inspections; facility inspections; education and outreach; monitoring; salmon recovery; and special studies.
- 9.6 <u>Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations.</u> Any pending Surface Water Management cases referred to PDS code enforcement for county code violations relating to real property located in an annexation area will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY, if necessary, to assist with transferred code enforcement cases. Upon request, the COUNTY agrees to provide the CITY with copies of any files and records related to any transferred case.
- 9.7 <u>Government service agreements.</u> The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
- 9.8 <u>Transfer of Federal and State Permits</u>. If there are structures or work related to COUNTY surface water management improvements or facilities that are authorized under active federal or state permits located in an annexation area, as the new owner the CITY, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing. Active

federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

5. SURFACE WATER MANAGEMENT IMPROVEMENTS AND FACILITIES

In accordance with Section 9.1 of the Master Annexation ILA, an initial list of known surface water management improvements and facilities owned by the County or over which the County has rights or responsibilities in the Annexation Area is attached and incorporated hereto as Exhibit E. While the County has made its best efforts to provide a list of all known surface water management improvements and facilities, the exclusion of any County owned facilities or property interests located within the Annexation Area from Exhibit E, does not change the Parties agreement that any ownership interests, rights and responsibilities associated with County surface water management improvement and facilities in the Annexation Area shall be transferred to the City, effective by the date of the annexation.

6. RESIDENTIAL ZONING

For all parcels zoned by the County for residential development in the Annexation Area, in accordance with RCW 35A.14.296(2) the City agrees that for a period of five years after the effective date of annexation the City shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density allowed for by the County zoning designation in effect prior to annexation. The City assigned zoning pre-designations for the Annexation Area via City Ordinance 1073 and as amended by City Ordinance 1106, which comply with the requirements of RCW 35A.14.296(2).

7. TRANSFER OF SUNSET PARK

Sunset Park is a 0.27-acre park located at 410 E Lake Stevens Rd (Assessor Parcel # 00533400001500) that is currently owned and managed by the County. As part of this Agreement, ownership and maintenance responsibilities for Sunset Park will be transferred to the City in its existing condition. The City has identified several capital improvements to the park to bring it up to the City's level of service for parks and to address bank and shore stabilization issues. The County agrees to support the City in its pursuit of funding sources for necessary park improvements.

8. FUTURE CAPITAL IMPROVEMENTS

The County has not identified any planned capital improvements to roads or other existing transportation infrastructure or to the list of surface water facilities listed in Exhibit E. The County agrees to work cooperatively on identifying and planning needed transportation improvements within and adjacent to the annexation area that will meet the needs of both city and countywide multimodal traffic. The County Surface Water Management staff expertise provided under this

section will be limited to available technical knowledge about surface water conditions and infrastructure in the Annexation Area.

9. THIRD PARTY BENEFICIARIES

There are no third-party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

10. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each Party shall be responsible for the costs of their own legal representation. Each Party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process. The Parties agree to mediate any disputes arising under this Agreement including, without limitation, disputes regarding the annexation process or responsibilities of the Parties prior to the Boundary Review Board hearing on the Annexation.

11. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict. As between the District and the City, this Agreement is intended to address the future annexation of territory by the District located within the Southeast Interlocal Annexation Area under chapter 57.24 RCW. Other than the implications of the additional territory, this Agreement does not change the terms and conditions of the Unified Sewer Services and Annexation Agreement.

12. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all Parties will comply with all applicable state or local laws. The County and City retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and City do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

13. EFFECTIVE DATE, DURATION AND TERMINATION

13.1 <u>Effective Date</u>. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of the Parties and the

- signing of the Agreement by an authorized representative of each Party hereto.
- 13.2 <u>Duration</u>. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the terms of the Agreement after the Agreement is set to expire, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 13.3 <u>Termination</u>. Any Party may terminate this Agreement upon ninety (90) days advance written notice to the other party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.

14. INDEMNIFICATION AND LIABILITY

- 14.1 <u>Indemnification of County</u>. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees, or agents.
- 14.2 <u>Indemnification of City</u>. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the City, its elected and appointed officials, officers, employees, or agents.
- 14.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the City and the County, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the City, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 14.4 <u>Hold harmless</u>. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense

any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

15. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

16. EXERCISE OF RIGHTS OR REMEDIES

Failure of any Party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by any other Party and shall not prevent any other Party from pursuing that right at any future time.

17. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice.

The City, the County, and the District each acknowledges, agrees and understands that each party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. This Agreement and all public records associated with this Agreement shall be retained and be available from the City, the County, and the District for inspection and copying where required by the Public Records Act, Chapter 42.56 RCW.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the Annexation, except as set forth in Section 3 and Section 4 of this Agreement.

19. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

20. CONTINGENCY

The obligations of the City, the County and the District in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City, the County, or the District may terminate the Agreement under Subsection 13.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

21. FILING

A copy of this Agreement shall be filed with the Lake Stevens City Clerk and recorded with the Snohomish County Auditor's Office or as otherwise allowed or required under state law.

22. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Russ Wright Community Development Director City of Lake Stevens 1812 Main St. Lake Stevens, WA 98258 (425) 334-1012 Eileen Canola Snohomish County Department of Planning and Development Services 3000 Rockefeller Ave. Everett, WA 98201 (425) 262-2253

Johnathan Dix Assistant General Manager Lake Stevens Sewer District 1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

| Dated t | thisday of_ | 20 |
|-------------------------------------|-------------|--|
| CITY OF LAKE STEVENS BY: | SNOF BY: | HOMISH COUNTY |
| Brett Gailey Mayor | Count | Somers ty Executive |
| Date: | ATTE | ST: |
| City Clerk | Clerk | of the County Council |
| Approved as to form only: | Appro | eved as to form only: |
| Attorney for the City of Lake Steve | | ty Prosecuting Attorney for omish County |
| LAKE STEVENS SEWER DISTRIC BY: | т | |
| Dan Lorentzen President | _ | |
| DATE: | | |
| ATTEST: | | |
| Approved as to form only: | | |
| Attorney for Lake Stevens Sewer D | istrict | |

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

EXHIBIT A – Southeast UGA Annexation Map

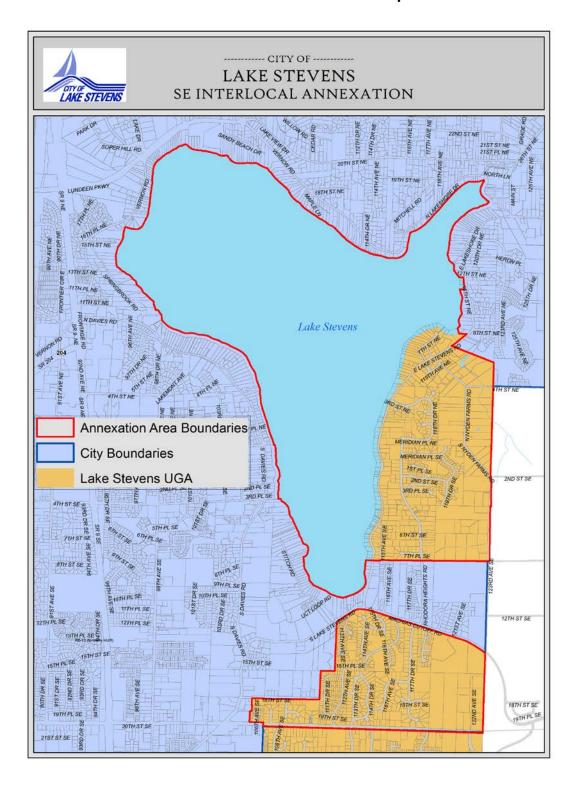


EXHIBIT B – Southeast UGA Annexation Legal Description

CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (NORTH)

Those portions of the Southwest quarter of Section 6, Section 7, Section 17, Section 18, the Northeast quarter of Section 19, and the Northwest quarter and Northeast quarter of Section 20, all in Township 29 North, Range 6 East, W.M., and those portions of Section 12, and the Northeast quarter of Section 13, all in Township 29 North, Range 5 East, W.M., all in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 17 and following along the existing city limits of the City of Lake Stevens;

Thence Easterly, 25 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 695 feet plus or minus, to the southerly right of way of 2nd Street SE;

Thence Northwesterly, 54 feet plus or minus, to the northerly right of way of 2rd Street SE and its intersection with the east line of the Southwest quarter of said Section 17;

Thence Northerly along the east line of the Southwest quarter of said Section 17, 2115 feet plus or minus, to the Southeast corner of the Northwest quarter of said Section 17;

Thence continuing Northerly along the east line of the Northwest quarter of said Section 17, 610 feet plus or minus, to the south line of Tract 501 of The Reserve at Lake Stevens Division No. 5 as recorded under recording number 199711132006;

Thence Northwesterly along said south line of Tract 501 and extended to the westerly Right of Way of E Lake Stevens Rd, 1094 feet plus or minus, which is also the south line of Tract 999 of Cedar Cove as recorded under recording number 198302175001;

Thence Northeasterly along the westerly right-of-way of E Lake Stevens Rd, 467 feet plus or minus, to the north line of said Tract 999 of Cedar Cove;

Thence Northwesterly along the said north line of Tract 999, 315 feet plus or minus, to the Second class Shoreland and Navigable Boundary of Lake Stevens as conveyed by the State of Washington;

Thence Northerly, Westerly, Southerly, Easterly, Northerly along the said navigable boundary of said Lake Stevens and the existing city limits of the City of Lake Stevens (said navigable boundary also referred to as mean low water, the shore of, the navigable boundary of shorelands, second class shorelands and westerly limit of shorelands) approximately 30,000 feet plus or minus, to a point of a line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19;

Thence Easterly along the line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19, 333 feet plus or minus, to the east line of said Section 19 and the west line of Lot 13 of North Star Plat as recorded under recording number 201411240384;

Thence Northerly along the east line of said Section 19, 12 feet plus or minus, to the South line of the North half of the Northwest quarter of Section 20;

Thence Easterly along the said south line of the North half, 2617 feet plus or minus, to the east line of the said Northwest quarter of Section 20;

Thence Easterly 30 feet plus or minus, to the Easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 1316 feet plus or minus, to a point 25 feet east of the SE Corner of the Southwest quarter of said Section 17;

Thence Westerly 25 feet plus or minus to the east line of the Southwest quarter of said Section 17 and the True Point of Beginning.

This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (SOUTH)

Those portions of the Northeast quarter, Southeast quarter and the Southwest quarter of Section 19, the Northwest quarter, Southwest quarter and the Southeast quarter of Section 20, the Northwest quarter of Section 29, and the Northeast quarter of Section 30, all in Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 20;

Thence northerly along the east line of the southwest quarter of said Section 20, 1392 feet plus or minus, to the South line of the North half of the Southwest quarter of said Section 20;

Thence easterly, 30 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence northerly along the easterly right of way of 123rd Ave SE, 468 feet plus or minus, to its intersection with the southerly right of way of Machias Cutoff and the existing city limits of the City of Lake Stevens;

Thence northwesterly along the southerly right of way of Machias Cutoff, 3360 feet plus or minus, to its intersection with southerly right of way of S Lake Stevens Rd and following along the existing city limits of the City of Lake Stevens;

Thence southwesterly along the southerly right of way of S Lake Stevens Rd, 560 feet plus or minus, to the west line of Mission Ridge Division No 3 as recorded under recording number 200212185001;

Thence southerly along the said west line, 1192 feet plus or minus, to the north line of Mission Ridge Division No. 2 as recorded under recording number 200101035002;

Thence westerly along the said north line, 339 feet plus or minus, to the west line of said Mission Ridge Division No. 2;

Thence southerly along the said west line, 687 feet plus or minus, to the southerly right of way of 18th Street SE;

Thence westerly along the southerly right of way of 18th Street SE, 1625 feet plus or minus, to the east line of the West 75 feet of the East 375 feet of Lot 2 of Ideal Garden Tracts as recorded under Volume 7 of plat, page 33;

Thence southerly along the east line West 75 feet of the East 375 feet of said Lot 2, 120 feet plus or minus, to the south line of the North 187 feet of said Lot 2;

Thence easterly along the south line of said North 187 feet of Lot 2, 20 feet plus or minus, to the west line of Lot 19 of Silver Leaf Condominium as recorded under recording number 200510175207;

Thence southerly along the west line of said Lot 19 and the west line of Common Element A, 180 feet plus or minus, to the north line of Lot 25 of said Silver Leaf Condominium;

Thence westerly along the said north line, 44 feet plus or minus, to the west line of said Silver Leaf Condominium:

Thence southerly along the said west line, 315 feet plus or minus, to the northerly right of way of 20th Street SE;

Thence easterly along the said northerly right of way, 335 feet plus or minus, to the west line of the Southeast quarter of said Section 19;

Thence southerly along the west line of said Southeast quarter, 60 feet plus or minus to the southerly right of way of 20th Street SE

Thence easterly along the said southerly right of way, 5324 feet plus or minus, to the west line of Cascade Acres Division A as recorded under Volume 25 of plats, Page 6 and 7;

Thence northerly along said East line, 30 feet plus or minus, to the south line of said Section 20 and the True Point of Beginning.



This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



EXHIBIT C – Southeast UGA Sewer Expansion Area Map

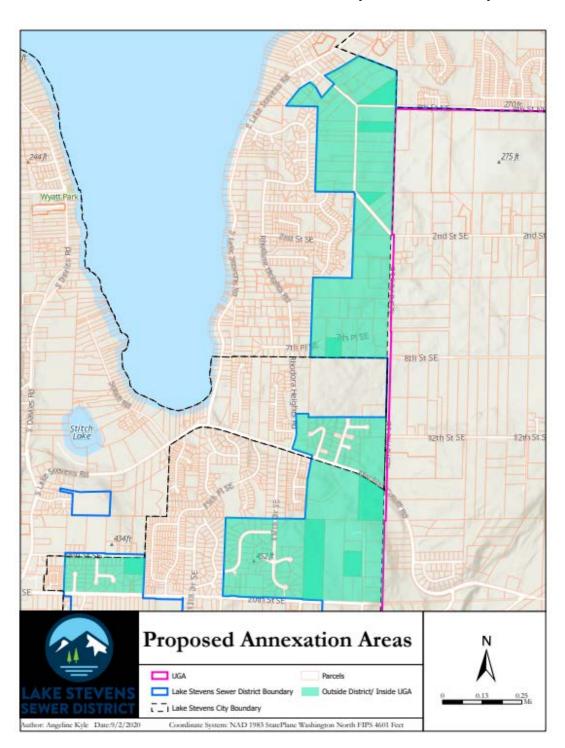


EXHIBIT D – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a "roadmap" for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County's current delivery of municipal services within the urban growth area while strengthening the County's regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

- 1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county's Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
- 2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will reevaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.
 - The report to the county council should be based upon each city's internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads' priority within the county's current 6-year road plan. Where financing and other considerations are not compelling, the city and county may "re-visit" the annexation strategies at the next two-year interval.
- 3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if

densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

- 4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
- 5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
- 6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

EXHIBIT E – KNOWN DRAINAGE FACILITIES OWNED BY THE COUNTY OR OVER WHICH THE COUNTY HAS RIGHTS OR RESPONSIBILITIES

| Area | FacID | Owner_Type | ROW | To Transfer |
|--------|----------------|------------|-----|---|
| Area 1 | F#429 | County | Yes | Facility |
| Area 1 | F#430 | County | Yes | Facility |
| Area 1 | F#1890, F#1891 | County | | Facility, property rights or responsibilities |
| Area 1 | F#2724 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3599 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3600 | County | Yes | Facility |
| Area 2 | F#173 | County | | Facility, property rights or responsibilities |
| Area 2 | F#175 | County | Yes | Facility |
| Area 2 | F#176 | County | Yes | Facility |
| Area 2 | F#177 | County | Yes | Facility |
| Area 2 | F#239 | County | Yes | Facility, property rights or responsibilities |
| Area 2 | F#3595 | County | | Facility, property rights or responsibilities |
| Area 1 | F#815 | Private | | Property rights or responsibilities |
| Area 1 | F#1736 | Private | | Property rights or responsibilities |
| Area 1 | F#1737 | Private | | Property rights or responsibilities |
| Area 1 | F#2323 | Private | | Property rights or responsibilities |
| Area 1 | F#2641 | Private | | Property rights or responsibilities |
| Area 1 | F#3634 | Private | | Property rights or responsibilities |
| Area 2 | F#178 | Private | | Property rights or responsibilities |
| Area 2 | F#1406 | Private | | Property rights or responsibilities |
| Area 2 | F#1551 | Private | | Property rights or responsibilities |
| Area 2 | F#1999 | Private | | Property rights or responsibilities |
| Area 2 | F#3347 | Private | | Property rights or responsibilities |

| CV | \Box | NA | IСП | CO | INT | \prime CO | UNCI |
|----|--------|---|-----|----|-----|-------------|------|
| | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | | | |

| EXHIBIT #_ | 6A |
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| | |
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INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the City of Lake Stevens ("City"), a Washington municipal corporation; Snohomish County ("County"), a political subdivision of the State of Washington; and the Lake Stevens Sewer District ("District"), a special purpose district of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

- 2.1 <u>Primary purpose</u>. The primary purpose of this Agreement is to set forth the terms of the Parties' agreement to the annexation ("Annexation") to the City of territory located within the Southeast Interlocal Annexation area, which area is referred to herein as the "Annexation Area," pursuant to RCW 35A.14.296. The territory included in the Annexation Area, including the entirety of the lake, is depicted in Exhibit A and a legal description is provided in Exhibit B to this Agreement, and incorporated herein by this reference. The Annexation Area is completely within the City's Urban Growth Area (UGA) designated under RCW 36.70A.110.
- 2.2. Orderly transition of services and capital projects. The City, County, and District recognize the need to facilitate an orderly transition of services and capital projects from the County to the City at the time of the Annexation.
- 2.3 Secondary purpose. The secondary purpose of this Agreement is to identify those areas within the City's UGA that the District intends to annex pursuant to one of methods authorized under Chapter 57.24 RCW. This area is referred to herein as the "Sewer Expansion Area". The Sewer Expansion Area is completely within the City's UGA, as depicted in Exhibit C and consistent with the City of Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005, and recorded under Auditor File # 200604250536), and its subsequent amendments. No specific timeframe has been established for future annexations of the sewer expansion area.

3. GENERAL AGREEMENT REGARDING ANNEXATION

- 3.1 Applicability of Master Annexation ILA. The Parties recognize the existence of a certain Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area, effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation. The Parties agree and intend that the Master Annexation ILA shall have applicability, force, and effect with respect to the Annexation contemplated herein, except where specifically amended in Section 4_1 of this Agreement, where specific issues are identified that are not contained in the Master Annexation ILA.
- 3.2 Applicability of Unified Sewer Services and Annexation Agreement. The Parties recognize the existence of a certain *City of Lake Stevens and Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement*, effective May 23, 2005 and recorded under Auditor's File # 200604250536 and amended on four occasions, most recently on September 27, 2010 ("Unified Sewer Services and Annexation Agreement"), that addresses the unification of the sewerage system within the UGA and coordination of capital projects and annexations affecting the sewerage system
- 3.3 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement, together with the Master Annexation ILA, be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles. For this purpose, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit D and incorporated herein by this reference.
- 3.4 <u>Annexation approval.</u> The Parties agree to hold a joint public hearing on this Agreement on March 9, 2021. The Parties agree that following execution of this Agreement, the City shall pursue the annexation of the territory depicted and described in Exhibits A and B by adoption of an ordinance pursuant to RCW 35A.14.296
- 3.5 <u>Effective date of annexation</u>. The Parties agree that the City's annexation shall become effective May 28, 2021.

4. AMENDMENT TO THE MASTER ANNEXATION ILA AND ADDITIONAL AGREEMENTS

4.1 Amendment to Section 3.3 of the Master Annexation ILA. Section 3.3 of the Master Annexation ILA is amended as follows:

3.3 Urban density requirements Except as may be otherwise allowed by law, the CITY agrees to adopt and maintain land use designations and zones for the annexation areas that will ensure that new residential subdivisions and development will achieve a minimum net density¹ of four dwelling units per acre and that will accommodate within its jurisdiction the population, housing, and employment allocation assigned by Snohomish County under GMA for the subject area. Provided, however, this shall not be deemed as a waiver of the City's right to appeal the assignment of population and employment allocation by any means provided by law.

¹For purposes of this agreement, minimum net density is the density of development excluding roads, drainage detention/retention areas, biofiltration swales, areas required for public use, and critical areas and their required buffers. Minimum density is determined by rounding up to the next whole unit or lot when a fraction of a unit or lot is 0.5 or greater.

- 4.14.2 Amendment to Section 9.1 of the Master Annexation ILA. Section 9.1 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the COUNTY has an ownership interest, (ii) over or to which the COUNTY has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the COUNTY has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the CITY, effective by the date of the annexation, except as otherwise negotiated between the Parties in any subsequent agreements. The COUNTY agrees to provide a list of all such known surface water management improvements and facilities to the CITY. If the COUNTY'S current Annual Construction Plan or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Parties will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.
- 4.24.3 Amendment to Section 9.2 of the Master Annexation ILA. Section 9.2 of the Master Annexation ILA is deleted in its entirety and replaced with the following:

- 9.2 Taxes, fees, rates, charges and other monetary adjustments. The CITY recognizes that service charges are collected by the COUNTY for unincorporated areas within the COUNTY'S Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an annexation, the CITY hereby agrees that the COUNTY may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the COUNTY. If the CITY intends for the COUNTY to continue providing surface water services beyond the calendar year after annexation, a separate interlocal agreement must be negotiated between the Parties.
- 4.34.4 Amendment to Section 9.3 of the Master Annexation ILA. Section 9.3 of the Master Annexation ILA is deleted in its entirety.
- 4.4<u>4.5 Amendment to Section 9 of the Master Annexation ILA</u>. Section 9 of the Master Annexation ILA is amended to add new Master Annexation ILA sections 9.3, 9.4, 9.5, 9.6, 9.7, and 9.8 as follows:
 - 9.3 <u>Compliance with National Pollutant Discharge Elimination System</u>
 (NPDES) <u>Municipal Stormwater Permit</u>. The Parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the CITY'S Phase II NPDES Municipal Stormwater Permit, and will no longer be subject to the requirements of the COUNTY'S Phase I NPDES Municipal Stormwater Permit. Notwithstanding the COUNTY'S continued provision of stormwater management services in an annexation area pursuant to Subsection 9.2, the CITY expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the CITY shall be solely responsible for ensuring the requirements of the CITY'S NPDES Permit are met relating to the annexation area, and (ii) any stormwater management services the COUNTY continues to provide in the annexation area pursuant to Subsection 9.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the CITY'S Phase II NPDES Permit.
 - 9.4 <u>Access during remainder of calendar year in which annexation occurs</u>. To ensure the COUNTY is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2, the CITY shall provide the COUNTY with reasonable access to all portions of the annexation area in which

such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.

- 9.5 <u>Surface Water Facility Data</u>. In addition to the list of COUNTY facilities and assets provided in Subsection 9.1, the COUNTY shall provide:
 - 9.5.1 Available data on surface water facilities which the COUNTY has in its database, which may include but not be limited to: inspection and maintenance records, spatial and attribution data (ArcGIS), As-Built construction plans, ownership status (private, public), and current maintenance responsibility.
 - 9.5.2 Available data on surface water programs concerning the annexation area, which may include but not be limited to: drainage complaints; water quality complaints; business inspections; facility inspections; education and outreach; monitoring; salmon recovery; and special studies.
- 9.6 <u>Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations.</u> Any pending Surface Water Management cases referred to PDS code enforcement for county code violations relating to real property located in an annexation area will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY, if necessary, to assist with transferred code enforcement cases. Upon request, the COUNTY agrees to provide the CITY with copies of any files and records related to any transferred case.
- 9.7 <u>Government service agreements.</u> The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
- 9.8 <u>Transfer of Federal and State Permits</u>. If there are structures or work related to COUNTY surface water management improvements or facilities that are authorized under active federal or state permits located in an annexation area, as the new owner the CITY, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing. Active

federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

5. SURFACE WATER MANAGEMENT IMPROVEMENTS AND FACILITIES

In accordance with Section 9.1 of the Master Annexation ILA, an initial list of known surface water management improvements and facilities owned by the County or over which the County has rights or responsibilities in the Annexation Area is attached and incorporated hereto as Exhibit E. While the County has made its best efforts to provide a list of all known surface water management improvements and facilities, the exclusion of any County owned facilities or property interests located within the Annexation Area from Exhibit E, does not change the Parties agreement that any ownership interests, rights and responsibilities associated with County surface water management improvement and facilities in the Annexation Area shall be transferred to the City, effective by the date of the annexation.

6. RESIDENTIAL ZONING

For all parcels zoned by the County for residential development in the Annexation Area, in accordance with RCW 35A.14.296(2) the City agrees that for a period of five years after the effective date of annexation the City shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density allowed for by the County zoning designation in effect prior to annexation. The City assigned zoning pre-designations for the Annexation Area via City Ordinance 1073 and as amended by City Ordinance 1106, which comply with the requirements of RCW 35A.14.296(2).

7. TRANSFER OF SUNSET PARK

Sunset Park is a 0.27-acre park located at 410 E Lake Stevens Rd (Assessor Parcel # 00533400001500) that is currently owned and managed by the County. As part of this Agreement, ownership and maintenance responsibilities for Sunset Park will be transferred to the City in its existing condition. The City has identified several capital improvements to the park to bring it up to the City's level of service for parks and to address bank and shore stabilization issues. The County agrees to support the City in its pursuit of funding sources for necessary park improvements.

8. FUTURE CAPITAL IMPROVEMENTS

The County has not identified any planned capital improvements to roads or other existing transportation infrastructure or to the list of surface water facilities listed in Exhibit E. The County agrees to work cooperatively on identifying and planning needed transportation improvements within and adjacent to the annexation area that will meet the needs of both city and countywide multimodal traffic. The County Surface Water Management staff expertise provided under this

section will be limited to available technical knowledge about surface water conditions and infrastructure in the Annexation Area.

9. THIRD PARTY BENEFICIARIES

There are no third-party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

10. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each Party shall be responsible for the costs of their own legal representation. Each Party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process. The Parties agree to mediate any disputes arising under this Agreement including, without limitation, disputes regarding the annexation process or responsibilities of the Parties prior to the Boundary Review Board hearing on the Annexation.

11. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict. As between the District and the City, this Agreement is intended to address the future annexation of territory by the District located within the Southeast Interlocal Annexation Area under chapter 57.24 RCW. Other than the implications of the additional territory, this Agreement does not change the terms and conditions of the Unified Sewer Services and Annexation Agreement.

12. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all Parties will comply with all applicable state or local laws. The County and City retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and City do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

13. EFFECTIVE DATE, DURATION AND TERMINATION

13.1 <u>Effective Date</u>. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of the Parties and the

- signing of the Agreement by an authorized representative of each Party hereto.
- 13.2 <u>Duration</u>. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the terms of the Agreement after the Agreement is set to expire, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 13.3 <u>Termination</u>. Any Party may terminate this Agreement upon ninety (90) days advance written notice to the other party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.

14. INDEMNIFICATION AND LIABILITY

- 14.1 <u>Indemnification of County</u>. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees, or agents.
- 14.2 <u>Indemnification of City</u>. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the City, its elected and appointed officials, officers, employees, or agents.
- 14.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the City and the County, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the City, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 14.4 <u>Hold harmless</u>. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense

any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

15. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

16. EXERCISE OF RIGHTS OR REMEDIES

Failure of any Party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by any other Party and shall not prevent any other Party from pursuing that right at any future time.

17. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice.

The City, the County, and the District each acknowledges, agrees and understands that each party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. This Agreement and all public records associated with this Agreement shall be retained and be available from the City, the County, and the District for inspection and copying where required by the Public Records Act, Chapter 42.56 RCW.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the Annexation, except as set forth in Section 3 and Section 4 of this Agreement.

19. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

20. CONTINGENCY

The obligations of the City, the County and the District in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City, the County, or the District may terminate the Agreement under Subsection 13.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

21. FILING

A copy of this Agreement shall be filed with the Lake Stevens City Clerk and recorded with the Snohomish County Auditor's Office or as otherwise allowed or required under state law.

22. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Russ Wright Community Development Director City of Lake Stevens 1812 Main St. Lake Stevens, WA 98258 (425) 334-1012 Eileen Canola Snohomish County Department of Planning and Development Services 3000 Rockefeller Ave. Everett, WA 98201 (425) 262-2253

Johnathan Dix Assistant General Manager Lake Stevens Sewer District 1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

| Dated t | thisday of | 20 |
|-------------------------------------|----------------------|--------------------------------------|
| CITY OF LAKE STEVENS BY: | SNOHON BY: | MISH COUNTY |
| Brett Gailey Mayor | Dave Sor County E | xecutive |
| Date: | ATTEST: | |
| City Clerk | Clerk of the | he County Council |
| Approved as to form only: | Approved | l as to form only: |
| Attorney for the City of Lake Steve | | rosecuting Attorney for sh County |
| LAKE STEVENS SEWER DISTRIC BY: | т | |
| Dan Lorentzen President | _ | |
| DATE: | | |
| ATTEST: | | |
| Approved as to form only: | | |
| Attorney for Lake Stevens Sewer D | istrict | |

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

EXHIBIT A – Southeast UGA Annexation Map

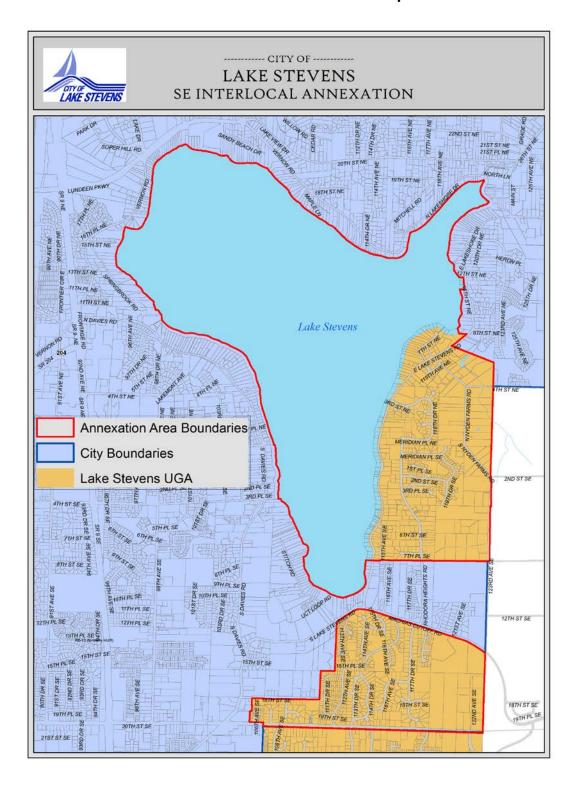


EXHIBIT B – Southeast UGA Annexation Legal Description

CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (NORTH)

Those portions of the Southwest quarter of Section 6, Section 7, Section 17, Section 18, the Northeast quarter of Section 19, and the Northwest quarter and Northeast quarter of Section 20, all in Township 29 North, Range 6 East, W.M., and those portions of Section 12, and the Northeast quarter of Section 13, all in Township 29 North, Range 5 East, W.M., all in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 17 and following along the existing city limits of the City of Lake Stevens;

Thence Easterly, 25 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 695 feet plus or minus, to the southerly right of way of 2nd Street SE;

Thence Northwesterly, 54 feet plus or minus, to the northerly right of way of 2rd Street SE and its intersection with the east line of the Southwest quarter of said Section 17;

Thence Northerly along the east line of the Southwest quarter of said Section 17, 2115 feet plus or minus, to the Southeast corner of the Northwest quarter of said Section 17;

Thence continuing Northerly along the east line of the Northwest quarter of said Section 17, 610 feet plus or minus, to the south line of Tract 501 of The Reserve at Lake Stevens Division No. 5 as recorded under recording number 199711132006;

Thence Northwesterly along said south line of Tract 501 and extended to the westerly Right of Way of E Lake Stevens Rd, 1094 feet plus or minus, which is also the south line of Tract 999 of Cedar Cove as recorded under recording number 198302175001;

Thence Northeasterly along the westerly right-of-way of E Lake Stevens Rd, 467 feet plus or minus, to the north line of said Tract 999 of Cedar Cove;

Thence Northwesterly along the said north line of Tract 999, 315 feet plus or minus, to the Second class Shoreland and Navigable Boundary of Lake Stevens as conveyed by the State of Washington;

Thence Northerly, Westerly, Southerly, Easterly, Northerly along the said navigable boundary of said Lake Stevens and the existing city limits of the City of Lake Stevens (said navigable boundary also referred to as mean low water, the shore of, the navigable boundary of shorelands, second class shorelands and westerly limit of shorelands) approximately 30,000 feet plus or minus, to a point of a line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19;

Thence Easterly along the line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19, 333 feet plus or minus, to the east line of said Section 19 and the west line of Lot 13 of North Star Plat as recorded under recording number 201411240384;

Thence Northerly along the east line of said Section 19, 12 feet plus or minus, to the South line of the North half of the Northwest quarter of Section 20;

Thence Easterly along the said south line of the North half, 2617 feet plus or minus, to the east line of the said Northwest quarter of Section 20;

Thence Easterly 30 feet plus or minus, to the Easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 1316 feet plus or minus, to a point 25 feet east of the SE Corner of the Southwest quarter of said Section 17;

Thence Westerly 25 feet plus or minus to the east line of the Southwest quarter of said Section 17 and the True Point of Beginning.

This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (SOUTH)

Those portions of the Northeast quarter, Southeast quarter and the Southwest quarter of Section 19, the Northwest quarter, Southwest quarter and the Southeast quarter of Section 20, the Northwest quarter of Section 29, and the Northeast quarter of Section 30, all in Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 20;

Thence northerly along the east line of the southwest quarter of said Section 20, 1392 feet plus or minus, to the South line of the North half of the Southwest quarter of said Section 20;

Thence easterly, 30 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence northerly along the easterly right of way of 123rd Ave SE, 468 feet plus or minus, to its intersection with the southerly right of way of Machias Cutoff and the existing city limits of the City of Lake Stevens;

Thence northwesterly along the southerly right of way of Machias Cutoff, 3360 feet plus or minus, to its intersection with southerly right of way of S Lake Stevens Rd and following along the existing city limits of the City of Lake Stevens;

Thence southwesterly along the southerly right of way of S Lake Stevens Rd, 560 feet plus or minus, to the west line of Mission Ridge Division No 3 as recorded under recording number 200212185001;

Thence southerly along the said west line, 1192 feet plus or minus, to the north line of Mission Ridge Division No. 2 as recorded under recording number 200101035002;

Thence westerly along the said north line, 339 feet plus or minus, to the west line of said Mission Ridge Division No. 2;

Thence southerly along the said west line, 687 feet plus or minus, to the southerly right of way of 18th Street SE;

Thence westerly along the southerly right of way of 18th Street SE, 1625 feet plus or minus, to the east line of the West 75 feet of the East 375 feet of Lot 2 of Ideal Garden Tracts as recorded under Volume 7 of plat, page 33;

Thence southerly along the east line West 75 feet of the East 375 feet of said Lot 2, 120 feet plus or minus, to the south line of the North 187 feet of said Lot 2;

Thence easterly along the south line of said North 187 feet of Lot 2, 20 feet plus or minus, to the west line of Lot 19 of Silver Leaf Condominium as recorded under recording number 200510175207;

Thence southerly along the west line of said Lot 19 and the west line of Common Element A, 180 feet plus or minus, to the north line of Lot 25 of said Silver Leaf Condominium;

Thence westerly along the said north line, 44 feet plus or minus, to the west line of said Silver Leaf Condominium:

Thence southerly along the said west line, 315 feet plus or minus, to the northerly right of way of 20th Street SE;

Thence easterly along the said northerly right of way, 335 feet plus or minus, to the west line of the Southeast quarter of said Section 19;

Thence southerly along the west line of said Southeast quarter, 60 feet plus or minus to the southerly right of way of 20th Street SE

Thence easterly along the said southerly right of way, 5324 feet plus or minus, to the west line of Cascade Acres Division A as recorded under Volume 25 of plats, Page 6 and 7;

Thence northerly along said East line, 30 feet plus or minus, to the south line of said Section 20 and the True Point of Beginning.



This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



EXHIBIT C – Southeast UGA Sewer Expansion Area Map

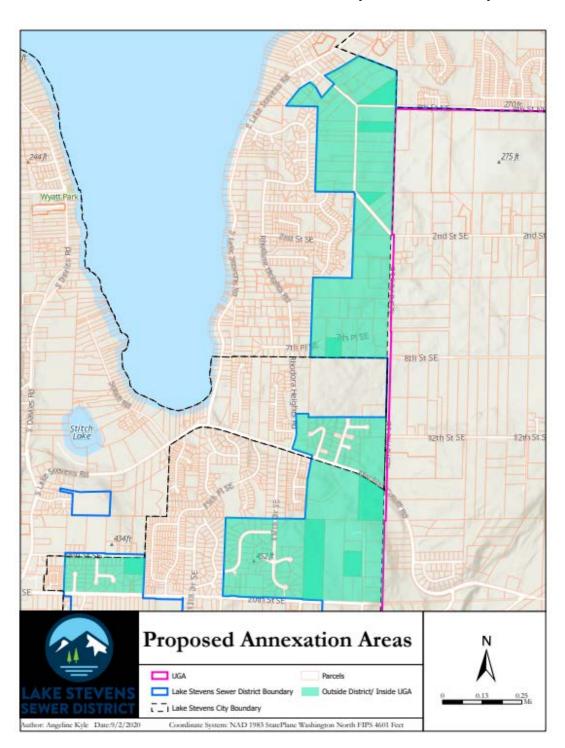


EXHIBIT D – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a "roadmap" for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County's current delivery of municipal services within the urban growth area while strengthening the County's regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

- 1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county's Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
- 2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will reevaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.
 - The report to the county council should be based upon each city's internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads' priority within the county's current 6-year road plan. Where financing and other considerations are not compelling, the city and county may "re-visit" the annexation strategies at the next two-year interval.
- 3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if

densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

- 4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
- 5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
- 6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

EXHIBIT E – KNOWN DRAINAGE FACILITIES OWNED BY THE COUNTY OR OVER WHICH THE COUNTY HAS RIGHTS OR RESPONSIBILITIES

| Area | FacID | Owner_Type | ROW | To Transfer |
|--------|----------------|------------|-----|---|
| Area 1 | F#429 | County | Yes | Facility |
| Area 1 | F#430 | County | Yes | Facility |
| Area 1 | F#1890, F#1891 | County | | Facility, property rights or responsibilities |
| Area 1 | F#2724 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3599 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3600 | County | Yes | Facility |
| Area 2 | F#173 | County | | Facility, property rights or responsibilities |
| Area 2 | F#175 | County | Yes | Facility |
| Area 2 | F#176 | County | Yes | Facility |
| Area 2 | F#177 | County | Yes | Facility |
| Area 2 | F#239 | County | Yes | Facility, property rights or responsibilities |
| Area 2 | F#3595 | County | | Facility, property rights or responsibilities |
| Area 1 | F#815 | Private | | Property rights or responsibilities |
| Area 1 | F#1736 | Private | | Property rights or responsibilities |
| Area 1 | F#1737 | Private | | Property rights or responsibilities |
| Area 1 | F#2323 | Private | | Property rights or responsibilities |
| Area 1 | F#2641 | Private | | Property rights or responsibilities |
| Area 1 | F#3634 | Private | | Property rights or responsibilities |
| Area 2 | F#178 | Private | | Property rights or responsibilities |
| Area 2 | F#1406 | Private | | Property rights or responsibilities |
| Area 2 | F#1551 | Private | | Property rights or responsibilities |
| Area 2 | F#1999 | Private | | Property rights or responsibilities |
| Area 2 | F#3347 | Private | | Property rights or responsibilities |

| SNOH | OMISH COUNTY COUNCIL |
|--------|----------------------|
| EXHIB | IT# |
| FILE _ | ORD 21-005 |

City of Lake Stevens SE Interlocal Annexation

Joint Public Hearing of Lake Stevens City Council, Snohomish County Council, and Lake Stevens Sewer District Board of Commissioners

March 9, 2021

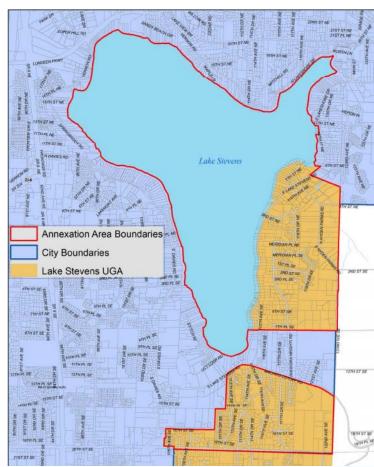






Southeast Interlocal Annexation Area

- Approximately 500 acres, 1000 properties and 3,000 residents
- Entirety of 1,000-acre lake
- Rights-of-way including 123rd
 Ave SE and 20th St SE









New Annexation Method effective June 2020

"Annexation of Unincorporated Territory Pursuant to Interlocal Agreement" (RCW 35A.14.296)

Finding:

"The legislature finds that city annexations of unincorporated areas within urban growth areas will be more efficient and effective if the county and city develop a jointly approved interlocal agreement so as not to create illogical boundaries or islands of unincorporated territory."







City/County Coordination on Annexations

- Master Annexation Interlocal Agreement (MAILA) created in 2005
- City Comprehensive Plan Goals 2.8 & 2.9 and several annexation policies
- City Resolution 2016-21, adopting an "Annexation Plan" coordinated with County, detailing specific areas, proposed pre-zoning, and target timelines
- City Ordinance Nos. 1073 & 1074 established pre-designations and prezoning for annexation areas, with minor amendments in 2020
- Fiscal Analysis for planned annexation areas completed in 2018







Procedural Requirements to Initiate ILA Annexation Method

- City initiates annexation & notifies affected fire, water, and sewer providers
 - Resolution 2020-017 adopted on July 14, 2020 and agencies notified on July 20
- Service providers have 30 days to opt into ILA
 - Lake Stevens Sewer District provided written notice of intent to join as party to ILA and to expand its service area through a separate annexation process
 - Snohomish Regional Fire and Rescue originally joined as party before opting out







Topics that must be addressed in ILA

- For 5 years post-annexation, any parcel zoned for residential development in county 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 for by the zoning designation for that parcel prior to annexation.
 - City ordinances 1073/1074, as amended by Ordinances 1105/1106, meet this requirement
 - Section 4.1 of ILA amends MAILA Section 3.3, as noted in County Ordinance Amendment Sheet 1
- ILA must identify public hearing date and boundaries of annexation
 - Section 3.4 of ILA identifies March 9, 2021 as date of joint public hearing
 - Exhibits A and B of ILA include map and legal description of annexation area
- ILA must identify effective date of annexation
 - Section 3.5 of ILA identifies May 28, 2021 as the effective date of annexation







Requirements for Public Notice and Public Hearing

- Notice of public hearing and availability of ILA must be published at least once a week for four weeks in newspaper of general circulation
 - Notice was published in the Everett Herald on February 12, February 19, February 26 and March 5
- If parties have the ability to do so, the notice shall be posted to its public website
 - All three parties published notice to their websites starting on February 12
- On date of public hearing, public shall be afforded the opportunity to be heard
 - Public comment will be accepted during this public hearing
- While not required, city mailed postcard notices to all property owners on February 12







Informational Public Meetings

- City held public meetings on September 21 and December 9, 2020 via Zoom platform
- Each public meeting included brief presentation followed by Q&A session
- Topics discussed at the meetings include:
 - Police levels of service
 - City utility excise taxes
 - Impacts on property taxes
 - Comparison of development potential in city vs county
 - Impacts on school district boundaries (none)
 - Sewer expansion plans and whether residents could keep existing septic systems or would be required to connect to sewer







Additional Public Outreach

- City Council briefed during January 29 Council retreat
- County Council was briefed at February 2 Planning Committee meeting
 - Amendment 1 to county ordinance reflects changes to ILA since that meeting
- Staff has responded to approximately 25 individuals by phone or email







Interlocal Agreement - Topics Covered

- References existing Master Annexation Interlocal Agreement (MAILA) and ILA between City and Sewer District
- Meeting requirements of RCW 35A.14.296
- Orderly transfer of County facilities and services:
 - Transfer of Sunset Park
 - Right-of-ways to be included
 - Surface Water Management maintenance agreements, service charges, stormwater regulations, facilities
- Lake Stevens Sewer District: Proposed "sewer expansion area" under Chapter 57.24 RCW (requires a separate annexation process)

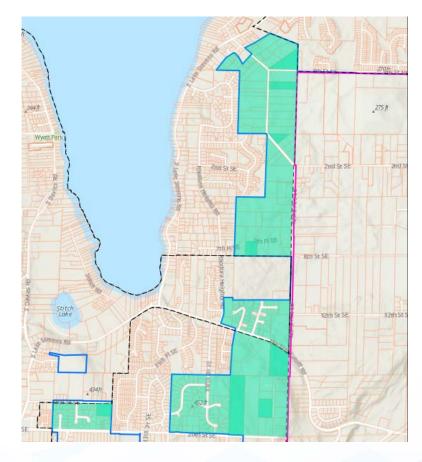






Sewer District Role and Service Area Expansion

- Section 2.3 of ILA notes district will annex areas in green to match city boundaries (Exhibit C of ILA) via separate process
- Will utilize one of methods outlined in RCW 57.24
- District has prepared resolution of support for ILA annexation









Response from County Departments – Fiscal Impacts

Overall, no major concerns identified by County departments and offices

- Finance: No impact to General Fund property tax, it is still collected. No impact to Conservation Futures property tax. Reduced sales tax revenue would be at least partially, if not totally, offset by reduced need for county services.
- Parks: Loss in revenue offset by savings for construction and maintenance of recreation facilities.
- Planning: Modest reduction in permit revenue, offset by a reduction in permit processing expenditures.
- Sheriff: Estimated only a small impact to call load and patrol needs.
- Solid Waste: No impacts-waste generated in Lake Stevens is sent to a county facility for disposal.
- Surface Water Management: Estimated an annual reduction of about \$160,000 in surface water management charges beginning in 2022— will adjust to impacts that occur next year. SWM service charges would cease in 2022.







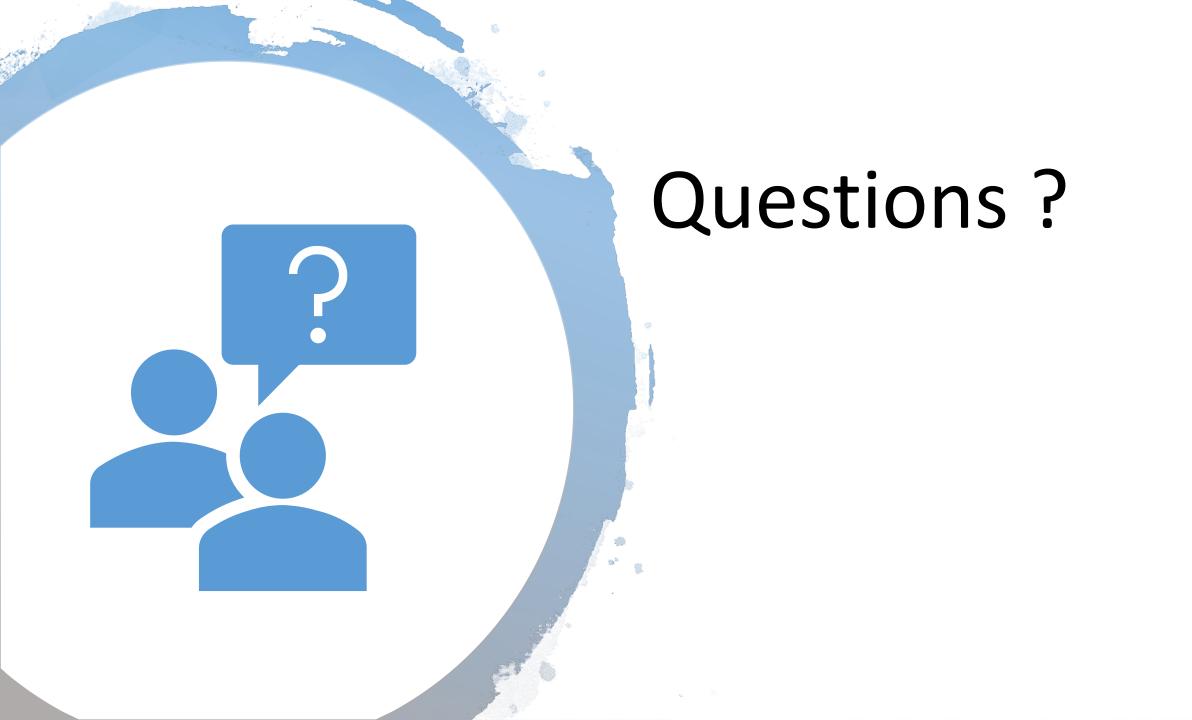
Public Comment and Proposed Actions

- Following this presentation, the mayor will open the public comment period
- Following public comment, the councils/board will deliberate on proposed annexation
- If all three bodies are prepared to approve ILA, the following actions are proposed:
 - City Council approval of City Ordinance 1112, authorizing the mayor to sign the ILA;
 - District Board approval of District Resolution 996, formalizing support of annexation and authorizing board president to sign the ILA; and
 - County Council approval of County Ordinance 21-005, authorizing the county executive to sign the ILA, including Amendment Sheet 1
- If at least one body not prepared to take action, can continue to future date
- Annexation would then be submitted to Boundary Review Board for final approval









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| EXHIBIT # | 8 | |
|-----------|---|--|
| | | |

FILE ORD 21-005

From: Michael Jones <mikejones777@gmail.com>

Sent: Monday, March 8, 2021 10:46 AM

To: Kelly Chelin < kchelin@lakestevenswa.gov > **Subject:** Against Southeast Annexation Proposal

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I am writing as a resident in one of the two Southeast Interlocal Annexation UGA areas <u>in opposition to this annexation</u> proposal.

My family moved to the southeast end of Lake Stevens in 1997. Even though I worked in the Bellevue/Redmond area for most of those 23 years, we chose to live in this area as we wanted a little more space that a suburban area would provide. Snohomish County has done a great job of keeping the character of the area the same through those years.

If you visit any of the housing developments in the area, areas such as Mission Ridge, Watermark and 116th Ave SE, you will find wide streets, on street parking, sidewalks, large backyards, cul de sacs and small open areas for kids activities. The results are residential areas that are great for families and children. You see small kids learning to ride their bikes on the sidewalks. bigger kids riding bikes and scooters in the parking strips on the streets, adults walking and jogging on the sidewalks and block parties during holidays. You can hear kids playing in their backyards. It's this type of environment that Snohomish County has fostered in these areas and one that existing or new residents to the area would want for their families.

The City of Lake Stevens is a different story. If you are aware of the last UGA annexation, the Rhodora UGA Annexation, you would know that many residents in that area were against annexation. A developer started the annexation process because they wanted to build as many houses as possible on a 30 acre parcel on Rhodora Heights Road. The mayor of Lake Stevens signed the annexation petition on behalf of 29 residents because of a clause in their homeowner association bylaws. The developer got what they wanted, the city of Lake Stevens designated the entire Rhodora Annexation area as High Urban Residential (now R8-12 zoning) with 3600 sq ft lots.

We can drive from our home to Frontier Village and pass many new streets added in the past several years by the city of Lake Stevens. New streets on Davies Road, Davies Loop Road, the top of Chapel Hill, 18th St SE, and next to Glenwood Elementary are examples. Almost all of these streets have no on street parking strips and they either lack sidewalks or sidewalks on one side of the street. The residential backyards are too small for even a swingset. I looked up the city's street regulations and found that the city of Lake Stevens street regulations (Section 14.56.165) require only one parking space per 5 residential parcels, and parking strips can be eliminated if that one space can be provided off-street. These types of developments are not the type of developments that the Southeast Interlocal Annexation area deserves.

The city of Lake Stevens has already zoned the Southeast Interlocal Annexation areas as R6 Urban Residential and David Levitan, Senior Planner, Lake Stevens, says the initial zoning is 6000 sq ft lots minimum, already a step down from the 7200 sf lot minimum in the county zoning. That said, Russ Wright, Community Development Director, Lake Stevens, stated during a Zoom annexation meeting in October that this was 'just a starting point', implying developers could submit plans for High Urban Residential and 3600 sq ft lots.

We are in the middle of a pandemic and annexation is not on the mind of the majority of folks in these areas. The Zoom meeting on annexation this week had less than 50 citizens in the meeting and only a subset of them actually live in the Southeast Annexation area. The Zoom meeting in October had even less citizen participation.

SB5522 which introduced Interlocal Agreements as a method of annexation just became effective in June. The city of Lake Stevens is perhaps the first city in the state to attempt this method of annexation. There are concerns if this method of annexation is even constitutional and legal fights are possible. Is this something the city wants to risk when there are much more pressing issues today?

My family and many of my neighbors agree, the City of Lake Stevens and Snohomish County should delay the Southeast Interlocal Annexation proposal until after the pandemic so that the thousands of citizens affected in this area can attend public hearings in person and have their voices heard. Additionally, the city of Lake Stevens really needs to review and change its development and zoning regulations to create a livable city for current and future residents. We live a long way away from the Seattle/Bellevue Urban Areas and suburban areas should have more space, not high urban residential.

Thanks for your time

Michael & Lisa Jones 718 115th Ave SE Lake Stevens, WA 98258

Kelly Chelin, City Clerk



City of Lake Stevens | Administration

1812 Main Street | PO Box 257

Lake Stevens, WA 98258

(425) 622-9412

kchelin@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

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| EXHIBIT # | 9 | |
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FILE ORD 21-005

----Original Message-----

From: Janice Thompson <jtlakestevens@aol.com>

Sent: Monday, March 8, 2021 1:53 PM

To: Kelly Chelin < kchelin@lakestevenswa.gov > Subject: Lk. Stevens SE Interlocal Agreement

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good afternoon civic leaders,

We ask you to decline this ordinance/resolution.

- 1) Annexation without representation. We were annexed in 2018. In 2020 I contacted three city council members by cell phones numbers from the cities website and payed for by taxpayers. I stated to them what I wanted to speak to them about. One called me back.
- 2) Major water runoff from construction site. On a weekend the stream/creek ran 300 ft. across our property down through the neighbors back yard through their front yard into the street. After trying to contact someone at public works for surface water management the website said to call 911. We don't think this is a police issue. I did find a personnel organization chart that stated that position was open. With all the construction going on around the lake one would think this would be a priority.
- 3) Emergency preparedness. Complete lack there of. We attended a meeting the Dept. of Emergency management hosted in Lk. Stevens a couple of years ago. It was standing room only. The people need and want this. CERT training and mapping your neighborhood would go along ways to prepare, inform and create a resilient community. I'm sure you all know how the trestle will handle a major earthquake when it happens. There is really no excuse why we haven't had trainings here, but there is lots of excuses. Not all of these are hands on training. One good snow storm and bread is hard to come by at our stores.
- 4) Lack of diversity in city offices. Still. But I think they were going to talk about it.
- 5) Financial concerns. The debt to taxpayers. School bond issues, while developers tout the quality of our schools while paying discounted mitigation fees. Sewage treatment plants. We saw what the city of Snohomish went through years ago. The expansion of city departments. Public works ability to maintain roads including snow removal. Some employers actually require their employees to show up for work and there's always that untimely emergency. It's a budget item and a level of services citizens expect from a city with hills.
- 6) Lack of access/efficient public transportation and park and rides. We will some day be done with this virus.

How does it get to the point that City Council's and Mayors decide to make choices for their citizens based on "because it's within their rights" on annexation. It's not within their rights to take our voting privileges away. We don't get to vote, but we can foot the bill? Lk. Stevens need to show their constituents by leading by example that our concerns are important and we can find common ground on difficult issues and decisions. Enough of rumors and gossip. Listen and talk to people who make you uncomfortable. You are in your position to represent everyone, not just the people in you social media group.

Sincerely

Bruce and Janice Thompson

SNOHOMISH COUNTY COUNCIL

EXHIBIT # <u>10</u>

FILE ORD 21-005

From: Janice Huxford < janicehuxford@snovalinc.com>

Sent: Monday, March 8, 2021 4:14 PM

To: Kelly Chelin < kchelin@lakestevenswa.gov > **Subject:** Against Southeast Annexation Proposal

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Ms. Chelin and County/City Councilmembers,

I concur with the numerous concerns voiced by my neighbors regarding zoning imbalances, infrastructure inadequacies, negative impact to surrounding livability and increased cost to current property owners. Additionally, I have asked, as many have, for a list of those who have spoken out prior to the meeting being held tomorrow night. Receiving nothing, I only learned many of their names after reading your packet materials.

I am deeply troubled by a community impacting decision such as this being made via zoom, during a pandemic, in the midst of economic uncertainty, education stressors and, in large part, during the holiday season.

As this is not a time sensitive decision, I ask for your consideration in slowing the annexation process until we can properly meet as a community again.

Respectfully,

Janice Huxford 625 South Lake Stevens Road Lake Stevens, WA 98258



Kelly Chelin, City Clerk

City of Lake Stevens | Administration

1812 Main Street | PO Box 257

Lake Stevens, WA 98258

(425) 622-9412 kchelin@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

EXHIBIT # ____11

Eco, Debbie FILE ORD 21-005

From: James Monroe <jmonroe642@gmail.com>

Sent: Monday, March 8, 2021 10:27 PM

To: Nehring, Nate; Dunn, Megan; Wright, Stephanie; Mead, Jared; Low, Sam

Cc: Contact Council

Subject: Snohomish County Interlocal Agreement Proposed Ordinance 21-005

Council Members,

We write this today in opposition of the proposed annexation of the southeast area of the current Lake Stevens Urban Growth Area (UGA) as detailed in Ordinance 21-005.

James has been a resident of the greater Lake Stevens area for more than 32 years--both in unincorporated Snohomish County and within City boundaries. Angela has been here for more than 28 years. We have been witness to the unprecedented growth of the region--both in size of the City of Lake Stevens and the population growth. We fully understand the dynamics of the effects this has on infrastructure, schools, city and utility services, etc. No doubt, we have enjoyed being a part of Lake Stevens regardless of where we called home.

However, we are not in favor of the proposed annexation process being utilized by the City of Lake Stevens at this time. The use of a Washington State Law allows a local municipality to do an end run around the citizens of a given area within a UGA targeted for annexation. No one has adequately explained to us why the City has chosen this process. Why did the City choose this process? What are they afraid of? That the citizens and property owners know what's best for themselves? No doubt, many of the property owners in the proposed annexation might support joining the City of Lake Stevens, but, through this process the City is denying them this right. The City leaves it up to twelve people on two separate elected governing bodies of which only one of those people actually represent the residents on the County Council. The residents did not have a say in who the other eleven people are and whether or not those eleven are concerned for their property rights.

Many of our neighbors are not for annexation at this time. Some of the reasons stated are 1) an increase in taxes (based on the City's own so-called "utility tax," and 2) zoning imbalances and the negative impacts of the potential for higher density housing and a decrease in property values. We understand that the property tax monies would stay more local and have a greater impact locally, but, let us decide that.

Can the County and City wait until such a time when this matter can be discussed and deliberated on in person? Such a time when the public can be physically present for such deliberations? Is there such a hurry at this time? If so, what is the hurry?

We emphatically request that the County Council vote against Ordinance 21-005. Come to us with a proposed annexation that allows the residents of the targeted areas have a say. You might get a more favorable response.

Yours in Service,

James and Angela Monroe 11706 2nd St SF From: James Monroe <jmonroe642@gmail.com>

Sent: Monday, March 8, 2021 10:27 PM

To: Kim Daughtry <kdaughtry@lakestevenswa.gov>; Gary Petershagen <gpetershagen@lakestevenswa.gov>; Shawn Frederick <sfrederick@lakestevenswa.gov>; Mary Dickinson <mdickinson@lakestevenswa.gov>; Anji Jorstad

<ajorstad@lakestevenswa.gov>; Steve Ewing <sewing@lakestevenswa.gov>; Marcus Tageant

<mtageant@lakestevenswa.gov>

Cc: Kelly Chelin < kchelin@lakestevenswa.gov>

Subject: City of Lake Stevens Proposed Southeast Annexation Draft Ordinance 1112

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Council Members,

We write this today in opposition of the proposed annexation of the southeast area of the current Urban Growth Area (UGA) as detailed in Ordinance 1112.

James has been a resident of the greater Lake Stevens area for more than 32 years--both in unincorporated Snohomish County and within City boundaries. Angela has been here for more than 28 years. We have been witness to the unprecedented growth of the region--both in size of the City and population growth. We fully understand the dynamics of the effects this has on infrastructure, schools, city and utility services, etc. No doubt, we have enjoyed being a part of Lake Stevens regardless of where we called home.

However, we are not in favor of the proposed annexation process being utilized by the City at this time. The use of a Washington State Law allows a local municipality to do an end run around the citizens of a given area within a UGA targeted for annexation. No one has adequately explained to us why the City has chosen this process. Why did the City choose this process? What are you afraid of? That the citizens and property owners know what's best for themselves? No doubt, many of the property owners in the proposed annexation might support joining the City of Lake Stevens, but, through this process you are denying them this right. You leave it up to twelve people on two separate elected governing bodies of which only one of those people actually represent the residents on the County Council. The residents did not have a say in who the other eleven people are and whether or not those eleven are concerned for their property rights.

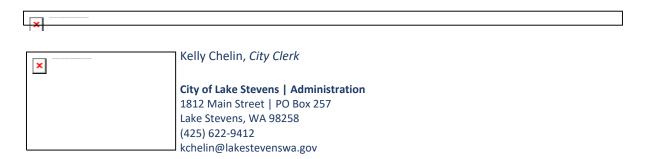
Many of our neighbors are not for annexation at this time. Some of the reasons stated are 1) an increase in taxes (based on the City's own so-called "utility tax," and 2) zoning imbalances and the negative impacts of the potential for higher density housing and a decrease in property values. We understand that the property tax monies would stay more local and have a greater impact locally, but, let us decide that.

Can the City and County wait until such a time when this matter can be discussed and deliberated on in person? Such a time when the public can be physically present for such deliberations? Is there such a hurry at this time? If so, what is the hurry?

We emphatically request that the City Council vote against Ordinance 1112. Come to us with a proposed annexation that allows the residents of the targeted areas have a say. You might get a more favorable response.

Yours in Service,

James and Angela Monroe 11706 2nd St SE



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| SNOHOMISH COUNTY COUNCIL | | | | | | | | |
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| EXHIBIT # | 12 | | | | | | | |

FILE ORD 21-005

From: UMA NIELSEN <catninen2@comcast.net>

Sent: Tuesday, March 9, 2021 1:21 PM

To: Kelly Chelin < kchelin@lakestevenswa.gov>

Subject: Comments for SE Interlocal Annexation LUA202-0117 (for Meeting Date 3/9/21)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

To Kelly Chelin,

Please see our comments below for SE Interlocal Annexation LUA202-0117 (Zoom Meeting Date 3/9/21). Thank you so much.

To City of Lake Stevens,

We are hoping both City of Lake Stevens and Snohomish County officials would postpone the annexation and listen to their constituents concerns. We do not understand why it must be done now while people are trying to get through the pandemic. The annexation will add financial burden to the people without reasonable compensation. In both of the zoom meetings, it was very sad to hear one lady cry while expressing her financial concern and another lady commented that \$5 or \$10 for some people may be a lot these days. We also heard one person asked why the city of Lake Stevens can't wait until we all can meet in a townhall meeting. Some people may not know how to use zoom. Especially older people. Their voice may never be heard. It would not be fair for them to receive a surprise bill.

Also, due to the pandemic, a lot of people may be quarantined at home or are trying to stay away from the crowd, how would those people be aware of the annexation from a newspaper posting. Since the city of Lake Stevens does not post the annexation meeting on a calendar until the same day of the meeting, it's very hard to access the annexation material. The post card can be misplaced easily.

We are hoping Lake Stevens and Snohomish County officials would take people's concerns into account since annexation will impact people's life and their future finances. For us, we will have to come up at least \$50 per month to pay the city tax. Our utility services and school for our son will not change. We do not benefit from the annexation at all. We have no amenities nearby. It is not right for us to pay more for the same services that are currently provided to us, as will be the case for the majority of the people in this annexation.

Even though we strongly oppose the annexation, as was the case with the last annexation where the mayor voted for the majority outcome, the SB5522 annexation method has already eliminated our right to vote. Once again we are presented with elected officials working to their own agendas, for their own gains, under the guise of the Growth Management Act and not for the rights and requests of the people they were elected to represent. We are hoping both

the City of Lake Stevens and Snohomish County officials would give people more time to prepare for the annexation and allow all the voices to be heard.

Best Regards,

Charles and Uma Nielsen



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Eco, Debbie

From: Tom Matlack <matlacktom@yahoo.com>

Sent: Friday, March 12, 2021 7:21 AM

To: Contact Council

Subject: ILA/Annexation with City of Lake Stevens

SNOHOMISH COUNTY COUNCIL

EXHIBIT # _____13

FILE ORD 21-005

County Councilpersons:

Thank you for your thoughtful deliberations on the ILA/Annexation Zoom meeting earlier this week.

As Sewer Commissioner Lorentzen commented, several times, annexations are a hot button topic in this area, and even the most ardent City of Lake Stevens supporters will admit that Rhodora, the last big annexation, was a very aggressive developer petition that generated harsh feelings in and out of our city limits.

Thanks again for patient and common sense deliberations under these stressful, virtual constraints.

Tom Matlack 425-334-7713

Sent from Mail for Windows 10

SNOHOMISH COUNTY COUNCIL

| EXHIBIT # | 14 |
|-----------|------------|
| EII E | ORD 21-005 |

Thursday, March 18, 2021

RE: March 9th Joint Public Hearing for Southeast Interlocal Annexation

Dear Lake Stevens City Council, County Council, and others whom it may concern,

I am a recent land owner and an investor in the subject annexation area. I was disappointed in the decision made by the City Council at the meeting on March 9th to delay the approval of the Southeast Interlocal Annecation, and to require an advisory vote that won't take place until August. The issue of annexation is timely, and an advisory vote does not carry the sense of urgency that those of us in the proposed annexation area feel is necessary.

A group of us in the Southeast Interlocal Annexation area have formed an assemblage to advocate for our homes and families. We believe that the annexation of our neighborhood is overdue, and had high hopes for the last city council meeting. Since forming the assemblage, I have learned a lot about these neighbors, their pride of ownership, and the issues they face due to the annexation delay. Many of our neighbors are struggling with old septic systems, poor road quality, and delayed response to power outages and repair notices. These issues are sensitive - they affect the quality of our properties, as well as our quality of life. One of our members has lived on her property since the 1940's, and her family has owned it much longer. She has yet to see her family's property officially become a part of the city that she calls home. As proud owners and active members of the community, we implore you to reconsider the issue of annexation.

Because this is a timely issue, we are confused by the repeated tabling of the annexation vote by the City Council. The original vote was scheduled to take place in the winter of 2020, then was pushed to March, and now has been rescheduled for August. We share the same zip code, schools, and pride of residence as the people within Lake Stevens city limits. Our neighborhood has been within the Urban Growth Area since the 1990's, but has never enjoyed the same care that we put into the community. Further delaying a vote on the annexation seems like "putting a pin" in an issue that is long overdue.

The decision to make annexation contingent on an advisory vote is puzzling as well. While the effectiveness of advisory vote is minimal at best, we wonder who would be eligible to vote on this item? Will the vote be put out to residents within the city limits exclusively? Or will those in the proposed annexation area be eligible to vote as well? We have doubts that the advisory vote will do anything to push the annexation forward regardless of who will be able to participate.

We are aware of the array of political complexities surrounding annexation. City expansion is a highly debated issue, with strong and valid opinions on either side. While we do not deny the politics that go along with a vote on annexation, we humbly ask you to consider the residents whose lives have been put on hold due to this delay. Lake Stevens is a beautiful area, but it is the residents who give this town its life and culture. Many of these residents have called Lake Stevens home for almost half a century, and have yet to see their properties become a part of the city they love. We urge you, public servants and advocates for the people of Lake Stevens, to support this annexation.

Thank you for your time and consideration,

Gordy Marks - 4G Properties 516 123rd Ave SE Lake Stevens, WA 98258 425-770-4444 gordy@gordymarks.com

EXHIBIT # ____15

Eco, Debbie FILE ORD 21-005

From: bart.patty@comcast.net

Sent: Thursday, March 18, 2021 5:44 PM

To: kdaughtry@lakestevenswa.gov; gpetershagen@lakestevenswa.gov; sfrederick@lakestevenswa.gov;

mdickinson@lakestevenswa.gov; ajorstad@lakestevenswa.gov; sewing@lakestevenswa.gov;

mtageant@lakestevenswa.gov; sgassaway@lakestevenswa.gov; mplace@lakestevenswa.gov; Russell Wright; edurpos@lakestevenswa.gov; bgailey@lakestevenswa.gov; kchelin@lakestevenswa.gov; jdyer@lakestevenswa.gov; 'David Levitan'; Nehring, Nate; Dunn, Megan; Wright, Stephanie; Mead, Jared; Low, Sam; Contact Council; Eco, Debbie; Low, Mariah; Canola, Eileen; Stevens-Wajda, Yorik;

Kosche, Kevin; Stevenson, Jennifer; Lorentzen, Dan

Subject: RE: March 9th Joint Public Hearing for Southeast Interlocal Annexation (Annexation stalled)

Council members:

We are landowners within the proposed Southeast Interlocal Annexation area. After attending the December 9 City Council meeting, we felt that the annexation was moving forward. An assemblage with some of our adjacent neighbors was formed and we agreed to pursue development of our properties. This activity has been actively worked since December. Then in the March 9 Council Meeting, the annexation stalled. This is very frustrating for us.

We had been advised in 2020 that the City of Lake Stevens was under contract with Snohomish County to annex a portion of the UGA, now that contract seems to have dropped off the meeting discussions.

Patricia retired September 2019 and Bart retired in March 2020. Our goal is to downsize and move to a ranch style house. Although the pandemic certainly delayed our ability to make some necessary home improvements to sell our house, we had begun improvements. In 2019 we had a new roof installed and landscaping work completed. Then we were advised of the Southeast Interlocal Annexation, our neighbors met to pursue development and we stopped pursuit of selling our home. If we went forward with selling our house, we would be required to advise any potential buyers that development was planned for neighboring lots. Note: We see the Mountain View development that is currently being built from our house on 123rd Ave SE.

Our property is 1.56 acres, a fairly large portion has been taken over by blackberries and dying trees. The older we get, the harder it is to care for. We had thought to develop part of our property years ago but wanted to wait for sewer. Now there will be sewer available from the neighboring Mountain View development.

Due to the change in direction by the City Council, we are on hold between preparing our house to sell or waiting for our neighborhood to be developed. We find ourselves in a catch 22 and at the mercy of council politics. We are in favor of the annexation and would like to go forward with development of our property. The development of our properties benefits the City of Lake Stevens by helping to meet requirements of annexing a portion of the Snohomish County UGA. We are currently moving forward with a 10% petition and 60% petition.

Please expedite the decision to annex the proposed Southeast Interlocal Annexation area so we can move forward with our future.

Sincerely,

Bart Pierce and Patricia Anderson 608 123rd Ave SE Lake Stevens, WA

Bart's cell: 425-308-5592 Patricia's cell: 425-446-2587

Eco, Debbie

From: Tony McAllister <thatcarguytony@gmail.com>

Sent: Friday, March 19, 2021 11:04 AM

To: Contact Council

Subject: Lake Stevens Urban growth area annexation

SNOHOMISH COUNTY COUNCIL

EXHIBIT # 16

FILE ORD 21-005

Hello my name is Tony McAllister I live on 7th place Southeast in lake Stevens. I'm reaching out once again as a 35-year resident of lake Stevens to express my full support for the annexation of the urban growth area in which we live. My family strongly believes this is what is best for the city of lake Stevens for many reasons. Please work on behalf of the city expeditiously on moving forward with this annexation and not putting it off and delaying the inevitable any longer. Thank you for your time and efforts in regards to this and all else that you do. Tony McAllister 425-328-0194

EXHIBIT # _____17

Eco, Debbie FILE ORD 21-005

From: Mike Mashock <mjmash@comcast.net>
Sent: Friday, March 19, 2021 10:17 AM

To: kdaughtry@lakestevenswa.gov; gpetershagen@lakestevenswa.gov; sfrederick@lakestevenswa.gov;

mdickinson@lakestevenswa.gov; ajorstad@lakestevenswa.gov; sewing@lakestevenswa.gov;

mtageant@lakestevenswa.gov; sgassaway@lakestevenswa.gov; mplace@lakestevenswa.gov; Russell Wright; edurpos@lakestevenswa.gov; bgailey@lakestevenswa.gov; kchelin@lakestevenswa.gov; jdyer@lakestevenswa.gov; 'David Levitan'; Nehring, Nate; Dunn, Megan; Wright, Stephanie; Mead, Jared; Low, Sam; Contact Council; Eco, Debbie; memberservices@fidelityinvestor.com; Low, Mariah;

Canola, Eileen; Stevens-Wajda, Yorik; Kosche, Kevin; Stevenson, Jennifer; Lorentzen, Dan

Subject: Petition to annex into Lake Stevens City.

Lake Stevens City Council

Lake Stevens Sewer District

Notice of intent to annex by petition, March 19, 2021

We have lived in the Lake Stevens area for 30 years. I watched as the Growth Management Area of Lake Stevens City, surrounded my home and property. We knew we were soon to become residents of the city of Lake Stevens. Unfortunately this process has dragged on the over 10 years. We love this area and our home, but we see an opportunity for us to use our 2 acres to provide needed housing for future residents of the city.

The large Mountain View development, 22 acres, zoned R-12, is directly over my back fence and borders my property. This has set a precedent for property zoning in this area. We ask that our property be annexed into the city and zoned R-12 also. If allowed to achieve its highest and best use, it can be developed to provide needed housing.

Our neighbors all agree that this is the right thing to do and we have started the <u>60% land owners' petition</u> (Moon Ridge Annexation) to the city, to follow through on its vision of 'One City Around the Lake'. We feel that this is the time to join the city and both my wife and I are in favor of this annexation.

We are past retirement and ready to move to a smaller home where we can have a more relaxed lifestyle. It is time our nest-egg investment of time and money in this property can be used to finance our future retirement needs. Please consider this annexation which we feel meets all the requirements to fulfill the annexation process.

See separate Moon Ridge petition annexation declaration.

Sincerely,

Michael Mashock and Karen Mashock

12102 7th Place SE (PO Box 1165) Lake Stevens, WA 98258

Eco, Debbie

From: Michael Jones <mikejones777@gmail.com>

Sent: Saturday, March 20, 2021 3:27 PM

To: Contact Council; chelin@lakestevenswa.gov

Subject: Southeast Interlocal Annexation

SNOHOMISH COUNTY COUNCIL

EXHIBIT # 18

FILE ORD 21-005

At the March 9 Joint Public Hearing for Southeast Interlocal Annexation between the Snohomish County Council, the City of Lake Stevens and the Lake Stevens Sewer District, the Lake Stevens City Council approved a motion for the City Council to work with the Snohomish County Council to pursue an advisory vote on the proposed annexation during the August 3, 2021 primary election.

Now at the upcoming March 23 City Council Meeting, there is an agenda item to consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Please vote AGAINST this ordinance and let the people in the affected area have a voice in the decision. Many of the letters in the City Council Agenda package are from developers or those who want to cash in their properties to developers. The folks that live here and want to stay here also deserve a voice.

Michael & Lisa Jones 718 115th Ave SE Lake Stevens WA 98258

SNOHOMISH COUNTY COUNCIL

EXHIBIT # _____19

Eco, Debbie FILE ORD 21-005

From: Alan Cohen <alansnopud@icloud.com>
Sent: Tuesday, March 23, 2021 4:57 PM

To: Russell Wright; Contact Council; kchelin@lakestevenswa.gov; dlevitan@lakestevenswa.gov kdaughtry@lakestevenswa.gov; petershagen@lakestevenswa.gov; frederick@lakestevenswa.gov;

mdickinson@lakestevenswa.gov; ajorstad@lakestevenswa.gov; mtageant@lakestevenswa.gov;

sewing@lakestevenswa.gov

Subject: Southeast Interlocal Annexation (LUA2020-0117)

I am writing to object to the Annexation process (via SB 5522) used by the City in the Southeast Interlocal Annexation. This is counter to the way all Cities in the State of Washington for all times have implemented the process of annexation. It is the same principal by which a Utility would process a Local Utility District. Both require (adhering to the "sniff test") that all property owners proposed to be assessed be given the opportunity to weigh in on the annexation via a vote. When you assess or tax citizens without their representation it invokes the cry of "Taxation without Representation" which the American Revolutions was based on. This is the one unifying theme that both conservative and liberal ideologies can agree upon. I would hazard to guess that to do otherwise (i.e. not put the Annexation to a vote of the affected property owners) would be politically untenable.

I know, have worked with and sincerely like the City of Lake Stevens staff who with out exception have always been great to work with. For the record, I am not fundamentally opposed to the idea of this specific annexation, rather the methodology by which it was done. It has the appearance of impropriety, of doing business in the dark of night, of trying to deceive citizens that will become eligible to vote in the City elections. My suggestion is a that a process which includes a vote of those being affected would be most politically expedient. It is hard to earn back good will lost.

Sincerely,

Alan Cohen 721 115th Ave SE Lake Stevens, WA 98258-8556 425-905-4562

| SNOHOMISH COUNTY COUNC |
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| SNOHOMISH COUNTY COUNCIL PROCEED! | NGS | |
| PUBLIC HEARING | FILE | ORD 21-005 |

JACKSON BOARD ROOM TUESDAY, MARCH 9, 2021 6:00 p.m.

In response to the COVID-19 state of emergency, the Snohomish County Council participated remotely in the Joint Public Hearing with the city of Lake Stevens and Lake Stevens Sewer District. Governor Inslee's Emergency Proclamations can be accessed at the County Council's <u>Meetings and Webcasts</u> page.

The video of the Joint Public Hearing is available at the following link: https://youtu.be/yAAx6M0HhdE

6:00 p.m. JOINT PUBLIC HEARING WITH THE CITY OF LAKE STEVENS and LAKE STEVENS SEWER DISTRICT

SPECIAL MEETING of the Snohomish County Council

Ordinance 21-005, approving and authorizing the County Executive to sign an interlocal agreement between Snohomish County, the city of Lake Stevens, and the Lake Stevens Sewer District for the southeast interlocal annexation (ECAF 71071)

Proposed Ordinance 21-005 Hearing Packet

Proposed Amendment Sheet 1

Lake Stevens City Mayor Gailey called the city meeting to order at 6:00 p.m. and Lake Stevens City Council conducted city business prior to the public hearing.

At approximately 6:12 p.m. Mayor Gailey welcomed the Snohomish County Council and the Lake Stevens Sewer District. He referenced Lake Stevens' City Ordinance No. 1112, the Sewer District's Resolution No. 996, and Snohomish County's Ordinance No. 21-005, and the Southeast Annexation. He called the joint public hearing to order at 6:13 p.m.

Mayor Gailey provided opening remarks and described the process for the hearing.

The city council and county council clerks called rolls for their own councils. The Sewer Board President called his roll.

Lake Stevens City Council – Mayor and all seven members present (roll called during city business)
Mayor Brett Gailey
Kim Daughtry
Gary Petershagen
Shawn Frederick
Mary Dickinson

Anji Jorstad Steve Ewing Marcus Tageant

Snohomish County Council – All five members present Chair Stephanie Wright Vice-Chair Megan Dunn Councilmember Jared Mead Councilmember Nate Nehring Councilmember Sam Low

<u>Lake Stevens Sewer Commission</u> – All three members present Dan Lorentzen Kevin Kosche Jennifer Stevenson

David Levitan, City of Lake Stevens Sr. Planner, and Eileen Canola, Snohomish County Sr. Planner, provided a PowerPoint presentation and spoke, in detail, about the city of Lake Stevens' Southeast annexation.

Link to PowerPoint Presentation:

https://www.snohomishcountywa.gov/DocumentCenter/View/80721/20071071-Lake-Stevens-PP-030921-Joint-Hearing

Mr. Levitan explained possible process for the evening. He responded to questions from councilmembers and commissioners.

At 6:40 p.m., Mayor Gailey opened the hearing for public comment. The following people spoke to the annexation:

Sally Jo Sebring, resident of the city of Lake Stevens, provided comments in opposition

Tom Matlack, provided comments in opposition Kate MacKenzie, provided comments in support

Michael Jones, provided comments in opposition

Garrett Welch, provided comments in opposition

Janice Huxford, provided comments in opposition

Stu (no last name provided). After multiple attempt, Stu was unable connect and Mayor Gailey suggested he e-mail comments to the city of Lake Stevens.

There being no further persons present wishing to comment, Mayor Gailey closed the public comment portion of the hearing at 7:00 p.m.

Mr. Levitan provided additional information and lengthy discussion ensued between city and county councilmembers, sewer commissioners, police department, and staff.

Staff responded to various questions, including questions related to police department staffing, FCS report, notification process, population, review process, needs, and methods of annexations.

Snohomish County Councilmember Low read a discloser and explained his wife is the general manager for Lake Stevens Sewer District. In appearance of fairness and potential conflicts he stated he will be abstaining from the vote and any deliberations on this matter.

Discussion ensued regarding options and possibilities of proceeding with an advisory vote method annexation. The general consensus of the three bodies was that continued conversation is necessary to evaluate the next step in the process and to determine the best way of moving forward.

Responding to Lake Stevens Councilmember Petershagen, Lake Stevens Attorney Greg Rubstello stated he will need to research to verify if the City has authority to call for an advisory vote, that may be something the County must do.

County Council Chair Wright and council members offered comments and discussed the option of an advisory vote and rescheduling a hearing to a later date.

Snohomish County Council Clerk read the county ordinance title into the record: Ordinance 21-005, approving and authorizing the County Executive to sign an interlocal agreement between Snohomish County, the city of Lake Stevens, and the Lake Stevens Sewer District for the southeast interlocal annexation (ECAF 71071)

CITY ACTION: Lake Stevens Councilmember Dickinson made a motion to ask the County Council to put forth an advisory vote regarding this ILA agreement. Brief discussion ensued.

Lake Stevens Councilmember Jorstad provided a friendly amendment to the motion to continue to work with Snohomish County Council to pursue an advisory vote and to get legal counsel about how best to proceed in that direction.

For simplicity sake, Mayor Gailey asked Councilmember Dickinson to withdraw her motion and asked Councilmember Jorstad to make a new motion. Councilmember Dickinson withdrew her motion.

CITY ACTION: Lake Stevens Councilmember Jorstad made a motion that the Lake Stevens City Council work alongside Snohomish County Council to pursue an advisory vote on the proposed annexation and receive legal counsel on how best to proceed. Lake Stevens Councilmember Dickinson seconded the motion.

Lake Stevens Councilmember Petershagen made a friendly amendment to note that it is available for the August primary election. Councilmember Jorstad agreed and Councilmember Ewing clarified, August 2021. Councilmember Jorstad seconded the friendly amendment and it carried unanimously.

The question was called for on the main motion and it carried unanimously as amended.

COUNCIL ACTION: Snohomish County Vice-Chair Dunn made a motion to move Ordinance No. 21-005 to a future Council Committee of the Whole to schedule a future hearing date. Councilmember Mead seconded the motion and it carried four, zero, one with Councilmember Low abstaining.

Lake Stevens Sewer Board President Lorentzen read the Sewer Board resolution title into the record: Resolution No. 996, by the Board of Commissioners for the Lake Stevens Sewer District in Snohomish County, Washington. It would be formalizing the support for the southeast interlocal agreement pursuant to the Revised Code of Washington 35A.14.296

President Lorentzen opened it up to his commissioners and said he would like to continue deliberations on this resolution and return at another time with the City and Council. Commissioners Kosche and Stevenson agreed.

SEWER DISTRICT ACTION: Commissioner Kosche made a motion to continue deliberations on Resolution 996 to coincide with our city partners, both City and Council *[County]* as they continue their deliberations. Commissioner Stevenson seconded the motion and it carried unanimously.

Snohomish County Council Chair Wright and Lake Stevens Sewer Board President Lorentzen provided closing remarks.

Mayor Gailey adjourned the joint public hearing at 8:15 p.m.

- Link to full Public Hearing: https://www.youtube.com/watch?v=yAAx6M0HhdE
- City of Lake Stevens March 9, 2021, joint meeting agenda, staff report, ordinance and supplemental documents: 4314 (lakestevenswa.gov)
- City of Lake Stevens March 23, 2021, consideration of City Ordinance 1112: https://www.lakestevenswa.gov/ArchiveCenter/ViewFile/Item/4324
- Video of March 23, 2021, City of Lake Stevens meeting <u>Youtube channelLake</u> <u>Stevens Sewer District March 9, 2021, Joint Hearing meeting packet</u>
- Lake Stevens Sewer District March 9, 2021, Joint Hearing meeting packet: 03-09-21 Agenda Packet.pdf (revize.com)
- Public Comment received by Snohomish County Council: https://www.snohomishcountywa.gov/DocumentCenter/View/80756/20071071-Public-Testimony

SNOHOMISH COUNTY COUNCIL

| EXHIBIT # | 21 | | | |
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| FILE | ORD 21-005 | | | |



One Community Around the Lake

March 25, 2021

Snohomish County Councilmembers Robert J. Drewel Building Eighth Floor 3000 Rockefeller Ave., M/S 609 Everett WA. 98201

Re: County Council Action Supporting LUA2020-0117 Southeast Annexation

Dear Snohomish County Councilmembers,

On March 9, 2021 the City Council, County Council and Lake Stevens Sewer District held a joint public hearing to consider the Southeast Interlocal Annexation. The joint board received testimony from proponents and opponents of the proposed annexation. Considerable discussion ensued, at the conclusion of which the City Council agreed to explore the feasibility of an advisory vote during the August 2021 primary election. Since the hearing, the city has received several emails and calls from supporters of the annexation. In addition, some claimed they were unable to access the link to the Zoom public hearing.

After reflection and legal counsel review, it was determined the City cannot call for an advisory vote in an unincorporated area of Snohomish County for the annexation process codified in RCW 35A.14.296. On March 23, 2021 the Lake Stevens City Council approved Ordinance 1112, authorizing me to sign the Southeast Interlocal Annexation Agreement (SIAA).

Today the Lake Stevens Sewer District board voted in support of the SIAA.

Actions of the City of Lake Stevens City Council and Lake Stevens Sewer District align with the Growth Management Act (Chapter RCW 36.70A), Interlocal Cooperation Act (Chapter 39.34 RCW) and the Snohomish County countywide planning policies, comprehensive plan and development goals. Additionally, City Council's action meets the intent and procedural requirements of Senate Bill 5522 as codified in RCW 35A.14.296. The annexation method was supported by the Washington State Association of Counties and was intended to create a process that involves significant interagency coordination that would result in the most efficient provision of urban services within the Urban Growth Area (UGA), especially in areas that are already urbanized and integrated into the adjacent city via infrastructure and public services.



One Community Around the Lake

I respectfully request the Snohomish County Council take action to support the SIAA at the next regularly scheduled Council meeting which supports and follows the adopted long-range planning of Snohomish County and the City of Lake Stevens under the Growth Management Act.

If you have any questions, feel free to contact me at (425) 407-3497.

Sincerely,

Brett Gailey, Mayor

cc:

County Executive Dave Somers

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| EXHIB | IT#_ | 22 | |
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| FILE | OR | D 21-005 | |

CITY OF LAKE STEVENS Lake Stevens, Washington ORDINANCE NO. 1112

AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF LAKE STEVENS, WASHINGTON CONCERNING ANNEXATION BY INTERLOCAL AGREEMENT; APPROVING FINDINGS OF FACT; APPROVING AND AUTHORIZING THE MAYOR TO SIGN AN INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY, THE CITY OF LAKE STEVENS, AND THE LAKE STEVENS SEWER DISTRICT FOR THE SOUTHEAST INTERLOCAL ANNEXATION; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE, AND FOR SUMMARY PUBLICATION BY ORDINANCE TITLE; AND FOR FILING OF THE ORDINANCE WITH THE BOARD OF SNOHOMISH COUNTY COMMISSIONERS.

WHEREAS, Section 35A.14.296 of the Revised Code of Washington (RCW) outlines the process for Washington code cities to annex unincorporated areas within their Urban Growth Area (UGA) pursuant to an interlocal agreement ("ILA"); and

WHEREAS, the City of Lake Stevens has adopted an Annexation Plan, under Resolution 2016-021, as a reasonable measure that provides an annexation strategy and which will help address the projected population deficiency, identified in the Snohomish County 2007 Buildable Lands Report, for the Lake Stevens UGA; and

WHEREAS, the City Council approved Resolution 2020-017 on July 14, 2020, which declared its intent to initiate negotiations with Snohomish County ("County") on an ILA to annex areas within its UGA, pursuant to RCW 35A.14.296; and

WHEREAS, the Lake Stevens Sewer District ("District") provided notice to the City of its intent to join as party to the ILA, as permitted by RCW 35A.14.296(2); and

WHEREAS, the City hosted public meetings on September 21, 2020 and December 9, 2020 to discuss the proposed annexation and to respond to questions from area residents and has posted information on the city's website as it relates to the proposed annexation; and

WHEREAS, the City, County and District ("Parties") have drafted an ILA (Exhibit A) that identifies the boundaries, legal description and effective date of the proposed annexation, and which established March 9, 2021 as the date of the joint public hearing between the Lake Stevens City Council and Snohomish County Council to consider approval of the ILA; and

WHEREAS, the ILA as written meets all other requirements of RCW 35A.14.296; and

WHEREAS, the ILA is consistent with the Interlocal Agreement between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development within the Lake Stevens Urban Growth Area ("Master ILA"), as amended by the ILA, which is recorded under Snohomish County Auditor's File Number 200511100706 and aims to facilitate the orderly transition of services and responsibilities for capital projects from the County to the City at the time of annexation of unincorporated areas of the County to the City; and

WHEREAS, the ILA applies only to the areas within the Southeast Interlocal Annexation Area identified in Exhibit A; and

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296 **WHEREAS**, the City of Lake Stevens City Council has determined that the area will be liable for any of the outstanding indebtedness of the City of Lake Stevens; and

WHEREAS, Ordinances 1073 and 1074 established Comprehensive Plan land use designations and zoning designations for the annexation area, as amended by Ordinances 1105 and 1106; and

WHEREAS, Section 6 of the ILA notes that all parcels in the annexation area with current county zoning that allows for residential development shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density permitted by the county, for a minimum of five years; and

WHEREAS, the Parties published a notice of public hearing and notice of availability of the ILA in the Everett Herald for four consecutive weeks starting on February 12, 2021, and made a copy of the ILA available on the city and county websites; and

WHEREAS, the City Council, County Council, and District Board of Commissioners held a joint public hearing on March 9, 2021, where the public was afforded the opportunity to provide testimony; and

WHEREAS, the City Council has determined that the proposed annexation is consistent with all requirements of RCW 35A.14.296 as well as the city's adopted Annexation Plan and will help meet the city's goal of creating "One Community Around the Lake".

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE STEVENS, WASHINGTON, DO ORDAIN AS FOLLOWS:

<u>Section 1</u>. The City Council authorizes the Mayor to sign an Interlocal Agreement between Snohomish County, the City of Lake Stevens and the Lake Stevens Sewer District, attached hereto as **Exhibit A**, that annexes into the city those areas within the Southeast Interlocal Annexation Area.

Section 2. The effective date of the annexation is May 28, 2021.

<u>Section 3.</u> Severability. If any section, clause, phrase, or term of this ordinance is held for any reason to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance, and the remaining portions shall be in full force and effect.

Section 4. Effective Date and Publication. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall take effect and be in full force five days after the date of publication.

Section 5. A certified copy of this ordinance shall be filed with the board of county commissioners for Snohomish County as required by RCW 35A.14.296(5).

PASSED by the City Council of the City of Lake Stevens this 23rd day of March 2021.

Brett Gailey, Mayor

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296 ATTEST/AUTHENTICATION:

Chelin, City Clerk

APPROVED AS TO FORM:

Greg Rubstello, City Attorney

First and Final Reading: March 9, 2021 Published: 3/74/21 Effective Date: 3/31/21

EXHIBIT A

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the City of Lake Stevens ("City"), a Washington municipal corporation; Snohomish County ("County"), a political subdivision of the State of Washington; and the Lake Stevens Sewer District ("District"), a special purpose district of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

- Primary purpose. The primary purpose of this Agreement is to set forth the terms of the Parties' agreement to the annexation ("Annexation") to the City of territory located within the Southeast Interlocal Annexation area, which area is referred to herein as the "Annexation Area," pursuant to RCW 35A.14.296. The territory included in the Annexation Area, including the entirety of the lake, is depicted in Exhibit A and a legal description is provided in Exhibit B to this Agreement, and incorporated herein by this reference. The Annexation Area is completely within the City's Urban Growth Area (UGA) designated under RCW 36.70A.110.
- 2.2. Orderly transition of services and capital projects. The City, County, and District recognize the need to facilitate an orderly transition of services and capital projects from the County to the City at the time of the Annexation.
- 2.3 Secondary purpose. The secondary purpose of this Agreement is to identify those areas within the City's UGA that the District intends to annex pursuant to one of methods authorized under Chapter 57.24 RCW. This area is referred to herein as the "Sewer Expansion Area". The Sewer Expansion Area is completely within the City's UGA, as depicted in Exhibit C and consistent with the City of Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005, and recorded under Auditor File # 200604250536), and its subsequent amendments. No specific timeframe has been established for future annexations of the sewer expansion area.

3. GENERAL AGREEMENT REGARDING ANNEXATION

- 3.1 Applicability of Master Annexation ILA. The Parties recognize the existence of a certain Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area, effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation. The Parties agree and intend that the Master Annexation ILA shall have applicability, force, and effect with respect to the Annexation contemplated herein, except where specifically amended in Section 4 of this Agreement, where specific issues are identified that are not contained in the Master Annexation ILA.
- 3.2 Applicability of Unified Sewer Services and Annexation Agreement. The Parties recognize the existence of a certain City of Lake Stevens and Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005 and recorded under Auditor's File # 200604250536 and amended on four occasions, most recently on September 27, 2010 ("Unified Sewer Services and Annexation Agreement"), that addresses the unification of the sewerage system within the UGA and coordination of capital projects and annexations affecting the sewerage system
- 3.3 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement, together with the Master Annexation ILA, be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles. For this purpose, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit D and incorporated herein by this reference.
- Annexation approval. The Parties agree to hold a joint public hearing on this Agreement on March 9, 2021. The Parties agree that following execution of this Agreement, the City shall pursue the annexation of the territory depicted and described in Exhibits A and B by adoption of an ordinance pursuant to RCW 35A.14.296
- 3.5 <u>Effective date of annexation</u>. The Parties agree that the City's annexation shall become effective May 28, 2021.

4. AMENDMENT TO THE MASTER ANNEXATION ILA AND ADDITIONAL AGREEMENTS

- 4.1 <u>Amendment to Section 3.3 of the Master Annexation ILA</u>. Section 3.3 of the Master Annexation ILA is amended as follows:
 - 3.3 <u>Urban density requirements</u> Except as may be otherwise allowed by law, the CITY agrees to adopt and maintain land use designations and zones for the annexation areas that will ensure that new residential subdivisions and development will achieve a minimum net density¹ of four dwelling units per acre and that will accommodate within its jurisdiction the population, housing, and employment allocation assigned by Snohomish County under GMA for the subject area. Provided, however, this shall not be deemed as a waiver of the City's right to appeal the assignment of population and employment allocation by any means provided by law.

¹For purposes of this agreement, minimum net density is the density of development excluding roads, drainage detention/retention areas, biofiltration swales, areas required for public use, and critical areas and their required buffers. Minimum density is determined by rounding up to the next whole unit or lot when a fraction of a unit or lot is 0.5 or greater.

- 4.2 <u>Amendment to Section 9.1 of the Master Annexation ILA</u>. Section 9.1 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the COUNTY has an ownership interest, (ii) over or to which the COUNTY has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the COUNTY has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the CITY, effective by the date of the annexation, except as otherwise negotiated between the Parties in any subsequent agreements. The COUNTY agrees to provide a list of all such known surface water management improvements and facilities to the CITY. If the COUNTY'S current Annual Construction Plan or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Parties will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.
- 4.3 <u>Amendment to Section 9.2 of the Master Annexation ILA</u>. Section 9.2 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.2 Taxes, fees, rates, charges and other monetary adjustments. The CITY recognizes that service charges are collected by the COUNTY for unincorporated areas within the

COUNTY'S Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an annexation, the CITY hereby agrees that the COUNTY may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the COUNTY. If the CITY intends for the COUNTY to continue providing surface water services beyond the calendar year after annexation, a separate interlocal agreement must be negotiated between the Parties.

- 4.4 <u>Amendment to Section 9.3 of the Master Annexation ILA</u>. Section 9.3 of the Master Annexation ILA is deleted in its entirety.
- 4.5 <u>Amendment to Section 9 of the Master Annexation ILA</u>. Section 9 of the Master Annexation ILA is amended to add new Master Annexation ILA sections 9.3, 9.4, 9.5, 9.6, 9.7, and 9.8 as follows:
 - 9.3 Compliance with National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit. The Parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the CITY'S Phase II NPDES Municipal Stormwater Permit, and will no longer be subject to the requirements of the COUNTY'S Phase I NPDES Municipal Stormwater Permit. Notwithstanding the COUNTY'S continued provision of stormwater management services in an annexation area pursuant to Subsection 9.2, the CITY expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the CITY shall be solely responsible for ensuring the requirements of the CITY'S NPDES Permit are met relating to the annexation area, and (ii) any stormwater management services the COUNTY continues to provide in the annexation area pursuant to Subsection 9.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the CITY'S Phase II NPDES Permit.
 - 9.4 Access during remainder of calendar year in which annexation occurs. To ensure the COUNTY is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2, the CITY shall provide the COUNTY with reasonable access to all portions of the annexation area in which such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.

- 9.5 Surface Water Facility Data. In addition to the list of COUNTY facilities and assets provided in Subsection 9.1, the COUNTY shall provide:
 - 9.5.1 Available data on surface water facilities which the COUNTY has in its database, which may include but not be limited to: inspection and maintenance records, spatial and attribution data (ArcGIS), As-Built construction plans, ownership status (private, public), and current maintenance responsibility.
 - 9.5.2 Available data on surface water programs concerning the annexation area, which may include but not be limited to: drainage complaints; water quality complaints; business inspections; facility inspections; education and outreach; monitoring; salmon recovery; and special studies.
- 9.6 Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations. Any pending Surface Water Management cases referred to PDS code enforcement for county code violations relating to real property located in an annexation area will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY, if necessary, to assist with transferred code enforcement cases. Upon request, the COUNTY agrees to provide the CITY with copies of any files and records related to any transferred case.
- 9.7 Government service agreements. The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
- 9.8 Transfer of Federal and State Permits. If there are structures or work related to COUNTY surface water management improvements or facilities that are authorized under active federal or state permits located in an annexation area, as the new owner the CITY, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing. Active federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

5. SURFACE WATER MANAGEMENT IMPROVEMENTS AND FACILITIES

In accordance with Section 9.1 of the Master Annexation ILA, an initial list of known surface water management improvements and facilities owned by the County or over which the County has rights or responsibilities in the Annexation Area is attached and incorporated hereto as

Exhibit E. While the County has made its best efforts to provide a list of all known surface water management improvements and facilities, the exclusion of any County owned facilities or property interests located within the Annexation Area from Exhibit E, does not change the Parties agreement that any ownership interests, rights and responsibilities associated with County surface water management improvement and facilities in the Annexation Area shall be transferred to the City, effective by the date of the annexation.

6. RESIDENTIAL ZONING

For all parcels zoned by the County for residential development in the Annexation Area, in accordance with RCW 35A.14.296(2) the City agrees that for a period of five years after the effective date of annexation the City shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density allowed for by the County zoning designation in effect prior to annexation. The City assigned zoning pre-designations for the Annexation Area via City Ordinance 1073 and as amended by City Ordinance 1106, which comply with the requirements of RCW 35A.14.296(2).

7. TRANSFER OF SUNSET PARK

Sunset Park is a 0.27-acre park located at 410 E Lake Stevens Rd (Assessor Parcel # 00533400001500) that is currently owned and managed by the County. As part of this Agreement, ownership and maintenance responsibilities for Sunset Park will be transferred to the City in its existing condition. The City has identified several capital improvements to the park to bring it up to the City's level of service for parks and to address bank and shore stabilization issues. The County agrees to support the City in its pursuit of funding sources for necessary park improvements.

8. FUTURE CAPITAL IMPROVEMENTS

The County has not identified any planned capital improvements to roads or other existing transportation infrastructure or to the list of surface water facilities listed in Exhibit E. The County agrees to work cooperatively on identifying and planning needed transportation improvements within and adjacent to the annexation area that will meet the needs of both city and countywide multimodal traffic. The County Surface Water Management staff expertise provided under this section will be limited to available technical knowledge about surface water conditions and infrastructure in the Annexation Area.

9. THIRD PARTY BENEFICIARIES

There are no third-party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

10. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each Party shall be responsible for the costs of their own legal representation. Each Party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process.

The Parties agree to mediate any disputes arising under this Agreement including, without limitation, disputes regarding the annexation process or responsibilities of the Parties prior to the Boundary Review Board hearing on the Annexation.

11. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict. As between the District and the City, this Agreement is intended to address the future annexation of territory by the District located within the Southeast Interlocal Annexation Area under chapter 57.24 RCW. Other than the implications of the additional territory, this Agreement does not change the terms and conditions of the Unified Sewer Services and Annexation Agreement.

12. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all Parties will comply with all applicable state or local laws. The County and City retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and City do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

13. EFFECTIVE DATE, DURATION AND TERMINATION

- 13.1 <u>Effective Date</u>. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of the Parties and the signing of the Agreement by an authorized representative of each Party hereto.
- 13.2 <u>Duration</u>. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the terms of the Agreement after the Agreement is set to expire, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 13.3 <u>Termination</u>. Any Party may terminate this Agreement upon ninety (90) days advance written notice to the other party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding

obligations under this Agreement incurred prior to the effective date of the termination.

14. INDEMNIFICATION AND LIABILITY

- 14.1 <u>Indemnification of County</u>. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees, or agents.
- 14.2 <u>Indemnification of City</u>. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the City, its elected and appointed officials, officers, employees, or agents.
- 14.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the City and the County, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the City, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 14.4 Hold harmless. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

15. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

16. EXERCISE OF RIGHTS OR REMEDIES

Failure of any Party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by any other Party and shall not prevent any other Party from pursuing that right at any future time.

17. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice.

The City, the County, and the District each acknowledges, agrees and understands that each party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. This Agreement and all public records associated with this Agreement shall be retained and be available from the City, the County, and the District for inspection and copying where required by the Public Records Act, Chapter 42.56 RCW.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the Annexation, except as set forth in Section 3 and Section 4 of this Agreement.

19. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

20. CONTINGENCY

The obligations of the City, the County and the District in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City, the County, or the District may terminate the Agreement under Subsection 13.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

21. FILING

A copy of this Agreement shall be filed with the Lake Stevens City Clerk and recorded with the Snohomish County Auditor's Office or as otherwise allowed or required under state law.

22. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Russ Wright Community Development Director City of Lake Stevens 1812 Main St. Lake Stevens, WA 98258 (425) 334-1012 Eileen Canola Snohomish County Department of Planning and Development Services 3000 Rockefeller Ave. Everett, WA 98201 (425) 262-2253

Johnathan Dix Assistant General Manager Lake Stevens Sewer District 1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

| | Dated this | day of | 20 . |
|---------------------------------|--|---------------------------------|-------------------------|
| CITY OF LAKE STEVEN BY: | S | SNOHOMISH BY: | COUNTY |
| Brett Carlley Mayor Date: | | Dave Somers County Execut Date: | ive |
| ATTEST: | | ATTEST: | |
| City Clerk | AMERICAN AND AND AND AND AND AND AND AND AND A | Clerk of the Co | ounty Council |
| Approved as to form only: | | Approved as to | o form only: |
| Attorney for the City of La | ke Stevens | Deputy Prosection Snohomish Co | uting Attorney for unty |
| LAKE STEVENS SEWER I BY: | DISTRICT | | |
| Dan Lorentzen President | | | |
| DATE: | | | |
| ATTEST: | | | |
| Approved as to form only: | | | |

Attorney for Lake Stevens Sewer District

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

EXHIBIT A – Southeast UGA Annexation Map

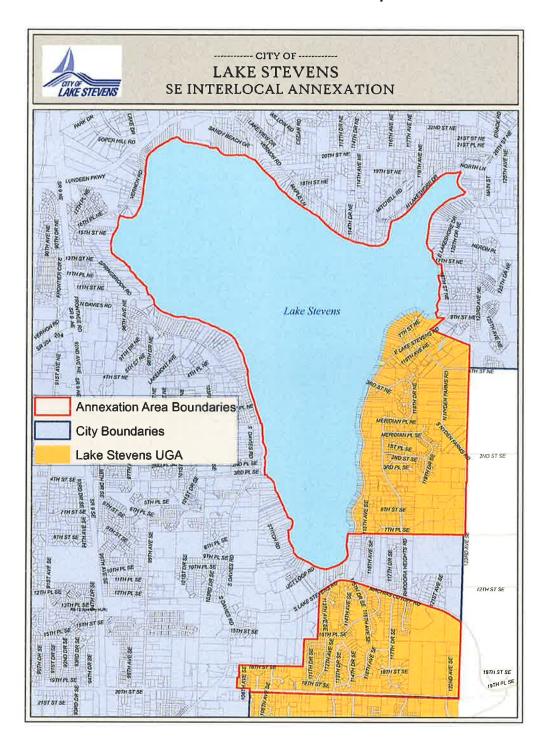


EXHIBIT B – Southeast UGA Annexation Legal Description

CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (NORTH)

Those portions of the Southwest quarter of Section 6, Section 7, Section 17, Section 18, the Northeast quarter of Section 19, and the Northwest quarter and Northeast quarter of Section 20, all in Township 29 North, Range 6 East, W.M., and those portions of Section 12, and the Northeast quarter of Section 13, all in Township 29 North, Range 5 East, W.M., all in Spohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 17 and following along the existing city limits of the City of Lake Stevens;

Thence Easterly, 25 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 695 feet plus or minus, to the southerly right of way of 2rd Street SE;

Thence Northwesterly, 54 feet plus or minus, to the northerly right of way of 2nd Street SE and its intersection with the east line of the Southwest quarter of said Section 17;

Thence Northerly along the east line of the Southwest quarter of said Section 17, 2115 feet plus or minus, to the Southeast corner of the Northwest quarter of said Section 17;

Thence continuing Northerly along the east line of the Northwest quarter of said Section 17, 610 feet plus or minus, to the south line of Tract 501 of The Reserve at Lake Stevens Division No. 5 as recorded under recording number 199713132006;

Thence Northwesterly along said south line of Tract 501 and extended to the westerly Right of Way of E Lake Stevens Rd, 1094 feet plus or minus, which is also the south line of Tract 999 of Codar Cove as recorded under recording number 198302175001;

Thence Northensterly along the westerly right-of-way of E Lake Stevens Rd, 467 feet plus or minus, to the north line of said Tract 999 of Cedar Cove;

Thence Northwesterly along the said north line of Tract 999, 315 feet plus or minus, to the Second class Shoreland and Navigable Boundary of Lake Stevens as conveyed by the State of Washington;

Thence Northerly, Westerly, Southerly, Easterly, Northerly along the said navigable boundary of said Lake Stevens and the existing city limits of the City of Lake Stevens (said navigable boundary also referred to as mean low water, the share of, the navigable boundary of sharelands, second class shorelands and westerly limit of shorelands) approximately 30,000 feet plus or minus, to a point of a line lying 1,356.3 feet southerly of the north line of the mortheast quarter of said Section 19;

Thence Easterly along the line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19, 333 feet plus or minus, to the east line of said Section 19 and the west line of Lot 13 of North Star Plat as recorded under recording number 201411240384;

Thence Northerly along the east line of said Section 19, 12 feet plus or minus, to the South line of the North half of the Northwest quarter of Section 20;

Thence Easterly along the said south line of the North half, 2617 feet plus or minus, to the east line of the said Northwest quarter of Section 20;

Thence Easterly 30 feet plus or minus, to the Easterly right of way of 123th Ave SE;

Theree Northerly along said east right of way, 1316 feet plus or minus, to a point 25 feet east of the SE Corner of the Southwest quarter of said Section 17;

Thence Westerly 25 feet plus or minus to the cast line of the Southwest quarter of said Section 17 and the True Point of Beginning.

This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously neted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (SOUTH)

Those portions of the Northeast quarter, Southeast quarter and the Southwest quarter of Section 19, the Northwest quarter, Southwest quarter and the Southeast quarter of Section 20, the Northwest quarter of Section 29, and the Northwest quarter of Section 30, all in Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 20;

Thence northerly along the east line of the southwest quarter of said Section 20, 1392 feet plus or minus, to the South line of the North half of the Southwest quarter of said Section 20;

Thence easterly, 30 feet plus or minus, to the easterly right of way of 123rd Ave SE:

Thence northerly along the easterly right of way of 123rd Ave SE, 468 feet plus or minus, to its intersection with the southerly right of way of Machins Cutoff and the existing city limits of the City of Lake Stevens;

Thence northwesterly along the southerly right of way of Machias Cutoff, 3360 feet plus or minus, to its intersection with southerly right of way of S Lake Stevens Rd and following along the existing city limits of the City of Lake Stevens;

Thence southwesterly along the southerly right of way of S Lake Stevens Rd, 560 feet plus or minus, to the west line of Mission Ridge Division No 3 as recorded under recording number 200212185001;

There esoutherly along the said west line, 1192 feet plus or minus, to the north line of Mission Ridge Division No. 2 as recorded under recording number 200101035002;

Thence westerly along the said north line, 339 feet plus or minus, to the west line of said Mission Ridge Division No. 2;

Thence southerly along the said west line, 687 feet plus or mines, to the southerly right of way of 18th Street SE;

Therece westerly along the southerly right of way of 18th Street SE, 1625 feet plus or minus, to the east line of the West 75 feet of the East 375 feet of Lot 2 of Ideal Garden Tracts as recorded under Volume 7 of plat, page 33;

Thence southerly along the cast line West 75 feet of the East 375 feet of said Lot 2, 120 feet plus or minus, to the south line of the North 187 feet of said Lot 2,

There easterly along the south line of said North 187 feet of Let 2, 20 feet plus or minus, to the west line of Lot 19 of Silver Lenf Condominium as recorded under recording number 2005/0175207;

Thereoe southerly along the west line of said Lot 19 and the west line of Common Element A, 180 feet plus or minus, to the north line of Lot 25 of said Silver Leaf Condominium;

Thence westerly along the said north line, 44 feet plus or minus, to the west line of said Silver Leaf Condominium;

Thence southerly along the said west line, 315 feet plus or minus, to the northerly right of way of 20th Street SE:

Thence easterly along the said northerly right of way, 335 feet plus or minus, to the west line of the Southeast quarter of said Section 19;

Thence southerly along the west line of said Southeast quarter, 60 feet plus or minus to the southerly right of way of 20th Street SE:

Thence easterly along the said southerly right of way, 5324 feet plus or minus, to the west line of Cascade Acres Division A as recorded under Volume 25 of plats, Page 6 and 7;

Theoree northerly along said East line, 30 feet plus or minus, to the south line of said Section 20 and the True Point of Beginning.



This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



EXHIBIT C – Southeast UGA Sewer Expansion Area Map

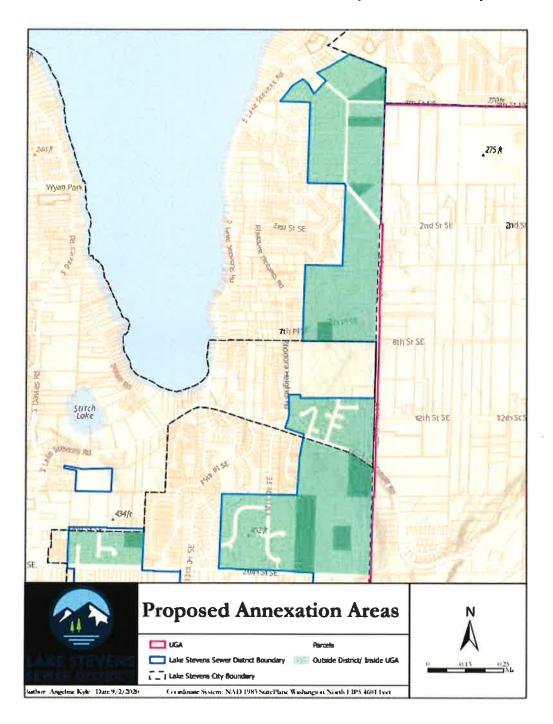


EXHIBIT D – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a "roadmap" for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County's current delivery of municipal services within the urban growth area while strengthening the County's regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

- 1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county's Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
- 2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will re- evaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.

The report to the county council should be based upon each city's internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial

roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads' priority within the county's current 6-year road plan. Where financing and other considerations are not compelling, the city and county may "re-visit" the annexation strategies at the next two-year interval.

3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights

or other creative solutions. Upon completion of sub-area planning, if densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

- 4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
- 5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
- 6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

EXHIBIT E – KNOWN DRAINAGE FACILITIES OWNED BY THE COUNTY OR OVER WHICH THE COUNTY HAS RIGHTS OR RESPONSIBILITIES

| Area | FacID | Owner_Type | ROW | To Transfer |
|--------|----------------|------------|-----|---|
| Area 1 | F#429 | County | Yes | Facility |
| Area 1 | F#430 | County | Yes | Facility |
| Area 1 | F#1890, F#1891 | County | | Facility, property rights or responsibilities |
| Area 1 | F#2724 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3599 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3600 | County | Yes | Facility |
| Area 2 | F#173 | County | | Facility, property rights or responsibilities |
| Area 2 | F#175 | County | Yes | Facility |
| Area 2 | F#176 | County | Yes | Facility |
| Area 2 | F#177 | County | Yes | Facility |
| Area 2 | F#239 | County | Yes | Facility, property rights or responsibilities |
| Area 2 | F#3595 | County | | Facility, property rights or responsibilities |
| Area 1 | F#815 | Private | | Property rights or responsibilities |
| Area 1 | F#1736 | Private | | Property rights or responsibilities |
| Area 1 | F#1737 | Private | | Property rights or responsibilities |
| Area 1 | F#2323 | Private | | Property rights or responsibilities |
| Area 1 | F#2641 | Private | | Property rights or responsibilities |
| Area 1 | F#3634 | Private | | Property rights or responsibilities |
| Area 2 | F#178 | Private | | Property rights or responsibilities |
| Area 2 | F#1406 | Private | | Property rights or responsibilities |
| Area 2 | F#1551 | Private | | Property rights or responsibilities |
| Area 2 | F#1999 | Private | | Property rights or responsibilities |
| Area 2 | F#3347 | Private | | Property rights or responsibilities |

EXHIBIT # ____23

FILE ___ ORD 21-005

City of Lake Stevens March 23, 2021, Council Meeting YouTube link

Starting point on the <u>YouTube link</u> regarding Ordinance 1112 begins at approximately 1:16:28. Lake Stevens City Council approved Ordinance 1112 at this meeting.

| CV | \mathbf{n} | клісц | COUN | TV CO | |
|--------------|--------------|--------|------|-------|-------|
| \mathbf{J} | UNU | IVIIJI | COUN | | UNCIL |

ORD 21-005

| EXHIBIT # | 24 | |
|-----------|----|--|
| | | |

FILE

RESOLUTION NO. 996

A RESOLUTION OF THE BOARD OF SEWER COMMISSIONERS OF THE LAKE STEVENS SEWER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, FORMALIZING SUPPORT FOR THE SOUTHEAST INTERLOCAL AGREEMENT PURSUANT TO RCW 35A.14.296.

WHEREAS, the Lake Stevens Sewer District operates a system of sewerage in the vicinity of Lake Stevens, Snohomish County, Washington; and

WHEREAS, the Lake Stevens Sewer District is a special purpose district organized under Title 57 RCW; and

WHEREAS, the City of Lake Stevens And Lake Stevens Sewer District Unified Sewer Services And Annexation Agreement, dated May 23, 2005, among many terms, specifically established in 4.3.B that the District cannot oppose lawful annexation proceeding commenced by the City of Lake Stevens at any time under the Agreement; and

WHEREAS, the Board of Sewer Commissioners recognizes that it is within the jurisdictional authority of the City of Lake Stevens to pursue annexation of unincorporated territory pursuant to an interlocal agreement with the County of Snohomish; and

WHEREAS, the Board of Sewer Commissioners recognizes that to not approve of the interlocal agreement process under RCW 35A.14.296, the annexation may not proceed under that section which would not be consistent with the existing City of Lake Stevens And Lake Stevens Sewer District Unified Sewer Services And Annexation Agreement; and

WHEREAS, the District has provided the City of Lake Stevens with notice of interest in being a party to the interlocal agreement; and

WHEREAS, the Interlocal Agreement Between Snohomish County, The City of Lake

Stevens, And The Lake Stevens Sewer District For The Southeast Interlocal Annexation identifies that the District must pursue another annexation method under Chapter 57.24 RCW to annex the "Sewer Expansion Area" at a future date and that there is no change to the existing terms and conditions of the City of Lake Stevens And Lake Stevens Sewer District Unified Sewer Services And Annexation Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LAKE STEVENS SEWER DISTRICT:

The Board of Commissioners approves and authorizes the President of the Board of Commissioners to sign the Interlocal Agreement Between Snohomish County, The City of Lake Stevens, And The Lake Stevens Sewer District For The Southeast Interlocal Annexation.

ADOPTED by the Board of Sewer Commissions, Lake Stevens Sewer District, Snohomish County, Washington at a regular open public meeting held on the 25th day of March 2021, at which the following Commissioners being present and voting.

LAKE STEVENS SEWER DISTRICT:

Dan Lorentzen, President and Commissioner

Kevin Kosche, Secretary and Commissioner

1 1 Min

Jennifer Stevenson, Commissioner

| NOHON | IISH COUNTY COUNCII |
|--------|---------------------|
| XHIBIT | # <u>25</u> |
| ILE | ORD 21-005 |

Lake Stevens Sewer Board March 25, 2021, Board Meeting YouTube link

| FILE | ORD 21-005 |
|------|------------|
|------|------------|



1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 Fax (425) 335-5947 Website: www.lkstevenssewer.org

Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.

MINUTES OF COMMISSIONER SPECIAL MEETING March 25, 2021 at 9:00 AM

Attendees: By Remote Participation via GoToMeeting Commissioners Jennifer Stevenson and Kevin Kosche; Commissioner Dan Lorentzen joined at 9:45 AM for the Executive Session. District Staff: Mariah Low, Johnathan Dix, Tara Bighouse and Jim Heitzman. District Engineers: Barry Baker and Leigh Nelson, G&O. Legal Counsel: Brad Cattle and Kinnon Williams. City: Councilmember Gary Petershagen, Mayor Brett Gailey and Gene Brazel, City Administrator.

- 1. CALL TO ORDER At 9:00 AM, Commissioner Kosche called the meeting to order and read a prepared statement regarding our virtual meeting and public comment. Commissioner Lorentzen was excused from the meeting.
- 2. PLEDGE OF ALLEGIANCE Commissioner Kosche led those present in the Flag Salute.
- 3. AGENDA APPROVAL Mariah Low would like to add Resolution No. 996. The City Council passed their annexation ordinance last Tuesday, this resolution supports this annexation. Commissioner Stevenson moved to approve the agenda with the addition of old business item C, Resolution No. 996. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
- 4. CONSENT ITEMS (The Commissioners have previously reviewed these in detail) Commissioner Stevenson moved to approve the Consent Items A through I. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

| _ | The Motion passed unanimously. | | |
|----|--|--------------|--------------------|
| Α. | Minutes: March 3, 9 & 11 | AMOUNT | CHECK #'s |
| B. | Lien Placements (0) | NA NA | |
| 1 | Lien Releases (0) | NA NA | |
| C. | Investments | \$234,252.44 | |
| 1 | Withdrawals | \$71,882.97 | |
| 1 | Transfers | \$9,211.48 | |
| D. | Payroll | NA | |
| E. | 40 – Maintenance | \$184,752.34 | 8481-8511 & EFT145 |
| F. | 48 – SRF Principle & Interest Payment | NA | |
| G. | 58 – Capital Expenditures | NA NA | |
| Н. | 58 – Capital Expenditures | \$71,882.97 | 8512-8513 |
| 1. | 60 - PWTF Principle & Interest Payment | NA NA | |

5. PUBLIC FORUM – Non-action Items (please limit comments to 3 minutes) Commissioner Kosche asked if there were any public forum comments or questions submitted. Both Tara Bighouse and Mariah Low replied nothing was received via email.

Scott Bennison, 12121 7th PI SE, Lake Stevens – He lives in the proposed annexation area. He is here today to encourage the Commissioners to follow suit in passing the Resolution as it will help landowners. He is not currently a customer of the Sewer District but would like to and has been in support of this annexation. He believes this annexation is good for the entire community and

working towards one community around the lake. He has a failing septic and would like to develop his property.

Gordy Marks, 516 123rd Ave SE – His main concern about expanding the Sewer District is keeping the environment and lake clean. He knows the primary goal is to keep the environment healthy. He is in favor of connecting to sewer also.

Bart Pierce, 608 123rd Ave SE – He doesn't have anything new to add but wanted to put his support behind this ILA.

Tony McAllister, 12031 7th PI SE – He wanted to echo the last three gentlemen said. He is in full support of becoming customers of the Sewer District.

6. OLD BUSINESS

- A. Contract Amendment No. 30 for Professional Engineering Services with Gray & Osborne for Lift Station 11 Retrofit Feasibility Study Johnathan Dix explained contract amendment no. 30 is to cover the cost for G&O to study and prepare a feasibility report answering a question on whether or not the District can use the equipment at the Shirewood Lift Station to retrofit for Lift Station 11. Lift Station 11 has fairly unreliable equipment that requires a lot of afterhours maintenance. The District is interested in finding out if the cost is similar or more expensive to do a new build. The cost for G&O to do the study is \$34,070 and is recommended by staff for approval. Commissioner Stevenson moved to approve Contract Amendment No. 30. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
- B. Bid Award for Lift Station 22 Odor Control Johnathan Dix noted on the 17th District staff opened four bids for the Lift Station 22 odor control project. The engineers estimated for this project was \$70,850 including tax and the bids received ranged in price from \$120,227 to \$178,000 with Gary Harper Construction Inc being the low bidder. District staff and PACE engineering recommends award of the Lift Station 22 odor control contract to Gary Harper Construction for \$120,227. Lincoln Chapman, PACE Engineering, added he would recommend Gary Harper Construction as this is in their wheelhouse and seems like a is fair bid. Commissioner Kosche voiced his concern in the gap between the engineers estimate and the bids that came in. The last bid verses estimated was off as well. Lincoln Chapman agreed their estimating efforts have been off as of late. One of the main culprits for the main estimate being off was for neglecting a number of features from the original estimate. The original quote they were given from the manufacturer was different than the quote the contractor received due to additional components being added costing the additional \$40,000. The one thing he can't pinpoint is the cost of labor and miscellaneous materials that may be scarce. These are things they are taking into account now for future quotes. Commissioner Stevenson moved to approve the Bid Award for Lift Station 22 Odor Control. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
- C. Resolution No. 996: Formalizing Support for the Southeast Interlocal agreement Commissioner Kosche noted this resolution is the Districts support of the annexation. He would like to have all three Commissioners present before moving forward on this resolution. In Mayor Gailey's letter it referenced the Unification agreement and finds it ironic and inconsistent how other sections of the agreement are interpreted different. The District has always done its best to adhere to the Unification Agreement and he will not deviate from the agreement and will live up to it, he is in support of it as he is in support of the unification agreement but would like all three Commissioners present. Commissioner Stevenson agreed for her honoring the unification

agreement and waiting would just be delaying the inevitable, so she believes in moving forward in supporting it. Commissioner Stevenson moved to approve Resolution No. 996. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

7. NEW BUSINESS

- A. Voiding Check No. 8395 and Reissuing with Check No. 8480 Mariah Low explained check number 8395 was issued to the wrong vendor, ADT Security which was incorrect and was reissued to the correct vendor, ADT Commercial with check number 8480 for \$454.64. Commissioner Stevenson moved to approve Voiding Check No. 8395 and Reissuing with Check No. 8480. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
- B. Emergency Resolution No. 999: Declaring an Emergency Related to the Discovery of a Sanitary Sewer Service Connection Made to a Stormwater Structure - Johnathan Dix explained on the 16th of March District staff was made aware of a sanitary sewer connection made to what appears to be a stormwater structure while doing a utility locate of unrelated work. A homeowner pulled a staff member over to what he believed to be sewer smell. After further investigation, using a push camera it was determined it was in fact sewer and did some dye testing to determine which house was connected to that stormwater. This being an imminent health and welfare hazard and immediate action was necessary to correct the issue, so District staff contracted with B&L Utilities Inc to disconnect the sanitary sewer connection from the storm and reconnect to the sanitary sewer. Per District resolution this would generally require this be competitively bid and having done so would disadvantage the public by allowing the unhealthy conditions to continue. The emergency declaration would excuse the public bidding requirements, District staff recommends it for approval. The cost has not been determined yet, but Johnathan's best guess was around \$10,000. The connection was originally made in 1971 and there is no indication of any modification so there is no way to tell why it was hooked up this way. Commissioner Stevenson moved to approve Emergency Resolution No. 999. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

8. MANAGERS' REPORTS

- A. General Manager Mariah Low reported the District's Caring by Sharing program has a little over \$1000 in it. The entry level field position has received and reviewed over 60 applications and for the entry level plant position 30 application have been received since Tuesday night when it was posted.
- B. Assistant General Manager Johnathan Dix reported year to date there has been 207.59 connection fees purchased and issued 193 permits. On March 12th District staff was made aware of a dispute between two property owners led to one property owner disconnecting the side sewer illegally that crossed through their adjoining property. The District has issued a notice of violation letter via certified mail giving them seven days to reconnect the side sewer before receiving penalties, the District hasn't heard from the homeowner yet. Another option will be making a connection at an alternative location and go after the property owner that disconnected to recoup the cost. The renters that have been displaced from the disconnected home are being put up in a hotel at the property owners' expense until its resolved.
- C. Treatment Plant Update Jim Heitzman reported the plant is doing well. The good work done on I&I by the Collections Team is paying off as high peaks are lower than they have been in the past. It has really helped the Treatment Plant. He reiterated getting a lot of applicants and it does indicate the good brand the Sewer District has as a good place to work.

- 9. CITY REPORT Gene Brazel reported business as usual and still working closely with Costco, the District has been a good partner on this. The Decant Facility is near complete and about to open up. Mariah has been a big help helping with the discussion on opening offices and mirroring operations for the citizens to get the same message.
- 10. COMMISSIONERS' REPORT Commissioner Stevenson appreciates the staff and all their hard work. Commissioner Kosche agreed and praised the great work between the City and District certainly on a staff level. The Decant Facility is a good example of that good work and the unified front is appreciated.
- 11. EXECUTIVE SESSION Brad Cattle stated the Commission will recess into Executive Session at 9:45 AM and excused the general public; it is estimated the executive session will last until 10:00 AM. The purpose of the Executive Session, under RCW 42.30.110.1i, is to discuss with legal counsel a matter of litigation. At the conclusion of the Executive Session, there will not be action taken by the Board of Commissioners and there will not be any announcements made. The Commission Meeting will be adjourned at the conclusion of the Executive Session without an announcement.
- **12. CONCLUDE** Commissioner Lorentzen moved to adjourn the Board Meeting. Commissioner Stevenson seconded the Motion. The Motion passed unanimously at 10:02 AM.

Signed at a regular open public meeting this 8th day of April 2021

Dan Lorentzen, President and Commissioner

dennifer Stevenson, Commissioner

Kevin Kosche, Secretary and Commissioner



EXHIBIT # 27
FILE ORD 21-005

Snohomish County Council

Committee: Planning & Community Development Written by: Yorik Stevens-Wajda &

Geoffrey Thomas

ECAF: 2021-0106 (Reference ECAF 7-1071)

Consideration

Ordinance 21-005 would authorize the executive to sign the an interlocal agreement with the City of Lake Stevens and the Lake Stevens Sewer District regarding annexation of a roughly 550-acre area known as the Southeast Interlocal Annexation area.

Background

<u>Annexations</u>

State law provides a variety of methods for annexation of unincorporated land into cities. Annexations may be initiated by cities or by petition from property owners within a proposed annexation area. The proposed annexation area may then be refined by the city or by negotiation between the city and the county. Proposed annexations may then be implemented by the city by resolution or ordinance or by election of residents of the proposed annexation area. Certain annexations may be subject to referendum, and most annexations are subject to review by the county's Boundary Review Board if invoked by affected governments or 5% of residents in the area to be annexed or property owners representing 5% of the assessed value in the area to be annexed.

RCW 35A.14.296 Annexation Method

The interlocal agreement method proposed for this annexation is provided by RCW 35A.14.296. This method is initiated through an interlocal agreement between the city, the county, and, optionally, certain types of affected jurisdictions. Consideration of the interlocal agreement by the parties to it must be preceded by a public hearing for which public notice is provided weekly for at least four consecutive weeks.

Following approval of the agreement by all parties, which must set the annexation boundaries and the effective date, the city may implement the annexation by ordinance.

This method requires that for five years after annexation, any parcel zoned for residential development within the annexation area (a) maintain a zoning designation that provides for residential development and (b) not have its *minimum gross residential density* reduced below that provided by the zoning designation for that parcel prior to annexation.

This method of annexation is subject to Boundary Review Board review if invoked. If review of a proposed annexation is invoked, the Boundary Review Board may hold public hearings and approve, deny, or modify the proposed annexation. Boundary Review Board decisions must be consistent with Growth Management Act provisions including the planning goals and framework for urban growth areas and countywide planning policies. State law also defines objectives (RCW 36.93.180) for board review and provides factors (RCW 36.93.170) for board consideration in making its decision.

Current Proposal

In July 2020, the City of Lake Stevens adopted Resolution 2020-17, declaring its intent to initiate negotiations for annexation of the subject area via interlocal agreement. The Lake Stevens Sewer District subsequently notified the city of its intent to be party to the agreement.

The city, the county, and the sewer district have since negotiated a proposed interlocal agreement, which builds on and modifies the 2005 master annexation interlocal agreement between the city and the county (see exhibit D to the PDS staff report in the ordinance packet), and is presented to the county council via this ordinance.

The interlocal agreement addresses an orderly transition of public services and facilities from the county to the city, addresses processing and transition of any active permit applications, identifies areas that the sewer district intends to annex in the future, and addresses the specific requirements of RCW 35A.14.296.

Annexation area

The annexation area (see Exhibit A for a map) consists of two distinct areas (separated by the 2018 Rhodora annexation area) southeast of Lake Stevens, within the urban growth area, and the entirety of the lake itself.

The area consists of roughly 550 acres of land, 1,200 parcels, 1,200 housing units, and the entirety of Lake Stevens (the lake). The assessed value is roughly \$500,000,000.

The area's future land use designation in the comprehensive plan is Urban Low Density Residential, and the zoning is R 9,600 and R 7,200. The city has adopted pre-annexation comprehensive plan future land use designations Waterfront Residential and Medium Density Residential, and pre-annexation zoning of Waterfront Residential and R6.

March 9, 2021 Joint Public Hearing

On March 9, 2021, the Snohomish County Council, Lake Stevens City Council, and Lake Stevens Sewer District Board of Commissioners held a joint public hearing to hear public comment, consider city Ordinance 1112, district Resolution 996, and county Ordinance 21-005. After hearing from the public, the three bodies deliberated, and several council and board members expressed interest in potentially holding an advisory ballot measure on August 3, 2021, to inform the decision on whether to approve the annexation (see exhibit C for more information).

The two councils and the district board then recessed the meeting without action on the ordinances or the resolution. The County Council referred county Ordinance 21-005 to Committee of the Whole for further review.

Developments after the March 9, 2021 Joint Public Hearing

On March 23, 2021, the Lake Stevens City Council approved city Ordinance 1112 that authorizes the Mayor to sign the Interlocal Agreement between Snohomish County, the City of Lake Stevens and the Lake Stevens Sewer District.

On March 23, 2021, the Lake Stevens Sewer District Board approved district Resolution 996 approving and authorizing the President of the Board of Commissioners to sign the Interlocal Agreement between Snohomish County, the City of Lake Stevens, and the Lake Stevens Sewer District.

On March 25, 2021, the council received a letter from Mayor Gailey of Lake Stevens, requesting county approval of the interlocal agreement.

On March 31, 2021, the County Council scheduled a public hearing for county Ordinance 21-005 for April 28, 2021. The council clarified that all options remain on the table including but not limited to:

- (1) Approving the ordinance on April 28, authorizing the County Executive to sign the interlocal agreement,
- (2) Continuing the public hearing until an advisory vote could be held in the annexation area or the annexation area plus the City of Lake Stevens (see exhibit C for information about a potential advisory vote), or
- (3) Denying the ordinance without further consideration.

Update for April 28th Public Hearing

The Interlocal Agreement submitted with proposed Ordinance 21-005 included a blank to into which Council was to add an effective date for the annexation. If Council moves to approve the proposed Ordinance on April 28th, PDS and other staff recommended that the effective date be July 16, 2021. The City of Lake Stevens and the sewer district agree to the proposed effective date.

In reviewing the Interlocal Agreement to evaluate changes to the effective date, it was found that a subsection should be added to section 4 to ensure that a minimum net density of four dwelling units per acre would be maintained and to update references and section numbering. The City of Lake Stevens and the sewer district are aware of the need to add this language to the Interlocal Agreement for Council consideration. Their versions of the Interlocal Agreement attached to City Ordinance 1112 and District Resolution 996 contain the language regarding the residential minimum net density of four dwelling units per acre.

The above two changes have been incorporated into a replacement Interlocal Agreement. It is recommended that if a councilmember moves to approve Ordinance 21-005, that Amendment Sheet 2 be moved to replace the original Interlocal Agreement with the replacement Interlocal Agreement. Note that Amendment Sheet 1, which also updated the Interlocal Agreement, has been replaced with Amendment Sheet 2 and, therefore, Amendment Sheet 1 does not need to be moved for approval.

If the County Council approves the proposed ordinance with Amendment Sheet 2, there will be a 45-day review period for the Boundary Review Board followed by an ordinance from the City of Lake Stevens to finalize the annexation.

Fiscal Impacts: See exhibit B.

Handling: Normal

Approved-as-to-form: Yes

Risk Management: N/A

Executive Recommendation: Approve

Attachments

Exhibit A: Map of Lake Stevens Southeast ILA Annexation Area

Exhibit B: March 4, 2021 Memo re: Fiscal Analysis Exhibit C: March 23, 2021 Memo re: Advisory Ballot

Exhibit D: March 25, 2021 Letter from City of Lake Stevens

Exhibit A: Map of Lake Stevens Southeast ILA Annexation Area

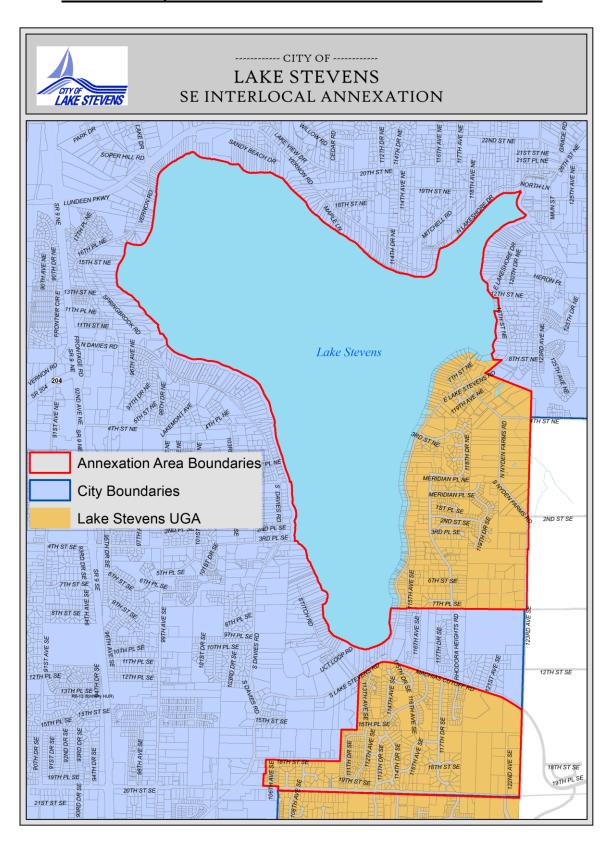


Exhibit A: Map of Lake Stevens Southeast ILA Annexation Area Council Staff Report Proposed Ordinance 21-005

Exhibit B: March 4, 2021 Memo re: Fiscal Analysis



Council

3000 Rockefeller Ave., M/S 609 Everett, WA 98201-4046 (425) 388-3494 www.snoco.org

MEMORANDUM

TO: Snohomish County Council

FROM: Yorik Stevens-Wajda, council staff

SUBJECT: Fiscal analysis for Lake Stevens SE Interlocal Agreement Annexation

DATE: March 4, 2021

This memorandum addresses estimated fiscal impacts of the Lake Stevens southeast interlocal agreement annexation. In short, no major concerns were identified by county departments and offices.

Background

Snohomish County Code provides a series of procedural requirements for county review of proposed annexations (SCC 2.77.040). These requirements include a review by the executive, typically coordinated through Planning & Development Services, of likely impacts of the annexation including fiscal impacts. These requirements are tied to county receipt of a notice of intention from the annexing jurisdiction, via the boundary review board.

The annexation method for the Lake Stevens southeast interlocal agreement annexation (RCW 35A.14.296) begins when the city initiates negotiations with the county for an interlocal agreement governing the annexation. If the interlocal agreement is signed by all parties, the city would then issue a notice of intention to the boundary review board and implement the annexation by ordinance after the 45-day boundary review board review period.

The county council is currently considering proposed Ordinance 21-005, which would authorize the executive to sign an interlocal agreement with the City of Lake Stevens and the Lake Stevens Sewer District governing the SE interlocal agreement annexation. A joint public hearing with the city council and district board of directors is scheduled for March 9th at 6 p.m.

Timing of fiscal analysis

Following the procedures laid out in county code, the executive would provide information on estimated fiscal impacts once the notice of intention was received by the county. Staff raised a concern that that phase would occur *after* approval of the

Exhibit B: March 4, 2021 Memo re: Fiscal Analysis

Council Staff Report

Proposed Ordinance 21-005

interlocal agreement, at which point it may be difficult for the county to respond to any concerns that may be identified.

At planning committee on February 2nd, the committee requested information about estimated fiscal impacts to inform the council's consideration of the interlocal agreement

Fiscal analysis

Planning staff have coordinated a review of estimated fiscal impacts equivalent to the one that is normally conducted during the boundary review board review period for proposed annexations. Staff circulated a worksheet to county departments and offices, and reviewed a fiscal analysis that was commissioned for Lake Stevens potential annexation areas including this one.

The county's finance department reviewed the city's fiscal analysis and estimated an annual reduction of about \$30,000 in sales tax revenue to the county, and about \$200,000 in real estate excise tax revenue. The reduced sales tax revenue would be at least partially, if not totally, offset by reduced need for county services. No impact to General Fund property tax and no impact to Conservation Futures property tax.

The county's surface water management division estimated an annual reduction of about \$160,000 in surface water management charges beginning in 2022. The division anticipates that the program service area and functions would adjust to the annexation and decreased revenues.

The district court noted that Lake Stevens currently contracts with District Court for municipal court services.

The Sheriff's office estimated only a small impact to call load and patrol needs.

Planning & Development Services estimated that the fiscal impact would be minimal, including a modest reduction in permit revenue, offset by a reduction in permit processing expenditures.

Parks estimated a small reduction in maintenance costs associated with the transfer of Sunset park to the city, and a decrease in park impact fee revenue, offset by a reduction in park and recreation development in the area.

Conclusion

Considering the above responses received from county departments and offices regarding estimated impacts from the annexation, the executive maintains a recommendation to approve Ordinance 21-005.

Exhibit B: March 4, 2021 Memo re: Fiscal Analysis

Council Staff Report

Proposed Ordinance 21-005

Exhibit C: March 23, 2021 Memo re: Advisory Ballot



Council

3000 Rockefeller Ave., M/S 609 Everett, WA 98201-4046 (425) 388-3494 www.snoco.org

MEMORANDUM

TO: Snohomish County Council

FROM: Yorik Stevens-Wajda, council staff

SUBJECT: Lake Stevens SE Interlocal Agreement Annexation Advisory Ballot

DATE: March 23, 2021

This memorandum provides information about a potential advisory ballot measure for the Lake Stevens southeast interlocal agreement annexation.

Background

The county council is currently considering proposed Ordinance 21-005, which would authorize the executive to sign an interlocal agreement with the City of Lake Stevens and the Lake Stevens Sewer District governing the proposed SE interlocal agreement annexation.

A joint public hearing with the city council and district board of directors was held March 9th at 6 p.m. During joint deliberations, several members of the county council, city council, and district board spoke in favor of a potential advisory ballot measure in August 2021. The city ordinance, county ordinance, and district resolution were then all tabled while staff gathered information about a potential ballot measure.

The Lake Stevens City Council has since scheduled consideration of city Ordinance 1112, which would approve and authorize the mayor to sign the interlocal agreement, on March 23, 6 p.m. (agenda). If the city approves the interlocal agreement, the county council and district board would each still need to sign the interlocal agreement before the annexation could be implemented. Under a separate agreement between the city and the district, the district must support the annexation effort.

The county Ordinance 21-005 is currently being held in Committee of the Whole. The public hearing has been held, meaning the council could consider the ordinance at any meeting of the full council if it so chooses.

Calling for an advisory ballot

Council staff reached out to the County Auditor with a series of questions regarding a potential advisory ballot in August 2021; the questions and answers are provided below.

Exhibit C: March 23, 2021 Memo re: Advisory Ballot

Council Staff Report

Proposed Ordinance 21-005

Can the city initiate the measure itself, given that the annexation area is not within its boundaries today?

No.

If the city can't initiate it, can the county do so?

Yes

Two areas have been mentioned for participation in the advisory ballot: (A) the annexation area itself and (B) the city plus the annexation area. Are either of the boundaries workable for an advisory ballot?

 Yes. It would create some administrative challenges and work above and beyond what it would ordinarily take to place a countywide advisory measure before voters. The auditor's office would have to establish a temporary district featuring just the voters who the county wants to consider the advisory measure. If these areas don't follow precinct lines, the auditor's office would have to create some new geographical precinct splits.

What are the estimated costs? Who would get the initial bill?

 Cost is dependent on whether the county will be paying for an item on the ballot in the area of the advisory vote. Based on filings with the Public Disclosure Commission it looks like the Council District 5 race will have a 2021 Primary. Therefore, there would be no additional direct cost to the county if it placed the measure on the 2021 August Primary ballot.

What would a potential schedule be? What would the first deadline be? (May was mentioned as a possible deadline to get something on the August ballot)

 The deadline to schedule the ballot measure is May 14. A county council motion to do so could be considered any time up to Wednesday's General Legislative Session on May 12.

Would the city, the county, and the district board be held to the provisions of RCW 42.17A.555 for an advisory vote, which restricts their involvement to providing information and not promoting an outcome?

Yes

Conclusion

Considering the above information, it appears possible for the council to schedule an advisory ballot via motion prior to May 14. If that is the case, the city, county, and district would all need to act to revise the interlocal agreement to provide a new effective date in September 2021 or later.

Exhibit C: March 23, 2021 Memo re: Advisory Ballot

Exhibit D: March 25, 2021 Letter from City of Lake Stevens



March 25, 2021

Snohomish County Councilmembers Robert J. Drewel Building Eighth Floor 3000 Rockefeller Ave., M/S 609 Everett WA. 98201

Re: County Council Action Supporting LUA2020-0117 Southeast Annexation

Dear Snohomish County Councilmembers,

On March 9, 2021 the City Council, County Council and Lake Stevens Sewer District held a joint public hearing to consider the Southeast Interlocal Annexation. The joint board received testimony from proponents and opponents of the proposed annexation. Considerable discussion ensued, at the conclusion of which the City Council agreed to explore the feasibility of an advisory vote during the August 2021 primary election. Since the hearing, the city has received several emails and calls from supporters of the annexation. In addition, some claimed they were unable to access the link to the Zoom public hearing.

After reflection and legal counsel review, it was determined the City cannot call for an advisory vote in an unincorporated area of Snohomish County for the annexation process codified in RCW 35A.14.296. On March 23, 2021 the Lake Stevens City Council approved Ordinance 1112, authorizing me to sign the Southeast Interlocal Annexation Agreement (SIAA).

Today the Lake Stevens Sewer District board voted in support of the SIAA.

Actions of the City of Lake Stevens City Council and Lake Stevens Sewer District align with the Growth Management Act (Chapter RCW 36.70A), Interlocal Cooperation Act (Chapter 39.34 RCW) and the Snohomish County countywide planning policies, comprehensive plan and development goals. Additionally, City Council's action meets the intent and procedural requirements of Senate Bill 5522 as codified in RCW 35A.14.296. The annexation method was supported by the Washington State Association of Counties and was intended to create a process that involves significant interagency coordination that would result in the most efficient provision of urban services within the Urban Growth Area (UGA), especially in areas that are already urbanized and integrated into the adjacent city via infrastructure and public services.

City of Lake Stevens Mayor's Office

1812 Main Street | PO Box 257 | Lake Stevens, WA 98258-0257

Exhibit D: March 25, 2021 Letter from City of Lake Stevens Council Staff Report Proposed Ordinance 21-005



One Community Around the Lake

I respectfully request the Snohomish County Council take action to support the SIAA at the next regularly scheduled Council meeting which supports and follows the adopted long-range planning of Snohomish County and the City of Lake Stevens under the Growth Management Act.

If you have any questions, feel free to contact me at (425) 407-3497.

Sincerely,

Brett Gailey, Mayor

cc:

County Executive Dave Somers

1812 Main Street | PO Box 257 | Lake Stevens, WA 98258-0257 www.lakestevenswa.gov

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FILE ORD 21-005 **AMENDMENT SHEET 2**

ORDINANCE NO. 21-005 (ECAF 7 1071)

| Amendment Name: | ILA effective date and minimum density |
|---|---|
| Affected Ordinance Section: | Exhibit A |
| Affected Code Section: | N/A |
| Attachment: | Revised Exhibit A to Ordinance No. 21-005 (Interlocal Agreement) |
| Description: | A revised interlocal agreement is proposed to change the effective date of the ILA to July 16, 2021 (Section 3.5, page 2), to add a subsection to section 4 to ensure that the minimum net density of four dwelling units per acre will be maintained (Subsection 4.1, page 3), and to update references and section numbering. |
| AMENDMENT: | |
| REPLACE the proposed interlocation | al agreement (Exhibit A) |
| WITH the revised interlocal agree | ement, which is ATTACHED to this amendment sheet 2. |
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| Council Disposition: 2-4 U appropriate four mem | proved by Date: 04/28/21 |

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

1. PARTIES

This Interlocal Agreement ("Agreement" or "ILA") is made by and between the City of Lake Stevens ("City"), a Washington municipal corporation; Snohomish County ("County"), a political subdivision of the State of Washington; and the Lake Stevens Sewer District ("District"), a special purpose district of the State of Washington, collectively referred to as the "Parties," pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

- 2.1 <u>Primary purpose</u>. The primary purpose of this Agreement is to set forth the terms of the Parties' agreement to the annexation ("Annexation") to the City of territory located within the Southeast Interlocal Annexation area, which area is referred to herein as the "Annexation Area," pursuant to RCW 35A.14.296. The territory included in the Annexation Area, including the entirety of the lake, is depicted in Exhibit A and a legal description is provided in Exhibit B to this Agreement, and incorporated herein by this reference. The Annexation Area is completely within the City's Urban Growth Area (UGA) designated under RCW 36.70A.110.
- 2.2. Orderly transition of services and capital projects. The City, County, and District recognize the need to facilitate an orderly transition of services and capital projects from the County to the City at the time of the Annexation.
- 2.3 Secondary purpose. The secondary purpose of this Agreement is to identify those areas within the City's UGA that the District intends to annex pursuant to one of methods authorized under Chapter 57.24 RCW. This area is referred to herein as the "Sewer Expansion Area". The Sewer Expansion Area is completely within the City's UGA, as depicted in Exhibit C and consistent with the City of Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement, effective May 23, 2005, and recorded under Auditor File # 200604250536), and its subsequent amendments. No specific timeframe has been established for future annexations of the sewer expansion area.

3. GENERAL AGREEMENT REGARDING ANNEXATION

- 3.1 Applicability of Master Annexation ILA. The Parties recognize the existence of a certain Interlocal Agreement Between the City of Lake Stevens and Snohomish County Concerning Annexation and Urban Development Within the Lake Stevens Urban Growth Area, effective October 26, 2005, and recorded under Auditor's File #200511100706 ("Master Annexation ILA"), that addresses certain actions related to annexation. The Parties agree and intend that the Master Annexation ILA shall have applicability, force, and effect with respect to the Annexation contemplated herein, except where specifically amended in Section 4 of this Agreement, where specific issues are identified that are not contained in the Master Annexation ILA.
- 3.2 Applicability of Unified Sewer Services and Annexation Agreement. The Parties recognize the existence of a certain *City of Lake Stevens and Lake Stevens Sewer District Unified Sewer Services and Annexation Agreement,* effective May 23, 2005 and recorded under Auditor's File # 200604250536 and amended on four occasions, most recently on September 27, 2010 ("Unified Sewer Services and Annexation Agreement"), that addresses the unification of the sewerage system within the UGA and coordination of capital projects and annexations affecting the sewerage system
- 3.3 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement, together with the Master Annexation ILA, be interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles. For this purpose, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit D and incorporated herein by this reference.
- 3.4 <u>Annexation approval.</u> The Parties agree to hold a joint public hearing on this Agreement on March 9, 2021. The Parties agree that following execution of this Agreement, the City shall pursue the annexation of the territory depicted and described in Exhibits A and B by adoption of an ordinance pursuant to RCW 35A.14.296
- 3.5 <u>Effective date of annexation</u>. The Parties agree that the City's annexation shall become effective July 16, 2021.

4. AMENDMENT TO THE MASTER ANNEXATION ILA AND ADDITIONAL AGREEMENTS

- 4.1 <u>Amendment to Section 3.3 of the Master Annexation ILA</u>. Section 3.3 of the Master Annexation ILA is amended as follows:
 - 3.3 <u>Urban density requirements</u> Except as may be otherwise allowed by law, the CITY agrees to adopt and maintain land use designations and zones for the annexation areas that will ensure that new residential subdivisions and development will achieve a minimum net density¹ of four dwelling units per acre and that will accommodate within its jurisdiction the population, housing, and employment allocation assigned by Snohomish County under GMA for the subject area. Provided, however, this shall not be deemed as a waiver of the City's right to appeal the assignment of population and employment allocation by any means provided by law.

¹For purposes of this agreement, minimum net density is the density of development excluding roads, drainage detention/retention areas, biofiltration swales, areas required for public use, and critical areas and their required buffers. Minimum density is determined by rounding up to the next whole unit or lot when a fraction of a unit or lot is 0.5 or greater.

- 4.2 <u>Amendment to Section 9.1 of the Master Annexation ILA</u>. Section 9.1 of the Master Annexation ILA is deleted in its entirety and replaced with the following:
 - 9.1 Legal control and maintenance responsibilities. If an annexation area includes surface water management improvements or facilities (i) in which the COUNTY has an ownership interest, (ii) over or to which the COUNTY has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the COUNTY has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the CITY, effective by the date of the annexation, except as otherwise negotiated between the Parties in any subsequent agreements. The COUNTY agrees to provide a list of all such known surface water management improvements and facilities to the CITY. If the COUNTY'S current Annual Construction Plan or Surface Water Management Division budget includes major surface water projects in the area to be annexed, the Parties will determine how funding, construction, programmatic and subsequent operational responsibilities, legal control and responsibilities will be assigned for these improvements, and the timing thereof, under the provisions of RCW 36.89.050, RCW 36.89.120 and all other applicable authorities.
- 4.3 <u>Amendment to Section 9.2 of the Master Annexation ILA</u>. Section 9.2 of the Master Annexation ILA is deleted in its entirety and replaced with the following:

- 9.2 Taxes, fees, rates, charges and other monetary adjustments. The CITY recognizes that service charges are collected by the COUNTY for unincorporated areas within the COUNTY'S Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of an annexation, the CITY hereby agrees that the COUNTY may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the COUNTY. If the CITY intends for the COUNTY to continue providing surface water services beyond the calendar year after annexation, a separate interlocal agreement must be negotiated between the Parties.
- 4.4 <u>Amendment to Section 9.3 of the Master Annexation ILA</u>. Section 9.3 of the Master Annexation ILA is deleted in its entirety.
- 4.5 <u>Amendment to Section 9 of the Master Annexation ILA</u>. Section 9 of the Master Annexation ILA is amended to add new Master Annexation ILA sections 9.3, 9.4, 9.5, 9.6, 9.7, and 9.8 as follows:
 - On Compliance with National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit. The Parties acknowledge that upon the effective date of any annexation, the annexation area will become subject to the requirements of the CITY'S Phase II NPDES Municipal Stormwater Permit, and will no longer be subject to the requirements of the COUNTY'S Phase I NPDES Municipal Stormwater Permit. Notwithstanding the COUNTY'S continued provision of stormwater management services in an annexation area pursuant to Subsection 9.2, the CITY expressly acknowledges, understands and agrees that from and after the effective date of any annexation (i) the CITY shall be solely responsible for ensuring the requirements of the CITY'S NPDES Permit are met relating to the annexation area, and (ii) any stormwater management services the COUNTY continues to provide in the annexation area pursuant to Subsection 9.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the CITY'S Phase II NPDES Permit.
 - 9.4 <u>Access during remainder of calendar year in which annexation occurs</u>. To ensure the COUNTY is able to promptly and efficiently perform surface water management services in the annexation area after the effective date of annexation, as described in Subsection 9.2, the CITY shall provide the COUNTY with reasonable access to all portions of the annexation area in which

such services are to be performed. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closing is reasonably necessary to perform the service at issue.

- 9.5 <u>Surface Water Facility Data</u>. In addition to the list of COUNTY facilities and assets provided in Subsection 9.1, the COUNTY shall provide:
 - 9.5.1 Available data on surface water facilities which the COUNTY has in its database, which may include but not be limited to: inspection and maintenance records, spatial and attribution data (ArcGIS), As-Built construction plans, ownership status (private, public), and current maintenance responsibility.
 - 9.5.2 Available data on surface water programs concerning the annexation area, which may include but not be limited to: drainage complaints; water quality complaints; business inspections; facility inspections; education and outreach; monitoring; salmon recovery; and special studies.
- 9.6 <u>Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations.</u> Any pending Surface Water Management cases referred to PDS code enforcement for county code violations relating to real property located in an annexation area will be transferred to the CITY on the effective date of the annexation. Any further action in those cases will be the responsibility of the CITY at the CITY'S discretion. The COUNTY agrees to make its employees available as witnesses at no cost to the CITY, if necessary, to assist with transferred code enforcement cases. Upon request, the COUNTY agrees to provide the CITY with copies of any files and records related to any transferred case.
- 9.7 <u>Government service agreements.</u> The COUNTY and CITY intend to work toward one or more interlocal agreements for joint watershed management planning, capital construction, infrastructure management, habitat/river management, water quality management, outreach and volunteerism, and other related services.
- 9.8 <u>Transfer of Federal and State Permits</u>. If there are structures or work related to COUNTY surface water management improvements or facilities that are authorized under active federal or state permits located in an annexation area, as the new owner the CITY, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing. Active

federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

5. SURFACE WATER MANAGEMENT IMPROVEMENTS AND FACILITIES

In accordance with Section 9.1 of the Master Annexation ILA, an initial list of known surface water management improvements and facilities owned by the County or over which the County has rights or responsibilities in the Annexation Area is attached and incorporated hereto as Exhibit E. While the County has made its best efforts to provide a list of all known surface water management improvements and facilities, the exclusion of any County owned facilities or property interests located within the Annexation Area from Exhibit E, does not change the Parties agreement that any ownership interests, rights and responsibilities associated with County surface water management improvement and facilities in the Annexation Area shall be transferred to the City, effective by the date of the annexation.

6. RESIDENTIAL ZONING

For all parcels zoned by the County for residential development in the Annexation Area, in accordance with RCW 35A.14.296(2) the City agrees that for a period of five years after the effective date of annexation the City shall maintain a zoning designation that provides for residential development and not reduce the minimum gross residential density for those parcels below the density allowed for by the County zoning designation in effect prior to annexation. The City assigned zoning pre-designations for the Annexation Area via City Ordinance 1073 and as amended by City Ordinance 1106, which comply with the requirements of RCW 35A.14.296(2).

7. TRANSFER OF SUNSET PARK

Sunset Park is a 0.27-acre park located at 410 E Lake Stevens Rd (Assessor Parcel # 00533400001500) that is currently owned and managed by the County. As part of this Agreement, ownership and maintenance responsibilities for Sunset Park will be transferred to the City in its existing condition. The City has identified several capital improvements to the park to bring it up to the City's level of service for parks and to address bank and shore stabilization issues. The County agrees to support the City in its pursuit of funding sources for necessary park improvements.

8. FUTURE CAPITAL IMPROVEMENTS

The County has not identified any planned capital improvements to roads or other existing transportation infrastructure or to the list of surface water facilities listed in Exhibit E. The County agrees to work cooperatively on identifying and planning needed transportation improvements within and adjacent to the annexation area that will meet the needs of both city and countywide multimodal traffic. The County Surface Water Management staff expertise provided under this

section will be limited to available technical knowledge about surface water conditions and infrastructure in the Annexation Area.

9. THIRD PARTY BENEFICIARIES

There are no third-party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

10. DISPUTE RESOLUTION

Except as herein provided, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Agreement may be commenced until the dispute, claim or controversy has been submitted to a mutually agreed upon mediator. The Parties agree that they will participate in the mediation in good faith, and that they will share equally in its costs. Each Party shall be responsible for the costs of their own legal representation. Each Party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process. The Parties agree to mediate any disputes arising under this Agreement including, without limitation, disputes regarding the annexation process or responsibilities of the Parties prior to the Boundary Review Board hearing on the Annexation.

11. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event a conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern the conflict. As between the District and the City, this Agreement is intended to address the future annexation of territory by the District located within the Southeast Interlocal Annexation Area under chapter 57.24 RCW. Other than the implications of the additional territory, this Agreement does not change the terms and conditions of the Unified Sewer Services and Annexation Agreement.

12. RELATIONSHIP TO EXISTING LAWS AND STATUTES

This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, all Parties will comply with all applicable state or local laws. The County and City retain the ultimate authority for land use and development decisions within their respective jurisdictions. By executing this Agreement, the County and City do not intend to abrogate the decision-making responsibility or police powers vested in them by law.

13. EFFECTIVE DATE, DURATION AND TERMINATION

13.1 <u>Effective Date</u>. This Agreement shall become effective following the approval of the Agreement by the official action of the governing bodies of the Parties and the

- signing of the Agreement by an authorized representative of each Party hereto.
- 13.2 <u>Duration</u>. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the terms of the Agreement after the Agreement is set to expire, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 13.3 <u>Termination</u>. Any Party may terminate this Agreement upon ninety (90) days advance written notice to the other party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.

14. INDEMNIFICATION AND LIABILITY

- 14.1 <u>Indemnification of County</u>. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees and agents, from any loss or claim for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees, or agents.
- 14.2 <u>Indemnification of City</u>. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees and agents from any loss or claim for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence or willful misconduct of the City, its elected and appointed officials, officers, employees, or agents.
- 14.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the City and the County, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the County and the City, their officers, officials, employees and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 14.4 <u>Hold harmless</u>. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense

any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW.

15. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

16. EXERCISE OF RIGHTS OR REMEDIES

Failure of any Party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by any other Party and shall not prevent any other Party from pursuing that right at any future time.

17. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice.

The City, the County, and the District each acknowledges, agrees and understands that each party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. This Agreement and all public records associated with this Agreement shall be retained and be available from the City, the County, and the District for inspection and copying where required by the Public Records Act, Chapter 42.56 RCW.

18. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the Annexation, except as set forth in Section 3 and Section 4 of this Agreement.

19. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

20. CONTINGENCY

The obligations of the City, the County and the District in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City, the County, or the District may terminate the Agreement under Subsection 13.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

21. FILING

A copy of this Agreement shall be filed with the Lake Stevens City Clerk and recorded with the Snohomish County Auditor's Office or as otherwise allowed or required under state law.

22. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Russ Wright Community Development Director City of Lake Stevens 1812 Main St. Lake Stevens, WA 98258 (425) 334-1012 Eileen Canola Snohomish County Department of Planning and Development Services 3000 Rockefeller Ave. Everett, WA 98201 (425) 262-2253

Johnathan Dix Assistant General Manager Lake Stevens Sewer District 1106 Vernon Road, Suite A Lake Stevens, WA 98258 (425) 334-8588 IN WITNESS WHEREOF, the parties have signed this Agreement, effective on the later date indicated below.

| Dated thi | isday of | 20 |
|---------------------------------------|--------------------------------------|------------|
| CITY OF LAKE STEVENS BY: | SNOHOMISH CO BY: | UNTY |
| Brett Gailey Mayor | Dave Somers County Executive | |
| Date: | Date: | |
| City Clerk | Clerk of the Coun | ty Council |
| Approved as to form only: | Approved as to fo | rm only: |
| Attorney for the City of Lake Stevens | Deputy Prosecutir Snohomish Count | |
| LAKE STEVENS SEWER DISTRICT BY: | | |
| Dan Lorentzen President | | |
| DATE: | | |
| ATTEST: | | |
| Approved as to form only: | | |
| Attorney for Lake Stevens Sewer Dis | trict | |

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE STEVENS, SNOHOMISH COUNTY, AND THE LAKE STEVENS SEWER DISTRICT CONCERNING THE SOUTHEAST INTERLOCAL ANNEXATION AND THE ORDERLY TRANSITION OF SERVICES PURSUANT TO RCW 35A.14.296

EXHIBIT A - Southeast UGA Annexation Map

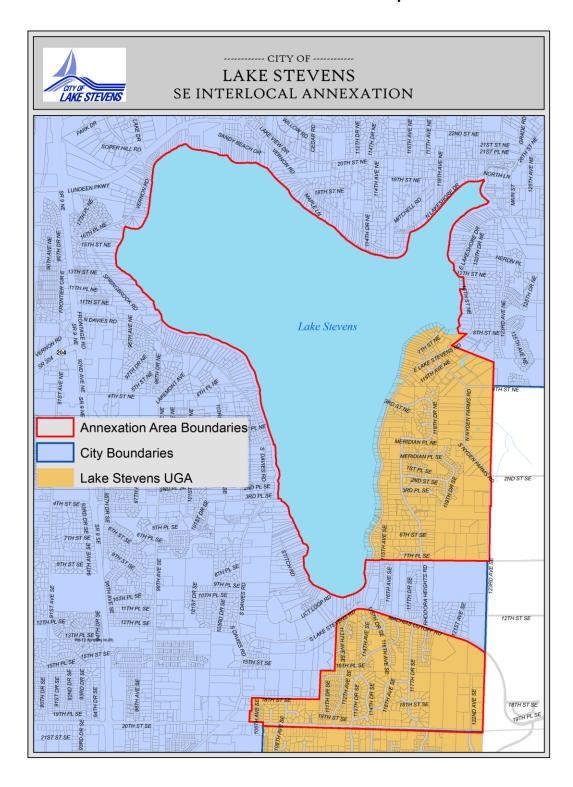


EXHIBIT B – Southeast UGA Annexation Legal Description

CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (NORTH)

Those portions of the Southwest quarter of Section 6, Section 7, Section 17, Section 18, the Northeast quarter of Section 19, and the Northwest quarter and Northeast quarter of Section 20, all in Township 29 North, Range 6 East, W.M., and those portions of Section 12, and the Northeast quarter of Section 13, all in Township 29 North, Range 5 East, W.M., all in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 17 and following along the existing city limits of the City of Lake Stevens;

Thence Easterly, 25 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 695 feet plus or minus, to the southerly right of way of 2nd Street SE;

Thence Northwesterly, 54 feet plus or minus, to the northerly right of way of 2rd Street SE and its intersection with the east line of the Southwest quarter of said Section 17;

Thence Northerly along the east line of the Southwest quarter of said Section 17, 2115 feet plus or minus, to the Southeast corner of the Northwest quarter of said Section 17;

Thence continuing Northerly along the east line of the Northwest quarter of said Section 17, 610 feet plus or minus, to the south line of Tract 501 of The Reserve at Lake Stevens Division No. 5 as recorded under recording number 199711132006;

Thence Northwesterly along said south line of Tract 501 and extended to the westerly Right of Way of E Lake Stevens Rd, 1094 feet plus or minus, which is also the south line of Tract 999 of Cedar Cove as recorded under recording number 198302175001;

Thence Northeasterly along the westerly right-of-way of E Lake Stevens Rd, 467 feet plus or minus, to the north line of said Tract 999 of Cedar Cove;

Thence Northwesterly along the said north line of Tract 999, 315 feet plus or minus, to the Second class Shoreland and Navigable Boundary of Lake Stevens as conveyed by the State of Washington;

Thence Northerly, Westerly, Southerly, Easterly, Northerly along the said navigable boundary of said Lake Stevens and the existing city limits of the City of Lake Stevens (said navigable boundary also referred to as mean low water, the shore of, the navigable boundary of shorelands, second class shorelands and westerly limit of shorelands) approximately 30,000 feet plus or minus, to a point of a line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19;

Thence Easterly along the line lying 1,356.3 feet southerly of the north line of the northeast quarter of said Section 19, 333 feet plus or minus, to the east line of said Section 19 and the west line of Lot 13 of North Star Plat as recorded under recording number 201411240384;

Thence Northerly along the east line of said Section 19, 12 feet plus or minus, to the South line of the North half of the Northwest quarter of Section 20;

Thence Easterly along the said south line of the North half, 2617 feet plus or minus, to the east line of the said Northwest quarter of Section 20;

Thence Easterly 30 feet plus or minus, to the Easterly right of way of 123rd Ave SE;

Thence Northerly along said east right of way, 1316 feet plus or minus, to a point 25 feet east of the SE Corner of the Southwest quarter of said Section 17;

Thence Westerly 25 feet plus or minus to the east line of the Southwest quarter of said Section 17 and the True Point of Beginning.

This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



CITY OF LAKE STEVENS ANNEXATION LEGAL DESCRIPTION UGA AREA (SOUTH)

Those portions of the Northeast quarter, Southeast quarter and the Southwest quarter of Section 19, the Northwest quarter, Southwest quarter and the Southeast quarter of Section 20, the Northwest quarter of Section 29, and the Northeast quarter of Section 30, all in Township 29 North, Range 6 East, W.M., in Snohomish County, Washington, described as follows:

Beginning at the Southeast corner of the Southwest quarter of said Section 20;

Thence northerly along the east line of the southwest quarter of said Section 20, 1392 feet plus or minus, to the South line of the North half of the Southwest quarter of said Section 20;

Thence easterly, 30 feet plus or minus, to the easterly right of way of 123rd Ave SE;

Thence northerly along the easterly right of way of 123rd Ave SE, 468 feet plus or minus, to its intersection with the southerly right of way of Machias Cutoff and the existing city limits of the City of Lake Stevens;

Thence northwesterly along the southerly right of way of Machias Cutoff, 3360 feet plus or minus, to its intersection with southerly right of way of S Lake Stevens Rd and following along the existing city limits of the City of Lake Stevens;

Thence southwesterly along the southerly right of way of S Lake Stevens Rd, 560 feet plus or minus, to the west line of Mission Ridge Division No 3 as recorded under recording number 200212185001;

Thence southerly along the said west line, 1192 feet plus or minus, to the north line of Mission Ridge Division No. 2 as recorded under recording number 200101035002;

Thence westerly along the said north line, 339 feet plus or minus, to the west line of said Mission Ridge Division No. 2;

Thence southerly along the said west line, 687 feet plus or minus, to the southerly right of way of 18th Street SE;

Thence westerly along the southerly right of way of 18th Street SE, 1625 feet plus or minus, to the east line of the West 75 feet of the East 375 feet of Lot 2 of Ideal Garden Tracts as recorded under Volume 7 of plat, page 33;

Thence southerly along the east line West 75 feet of the East 375 feet of said Lot 2, 120 feet plus or minus, to the south line of the North 187 feet of said Lot 2;

Thence easterly along the south line of said North 187 feet of Lot 2, 20 feet plus or minus, to the west line of Lot 19 of Silver Leaf Condominium as recorded under recording number 200510175207;

Thence southerly along the west line of said Lot 19 and the west line of Common Element A, 180 feet plus or minus, to the north line of Lot 25 of said Silver Leaf Condominium;

Thence westerly along the said north line, 44 feet plus or minus, to the west line of said Silver Leaf Condominium:

Thence southerly along the said west line, 315 feet plus or minus, to the northerly right of way of 20th Street SE;

Thence easterly along the said northerly right of way, 335 feet plus or minus, to the west line of the Southeast quarter of said Section 19;

Thence southerly along the west line of said Southeast quarter, 60 feet plus or minus to the southerly right of way of 20th Street SE

Thence easterly along the said southerly right of way, 5324 feet plus or minus, to the west line of Cascade Acres Division A as recorded under Volume 25 of plats, Page 6 and 7;

Thence northerly along said East line, 30 feet plus or minus, to the south line of said Section 20 and the True Point of Beginning.



This legal description/exhibit was initiated by CHS Engineers, LLC and this deliverable was completed by David Evans and Associates, Inc. The licensed professional whose stamp is affixed hereto has continuously acted as the professional in responsible charge and prepared or directed all phases of the work and legal description/exhibit.



EXHIBIT C – Southeast UGA Sewer Expansion Area Map

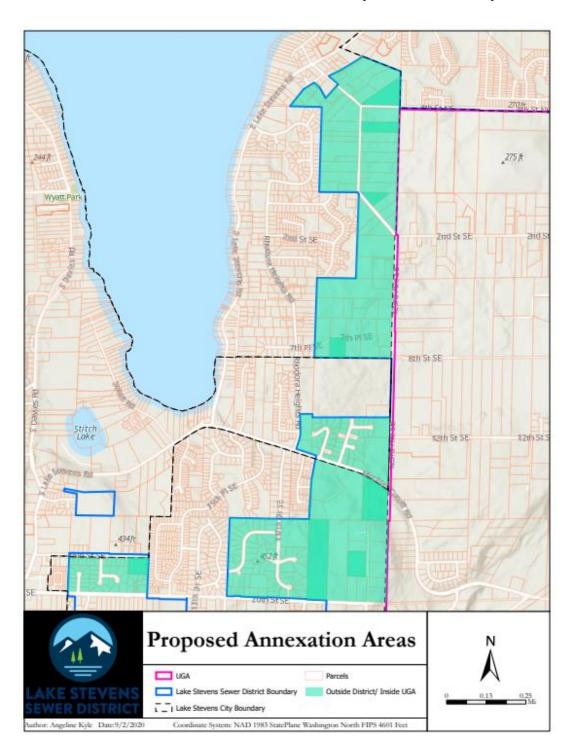


EXHIBIT D - SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a "roadmap" for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County's current delivery of municipal services within the urban growth area while strengthening the County's regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

- 1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county's Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
- 2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will reevaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.
 - The report to the county council should be based upon each city's internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads' priority within the county's current 6-year road plan. Where financing and other considerations are not compelling, the city and county may "re-visit" the annexation strategies at the next two-year interval.
- 3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if

densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

- 4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
- 5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
- 6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

EXHIBIT E – KNOWN DRAINAGE FACILITIES OWNED BY THE COUNTY OR OVER WHICH THE COUNTY HAS RIGHTS OR RESPONSIBILITIES

| Area | FacID | Owner_Type | ROW | To Transfer |
|--------|----------------|------------|-----|---|
| Area 1 | F#429 | County | Yes | Facility |
| Area 1 | F#430 | County | Yes | Facility |
| Area 1 | F#1890, F#1891 | County | | Facility, property rights or responsibilities |
| Area 1 | F#2724 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3599 | County | Yes | Facility, property rights or responsibilities |
| Area 1 | F#3600 | County | Yes | Facility |
| Area 2 | F#173 | County | | Facility, property rights or responsibilities |
| Area 2 | F#175 | County | Yes | Facility |
| Area 2 | F#176 | County | Yes | Facility |
| Area 2 | F#177 | County | Yes | Facility |
| Area 2 | F#239 | County | Yes | Facility, property rights or responsibilities |
| Area 2 | F#3595 | County | | Facility, property rights or responsibilities |
| Area 1 | F#815 | Private | | Property rights or responsibilities |
| Area 1 | F#1736 | Private | | Property rights or responsibilities |
| Area 1 | F#1737 | Private | | Property rights or responsibilities |
| Area 1 | F#2323 | Private | | Property rights or responsibilities |
| Area 1 | F#2641 | Private | | Property rights or responsibilities |
| Area 1 | F#3634 | Private | | Property rights or responsibilities |
| Area 2 | F#178 | Private | | Property rights or responsibilities |
| Area 2 | F#1406 | Private | | Property rights or responsibilities |
| Area 2 | F#1551 | Private | | Property rights or responsibilities |
| Area 2 | F#1999 | Private | | Property rights or responsibilities |
| Area 2 | F#3347 | Private | | Property rights or responsibilities |

EXHIBIT # 29 FILE ORD 21-005

Eco, Debbie

From: Russell Wright <rwright@lakestevenswa.gov>

Sent: Wednesday, March 24, 2021 8:33 AM

To: David Levitan

Subject: FW: ILA Annexation: Zoning

FYI

From: tnmatlack@comcast.net <tnmatlack@comcast.net>

Sent: Wednesday, March 24, 2021 3:35 AM **To:** Russell Wright rwright@lakestevenswa.gov

Subject: RE: ILA Annexation: Zoning

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I was not able to connect with the Zoom meeting last night on either phone or laptop, both of which worked fine 2 weeks ago. I watched it on live stream Youtube, but no comment possible.

On 03/23/2021 7:50 PM Russell Wright < rwright@lakestevenswa.gov> wrote:

The city is not proposing any changes to zoning under the proposed ILA annexation. The zones under the ILA are adopted by ordinance as pre-designations. We await action by the County Council and Sewer District to see how the process will move forward.

If the city accepts the parallel petition annexation for the area north of the Mountainview subdivision, these parties have requested the R8-12 zoning, which would be the updated zoning that Mountainview used. If this moves forward, the annexation would require a SEPA review to evaluate the proposed zoning.

Happy to discuss over the phone if you have more questions.

Russ

From: tnmatlack@comcast.net <tnmatlack@comcast.net>

Sent: Tuesday, March 23, 2021 7:43 PM

To: Russell Wright < rwright@lakestevenswa.gov>

Subject: ILA Annexation: Zoning

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Planner Wright,

With the council signing onto the ILA/Annexation ordinance is the zoning going to change with the popularity of the Nydin Farms/123rd proposals to upzone into the Mtn. View zoning?

The original intent was to keep it as close to the county zoning....but things quickly change.

Tom Matlack



NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

EXHIBIT # 30 FILE ORD 21-005

Eco, Debbie

From: ROBERT A BOOTH

Sent: ROBERT A BOOTH

Wednesday, March 24, 2021 1:04 PM

To: David Levitan

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you so much for your reply. We attended the meeting on Zoom last night and were pleased with the vote. Thank you to you and the city council for all your hard work on this annexation. Leslie and Bob Booth

On 03/24/2021 11:54 AM David Levitan dlevitan@lakestevenswa.gov wrote:

Good Morning:

At their March 23 meeting, the Lake Stevens City Council adopted Ordinance 1112, authorizing the mayor to sign the ILA for the Southeast Interlocal Annexation. A recording of the video can be found on the City's <u>Youtube channel</u>; public comments begin at the 6:00 mark, and the Council discussion begins at the 1:16:25 mark.

Please let me know if you have any questions.

David

From: David Levitan

Sent: Friday, March 19, 2021 3:20 PM

To: David Levitan <dlevitan@lakestevenswa.gov> **Cc:** Kelly Chelin <kchelin@lakestevenswa.gov>

Subject: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Afternoon:

On March 23, the Lake Stevens City Council will consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Approval of the ILA would require separate actions by the Snohomish County Council and Lake Stevens Sewer District Board of Commissioners, which are not scheduled to occur at the March 23 meeting. A copy of the staff report, ordinance (with the ILA as an exhibit), and public comments received since the March 9 joint public hearing can be found starting on page 120 of the meeting packet.

The March 23 Council meeting will begin at 6:00 pm and be held via the Zoom online platform, which can be accessed via the <u>city calendar</u> and the following link and/or phone numbers:

Join from a PC, Mac, iPad, iPhone or Android device: https://us02web.zoom.us/j/83410639558

Join by phone:

US: +1 253 215 8782 or +1 346 248 7799 or +1 669 900 6833 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799

Webinar ID: 834 1063 9558

As the item is not a public hearing, public comment will be accepted during the general public comment portion of the meeting, which occurs towards the beginning of the meeting. If you would like to provide written comments in advance of the meeting, please send those to City Clerk Kelly Chelin at kchelin@lakestevenswa.gov, and she will distribute them to the City Council.

Please let me know if you have any questions.

David



1812 Main Street | PO Box 257

Lake Stevens, WA 98258

dlevitan@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

EXHIBIT # 31

Eco, Debbie FILE ORD 21-005

From: VICSTOR . <vicstor@msn.com>
Sent: Thursday, March 25, 2021 1:13 PM

To: David Levitan

Cc: Kelly Chelin; donna keil; Tony McAllister; bart.patty@comcast.net; bart.pierce@comcast.net; Mike

Mashock; Jadyn Elias; bobles1@comcast.net; Scott Bennison; Gordy Marks

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you David. I will also send to County Council members individually. Can't hurt to make more noise.

Vickie Hollingsworth
Vickie's Bookkeeping Service, Inc.
P.O. Box 11
Lake Stevens, WA 98258
(425)334-5890
(425)397-9879 fax

From: David Levitan

Sent: Thursday, March 25, 2021 7:51 AM **To:** VICSTOR . <vicstor@msn.com>

Cc: Kelly Chelin < kchelin@lakestevenswa.gov>; donna keil < donnakeil@hotmail.com>; Tony McAllister < thatcarguytony@gmail.com>; bart.patty@comcast.net; bart.pierce@comcast.net; Mike Mashock < mjmash@comcast.net>; Jadyn Elias < jadyn@gordymarks.com>; bobles1@comcast.net; Scott Bennison < scottgbennison@gmail.com>; Gordy Marks < gordy@gordymarks.com>

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Hi Vickie:

I don't have any specific advice on how to proceed with the County Council, and as of now I am not aware of them placing reconsideration of the ILA on one of their meeting agendas. I am happy to forward your email on to the County Clerk for distribution to the County Council, or you can use the contact.council@snoco.org email address. They also hold weekly meetings.

David

 $\textbf{From:} \ VICSTOR \ . < \underline{vicstor@msn.com} >$

Sent: Wednesday, March 24, 2021 7:22 PM **To:** David Levitan dlevitan@lakestevenswa.gov

Cc: Kelly Chelin < kchelin@lakestevenswa.gov >; donna keil < donnakeil@hotmail.com >; Tony McAllister < thatcarguytony@gmail.com >; bart.patty@comcast.net; bart.pierce@comcast.net; Mike Mashock < mjmash@comcast.net >; Jadyn Elias < jadyn@gordymarks.com >; bobles1@comcast.net; Scott Bennison < scottgbennison@gmail.com >; Gordy Marks < gordy@gordymarks.com >

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

David,

Thank you again for all of your help with my questions and we are very happy with the outcome of last night's City Council meeting. Can you help us now with advise on how to proceed, getting this issue back onto the Snohomish County Council's agenda so it doesn't get left up in the air until August or September? I'm still unclear as to if the approved vote, taken on the Joint meeting on March 9th, to wait on an "Advisory Vote" was determined to be inappropriate or not applicable to the Southeast Interlocal Annexation (ILA). I'm told that the emails I'm corresponding with you are also being forwarded to the County Council. If that is the case, I am grateful of that, so that I do not have to email them separately. If not, please let me know and I will reach out to them.

We understand that the Sewer District meeting is tomorrow morning and several of our neighbors will be attending that meeting but I'm more concerned with what happens on the County Council at this point. I don't know if we have any power to invoke the County Council to readdress this issue sooner and get the City's Southeast Interlocal Annexation back on the agenda. The "Advisory Vote" will waste a great deal of taxpayer dollars for, what sounds to me, like something that should not have happened in the first place. The Southeast Interlocal Annexation of our properties from the Urban Growth Area into the City of Lake Stevens is in keeping with the Growth Management Act and the City's Comprehensive Plan is it not? If the City's are "required" to meet certain goals by a certain date and they follow all of the outlined procedures and rules, how is it that these annexations can be just tabled because people complain or that not enough people have weighed in with there opinions? There will always be people that don't like change and I am one of those people, but in this instance, the rules have already been made and the City is just implementing one of those rules to comply with the mandated goal of increasing the amount of housing or buildable land within their city. The people that don't want this to happen need to get involved earlier in the process, when these rules are being made. I've never been fond of politics and have never gotten involved in the laws surrounding land use and annexations but I do know that I can't change the outcome of something if I don't get involved. My husband and I have lived in our home, within the City's Urban Growth Area, since 1994 and we were aware that one day we would be annexed into the City of Lake Stevens. It just makes sense that the City would naturally grow in size. All Cities do. It also makes sense that we become a part of the City where we do our banking and shopping. We also gain the ability to vote on the issues that surround where we live and the people that represent us. I am looking forward to that.

From: David Levitan

Sent: Wednesday, March 24, 2021 11:55 AM **To:** David Levitan < dlevitan@lakestevenswa.gov >

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Morning:

At their March 23 meeting, the Lake Stevens City Council adopted Ordinance 1112, authorizing the mayor to sign the ILA for the Southeast Interlocal Annexation. A recording of the video can be found on the City's <u>Youtube channel</u>; public comments begin at the 6:00 mark, and the Council discussion begins at the 1:16:25 mark.

Please let me know if you have any questions.

David

From: David Levitan

Sent: Friday, March 19, 2021 3:20 PM

To: David Levitan < dlevitan@lakestevenswa.gov Cc: Kelly Chelin@lakestevenswa.gov Cc: Kelly Chelin@lakestevenswa.gov

Subject: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Afternoon:

On March 23, the Lake Stevens City Council will consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Approval of the ILA would require separate actions by the Snohomish County Council and Lake Stevens Sewer District Board of Commissioners, which are not scheduled to occur at the March 23 meeting. A copy of the staff report, ordinance (with the ILA as an exhibit), and public comments received since the March 9 joint public hearing can be found starting on page 120 of the meeting packet.

The March 23 Council meeting will begin at 6:00 pm and be held via the Zoom online platform, which can be accessed via the <u>city calendar</u> and the following link and/or phone numbers:

Join from a PC, Mac, iPad, iPhone or Android device: https://us02web.zoom.us/j/83410639558

Join by phone:

US: +1 253 215 8782 or +1 346 248 7799 or +1 669 900 6833 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799

Webinar ID: 834 1063 9558

As the item is not a public hearing, public comment will be accepted during the general public comment portion of the meeting, which occurs towards the beginning of the meeting. If you would like to provide written comments in advance of the meeting, please send those to City Clerk Kelly Chelin at kchelin@lakestevenswa.gov, and she will distribute them to the City Council.

Please let me know if you have any questions.

David



NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

EXHIBIT # 32

Eco, Debbie FILE ORD 21-005

From: bart.patty@comcast.net

Sent: Wednesday, March 24, 2021 11:58 AM

To: David Levitan

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you so much for being very informative and helpful. You have our respect.

Sincerely,

Bart Pierce and Patricia Anderson

From: David Levitan <dlevitan@lakestevenswa.gov>
Sent: Wednesday, March 24, 2021 11:55 AM
To: David Levitan <dlevitan@lakestevenswa.gov>

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Morning:

At their March 23 meeting, the Lake Stevens City Council adopted Ordinance 1112, authorizing the mayor to sign the ILA for the Southeast Interlocal Annexation. A recording of the video can be found on the City's <u>Youtube channel</u>; public comments begin at the 6:00 mark, and the Council discussion begins at the 1:16:25 mark.

Please let me know if you have any questions.

David

From: David Levitan

Sent: Friday, March 19, 2021 3:20 PM

To: David Levitan <dlevitan@lakestevenswa.gov> **Cc:** Kelly Chelin <kchelin@lakestevenswa.gov>

Subject: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Afternoon:

On March 23, the Lake Stevens City Council will consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Approval of the ILA would require separate actions by the Snohomish County Council and Lake Stevens Sewer District Board of Commissioners, which are not scheduled to occur at the March 23 meeting. A copy of the staff report, ordinance (with the ILA as an exhibit), and public comments received since the March 9 joint public hearing can be found starting on page 120 of the meeting packet.

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Please let me know if you have any questions.

David

David Levitan, Senior Planner

City of Lake Stevens | Planning and Community Development 1812 Main Street | PO Box 257 Lake Stevens, WA 98258 dlevitan@lakestevenswa.gov

NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

SNOHOMISH COUNTY COUNCIL

EXHIBIT # <u>33</u>

Eco, Debbie

FILE ORD 21-005

From: Toby Tuor <toby@insuranceworksagency.com>

Sent: Thursday, March 25, 2021 10:01 AM

To: David Levitan

Subject: Re: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Attachments: image001.jpg

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Thank you for the prompt response. Hopefully the city's decision to move forward with the ILA will expedite the process with the Snohomish Co council and LSSD. Please forward information pertaining to the ILA and possible petition annexation that involves my neighborhood. I would like to again thank the city for the explanation in detail about the reasoning behind the ILA process. As a homeowner within the annexation I hope all parties can come to an agreement that follows the R-6 zoning designation.

Thank you

Toby Tuor

Sent from my iPhone

On Mar 24, 2021, at 5:55 PM, David Levitan dlevitan@lakestevenswa.gov wrote:

Hi Toby:

The joint public hearing for the ILA occurred on March 9, but none of the three elected bodies took action to approve the ILA, as there was discussion about exploring the feasibility of an advisory vote. After some additional consideration and research that determined the city could not call for an advisory vote through the ILA annexation process, the City Council adopted an ordinance last night authorizing the mayor to sign the ILA. The county and the sewer district will still need to take separate actions to approve the ILA in order for it to move forward. I do not believe either body currently has a meeting scheduled to consider the ILA.

The property owners to the east of you have opted to initiate a direct petition annexation in the event that the ILA is not approved; they have made it clear their preference is for the ILA to be approved, in which case the zoning would be R6. If the ILA is not approved and they continue on the direct petition route, they have indicated their intent to request R8-12 zoning, which is the same as the Rhodora area to the south of you. Below is a screenshot of the identified annexation area, which includes your property (I believe you also own the lots to the west which are outside the proposed annexation area). I am still reviewing their petition materials but they have enough to initiate the 10% petition, and based on the materials they have submitted they have the signatures of property owners representing about 68% of the assessed value for the area.

Please let me know if you have any additional questions.

David

<image001.jpg>

From: Toby Tuor <toby@insuranceworksagency.com>

Sent: Wednesday, March 24, 2021 5:19 PM **To:** David Levitan < dlevitan@lakestevenswa.gov>

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi David,

Thank you for keeping me up to date on the ILA process and taking my calls. I wasn't able to attend last nights meeting. I was under the assumption that the ILA would have taken place on the March 9th meeting. I was never opposed to annexation itself, I was curious as to the decision of the ILA form. The city's documentation for the reasoning makes it clear why this process was chosen. I was curious as to the zoning designation that is being proposed by some property owners to an R8-12, from the pre designation of R6 as part of the ILA. Has a particular parcel area been chosen for a petition after annexation? Any information on this would be appreciated.

Thanks again.

Toby Tuor

The Everything Guy and Owner

(425) 379-8100 Main Office (866) 379-8100 Toll Free (425) 374-8535 Fax

11314- 4th Ave W, Suite 204, Everett WA 98204

Please Update with my New Email: toby@InsuranceWorksAgency.com

Check out our Website: www.InsuranceWorksAgency.com

CONFIDENTIAL AND PRIVILEGED COMMUNICATION: This email message is confidential. It is intended solely for the individual(s) named above. If you have received this email in error, please immediately notify the sender by reply and delete the original and all copies of the message.

From: David Levitan

Sent: Wednesday, March 24, 2021 11:54 AM

To: <u>David Levitan</u>

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Morning:

At their March 23 meeting, the Lake Stevens City Council adopted Ordinance 1112, authorizing the mayor to sign the ILA for the Southeast Interlocal Annexation. A recording of the video can be found on the City's <u>Youtube channel</u>; public comments begin at the 6:00 mark, and the Council discussion begins at the 1:16:25 mark.

Please let me know if you have any questions.

David

From: David Levitan

Sent: Friday, March 19, 2021 3:20 PM

To: David Levitan < <u>dlevitan@lakestevenswa.gov</u>> **Cc:** Kelly Chelin < kchelin@lakestevenswa.gov>

Subject: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Afternoon:

On March 23, the Lake Stevens City Council will consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Approval of the ILA would require separate actions by the Snohomish County Council and Lake Stevens Sewer District Board of Commissioners, which are not scheduled to occur at the March 23 meeting. A copy of the staff report, ordinance (with the ILA as an exhibit), and public comments received since the March 9 joint public hearing can be found starting on page 120 of the meeting packet.

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Webinar ID: 834 1063 9558

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Please let me know if you have any questions.

David





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| EXHIBIT # | 34 |
|------------------|----|
| | |

Eco, Debbie

FILE ORD 21-005

From: David Levitan <dlevitan@lakestevenswa.gov>

Sent: Thursday, March 25, 2021 7:53 AM

To: Garrett Welch

Subject: RE: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Hi Garrett:

Both the Sewer District Board of Commissioners and County Council will need to hold a meeting and approve the ILA in order for it to move forward. As of now, I do not believe either has scheduled a meeting to consider approval of the ILA. If they both take action to approve the ILA, the city would then submit the annexation to the Snohomish County Boundary Review Board.

Please let me know if you have any additional questions.

David

From: Garrett Welch <welch.garrett@gmail.com>

Sent: Thursday, March 25, 2021 7:34 AM

To: David Levitan <dlevitan@lakestevenswa.gov>

Subject: Re: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

So what is the City next step?

Does the county have to hold a meeting?

On Wed, Mar 24, 2021 at 11:54 AM David Levitan dlevitan@lakestevenswa.gov wrote:

Good Morning:

At their March 23 meeting, the Lake Stevens City Council adopted Ordinance 1112, authorizing the mayor to sign the ILA for the Southeast Interlocal Annexation. A recording of the video can be found on the City's <u>Youtube channel</u>; public comments begin at the 6:00 mark, and the Council discussion begins at the 1:16:25 mark.

Please let me know if you have any questions.

David

From: David Levitan

Sent: Friday, March 19, 2021 3:20 PM

Subject: March 23 Lake Stevens City Council Meeting to Consider Southeast Interlocal Annexation

Good Afternoon:

On March 23, the Lake Stevens City Council will consider adoption of Ordinance 1112, which would authorize the mayor to sign an interlocal agreement (ILA) for the city to annex areas within the Southeast Interlocal Annexation area. Approval of the ILA would require separate actions by the Snohomish County Council and Lake Stevens Sewer District Board of Commissioners, which are not scheduled to occur at the March 23 meeting. A copy of the staff report, ordinance (with the ILA as an exhibit), and public comments received since the March 9 joint public hearing can be found starting on page 120 of the meeting packet.

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Please let me know if you have any questions.

David



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EXHIBIT # 35

FILE ORD 21-005

Eco, Debbie

From: Michael Jones <mikejones777@gmail.com>

Sent: Tuesday, March 9, 2021 7:46 AM

To: Contact Council

Subject: Fwd: Against Southeast Annexation Proposal

I am writing as a resident in one of the two Southeast Interlocal Annexation UGA areas <u>in opposition to this annexation</u> proposal.

My family moved to the southeast end of Lake Stevens in 1997. Even though I worked in the Bellevue/Redmond area for most of those 23 years, we chose to live in this area as we wanted a little more space that a suburban area would provide. Snohomish County has done a great job of keeping the character of the area the same through those years.

If you visit any of the housing developments in the area, areas such as Mission Ridge, Watermark and 116th Ave SE, you will find wide streets, on street parking, sidewalks, large backyards, cul de sacs and small open areas for kids activities. The results are residential areas that are great for families and children. You see small kids learning to ride their bikes on the sidewalks. bigger kids riding bikes and scooters in the parking strips on the streets, adults walking and jogging on the sidewalks and block parties during holidays. You can hear kids playing in their backyards. It's this type of environment that Snohomish County has fostered in these areas and one that existing or new residents to the area would want for their families.

The City of Lake Stevens is a different story. If you are aware of the last UGA annexation, the Rhodora UGA Annexation, you would know that many residents in that area were against annexation. A developer started the annexation process because they wanted to build as many houses as possible on a 30 acre parcel on Rhodora Heights Road. The mayor of Lake Stevens signed the annexation petition on behalf of 29 residents because of a clause in their homeowner association bylaws. The developer got what they wanted, the city of Lake Stevens designated the entire Rhodora Annexation area as High Urban Residential (now R8-12 zoning) with 3600 sq ft lots.

We can drive from our home to Frontier Village and pass many new streets added in the past several years by the city of Lake Stevens. New streets on Davies Road, Davies Loop Road, the top of Chapel Hill, 18th St SE, and next to Glenwood Elementary are examples. Almost all of these streets have no on street parking strips and they either lack sidewalks or sidewalks on one side of the street. The residential backyards are too small for even a swingset. I looked up the city's street regulations and found that the city of Lake Stevens street regulations (Section 14.56.165) require only one parking space per 5 residential parcels, and parking strips can be eliminated if that one space can be provided off-street. These types of developments are not the type of developments that the Southeast Interlocal Annexation area deserves.

The city of Lake Stevens has already zoned the Southeast Interlocal Annexation areas as R6 Urban Residential and David Levitan, Senior Planner, Lake Stevens, says the initial zoning is 6000 sq ft lots minimum, already a step down from the 7200 sf lot minimum in the county zoning. That said, Russ Wright, Community Development Director, Lake Stevens, stated during a Zoom annexation meeting in October that this was 'just a starting point', implying developers could submit plans for High Urban Residential and 3600 sq ft lots.

We are in the middle of a pandemic and annexation is not on the mind of the majority of folks in these areas. The Zoom meeting on annexation this week had less than 50 citizens in the meeting and only a subset of them actually live in the Southeast Annexation area. The Zoom meeting in October had even less citizen participation.

SB5522 which introduced Interlocal Agreements as a method of annexation just became effective in June. The city of Lake Stevens is perhaps the first city in the state to attempt this method of annexation. There are concerns if this method of annexation is even constitutional and legal fights are possible. Is this something the city wants to risk when

there are much more pressing issues today?

My family and many of my neighbors agree, the City of Lake Stevens and Snohomish County should delay the Southeast Interlocal Annexation proposal until after the pandemic so that the thousands of citizens affected in this area can attend public hearings in person and have their voices heard. Additionally, the city of Lake Stevens really needs to review and change its development and zoning regulations to create a livable city for current and future residents. We live a long way away from the Seattle/Bellevue Urban Areas and suburban areas should have more space, not high urban residential.

Thanks for your time

Michael & Lisa Jones 718 115th Ave SE Lake Stevens, WA 98258

EXHIBIT # 36

Eco, Debbie FILE ORD 21-005

From: dennis miniken <outlook_EBC1337BB152E996@outlook.com>

Sent: Friday, April 23, 2021 10:39 AM

To: Contact Council

Subject: Southeast Interlocal Annexation Advisory Vote

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments. Dear Council Members,

I am writing to voice my opposition to the proposed Lake Stevens Southeast Interlocal Annexation Project. I am in opposition due to my belief that the City of Lake Stevens's adopted policy of allowing over development of proposed projects. The housing development projects are already out of hand. The lot size does not need to be any smaller. As a life long resident of 66 years, it saddens me to witness the management of housing development. I am concerned of how these developments will look long term. What will the effect of these projects be 25 years from now??? What effect will that have on the community?? For this reason I oppose Annexation.

Thank you. Dennis Miniken 804 115th Ave SE Lake Stevens 425-210-3605

Sent from Mail for Windows 10

EXHIBIT # ______37

FILE ORD 21-005

Eco, Debbie

From: Janice Huxford <janicehuxford@snovalinc.com>

Sent: Friday, April 23, 2021 9:11 AM

To: Contact Council **Subject:** Support Advisory Vote

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments. Dear County Council Members,

I agree with Councilmembers Wright and Dunn and respectfully ask the Council to approve an advisory annexation vote to engage the entire Lake Stevens community rather than a select few.

Inclusion is the fair and equitable path forward for annexation.

Thank you for your consideration.

Warmly,

Janice Huxford 625 South Lake Stevens Road Lake Stevens, WA 98258

EXHIBIT # <u>38</u>

Eco, Debbie FILE ORD 21-005

From: Michael Jones <mikejones777@gmail.com>

Sent: Friday, April 23, 2021 9:21 AM

To: Contact Council

Subject: Southeast Interlocal Annexation Advisory Vote

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments.

I live in the Southeast Interlocal Annexation Area and my family and many of my neighbors are against annexation into the city of Lake Stevens. Developers are already lining up to get the city to approve their High Urban Residential developments with 3600 sf lots, narrow streets, no on-street parking and lack of sidewalks.

The people that live in the area deserve the right to have a say in the annexation decision. Please continue to support an advisory vote so the Snohomish County Council can hear our voices before making a decision.

Thank you for your consideration.

Michael & Lisa Jones 718 115th Ave SE Lake Stevens, WA 98258

EXHIBIT # 39

EILE ORD 21-005

Eco, Debbie

From: tnmatlack@comcast.net

Sent: Saturday, April 24, 2021 2:31 PM

To: Eco, Debbie

Subject: Letter for Public Hearing, April 28: ILA Annexation City of Lak Stevens and Snohomish County Council

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments. April 23, 2021

Thank you Clerk Eco for Forwarding this letter to the

Snohomish County Council:

Please continue your deliberations of the ILA annexation between City of Lake Stevens and Snohomish County as you move towards an August Advisory Vote for the affected citizens in the unincorporated areas.

An Advisory Vote is still needed for several reasons:

- A. At the joint Zoom meeting both councils unanimously voted to move forward with an Advisory Vote.
- B. The letters that arrived AFTER the joint public hearing Zoom meeting point exactly to the difficulty of practicing democracy in the time of Covid and virtual meetings.
- C. Other annexations in Lake Stevens involved parades(Mayor Walty), pamphleteering, and door belling. How has the city marketed this annexation?
- D. The handful of pro-annexation citizens who want to subdivide and sell, have already done much preparation for their own Annexation by Petition, as is their right.
- E. The City of Lake Stevens seems afraid to hear from their own future residents. Why would they not welcome an Advisory Vote if their selling points are so persuasive?
- F. In an unfortunate coincidence, even the "semi" local representation of Councilmember Low has been removed from the unincorporated folks due to his recusal.

Please move forward with the August Advisory Vote as decided at the Joint Zoom Meeting.

Thanks,

Tom Matlack 2504 112th Dr. NE Lake Stevens, WA 98258

425-334-7713

EXHIBIT # ___40

Eco, Debbie

FILE ORD 21-005

From: Alan Cohen <alansnopud@icloud.com>
Sent: Saturday, April 24, 2021 12:17 PM

To: Contact Council
Cc: Janice Huxford

Subject: Southeast Interlocal Annexation Advisory Vote

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments.

I am writing to object to the Annexation process (via SB 5522) used by the City of Lake Stevens in the Southeast Interlocal Annexation. By historical (maybe legal) precedent, this is counter to the way all Cities in the State of Washington have implemented the process of annexation. When you assess or tax citizens without their representation it is counter to the fundamental concept of "Taxation without Representation". This is the one unifying theme that both conservative and liberal ideologies can agree upon. To NOT consider the will of the affected property owners is politically untenable. I can not see any upside for the County Council or any set of elected officials to disregard the will of their constituency. If the majority of the property owners believe that this area would be better served by the City of Lake Stevens, then absolutely, annexation should take place. Imagine if the over whelming majority of property owners is against annexation and you proceed forward anyway. That seems like you are inviting an ugly outcome.

I know, have worked with and sincerely like the City of Lake Stevens staff who without exception have always been great. For the record, I am not fundamentally opposed to the idea of this specific annexation, rather the methodology by which it is being proposed. It has the appearance of impropriety, of doing business in the dark of night, of trying to deceive citizens. My suggestion is a that a process which includes a vote of those being affected would not only be the right thing to do, but would be most politically expedient. Your decision to include the affected property owners seems like a no brainer. It is hard to earn back good will lost.

Sincerely,

Alan Cohen 721 115th Ave SE Lake Stevens, WA 98258-8556 425-905-4562

Sunlight is the best disinfectant.

EXHIBIT # 41

FILE ORD 21-005

Eco, Debbie

From: Kelly Chelin <kchelin@lakestevenswa.gov>

Sent: Monday, April 26, 2021 1:36 PM **To:** David Levitan; Eco, Debbie

Subject: FW: Advisory Vote regarding Lake Stevens Interlocal annexation process

From: Ellie Rae <Ellie_Rae@live.com> Sent: Monday, April 26, 2021 1:29 PM

To: Megan.Dunn@co.snohomish.wa.us; Stephanie.Wright@snoco.org; Kelly Chelin < kchelin@lakestevenswa.gov>

Subject: Advisory Vote regarding Lake Stevens Interlocal annexation process

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good Morning,

I am writing this letter with my comments regarding the Lake Stevens Interlocal annexation process currently being discussed.

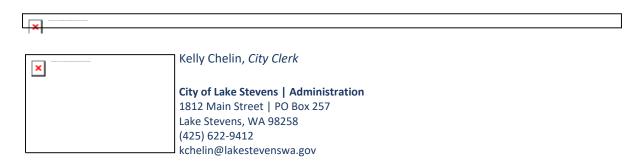
Over the past 40 years of being a permanent resident on Lake Stevens lake and past owner of a business in downtown Lake Stevens for 15 of those 40 years. I have participated & held office in almost all the Lake Stevens non-profit events & community affairs. I feel I am qualified to address the past, current & future happening in and around our Lake Stevens area (both city & unincorporated areas) to help give a perspective on the way this annexation is being handled. I do not oppose change when it is conducted in a open, transparent & fully disclosed manner. The city council appears to be using the WA State legislature Senate Bill 5522 & Lake Stevens adoption of Ordinance 1112 to rush this non-requested annexation through during a devastating pandemic when the residents of the annexation area are in peril with economic & health suffering. This action overshadows the fair & equitable ways of the Lake Stevens people. Snohomish County and it's Council of representatives has always represented the people & properties of the unincorporated area of Lake Stevens in a just and fair manner. Lake Stevens proper is growing rapidly with decisions made by the Lake Stevens council. It's a turbulent pandemic time for everyone and consideration should be taken with a more methodical approach. Lake Stevens belongs to the residents & their voices should be acknowledged with respect.

This annexation will impact the residents on the entire lake (including the unincorporated as well as the incorporated areas). This increases the head count of the total people who will be affected.

Unfortunately, the repercussions to follow may result in a negative change to the values that Lake Stevenites cherish. Hometown decency for your neighbor.

There is no reason to rush the annexation process. Implement the ADVISORY VOTE to all the permanent residents who will be affected by this annexation and do everything possible to make sure they understand the <u>true</u> pros & cons of this Interlocal annexation. They should understand that no resident submitted a request to be annexed which is the way most annexations happen. Maximum civic participation should be allowed. It's the democratic way of life. I agree with council members Wright and Dunn that an advisory vote is the fair and equitable way for all concerned regarding the Interlocal annexation process.

Ellie Brubaker



NOTICE: All emails and attachments sent to and from the city of Lake Stevens are public records and may be subject to disclosure pursuant to the Public Records Act (RCW 42.56).

EXHIBIT # 42
FILE ORD 21-005

Eco, Debbie

From: Lauren W. Cahill < lwcahill@gmail.com>
Sent: Tuesday, April 27, 2021 11:03 AM

To: Contact Council

Subject: Lake Stevens Annexation

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments.

Hello,

My name is Lauren Cahill and I am a homeowner in the proposed annexation area of South Lake Stevens.

I am very much in favor of my area being annexed. I live in the tiny neighborhood just the other side of the fence from the new LS Police Station. I have all of the inconvenience of sirens, noise, etc. and none of the benefit of having police officers so close to my home.

I would also very much like to be able to have a vote in city operations. Please get this annexation passed with enough time that I can vote in the upcoming election.

Sincerely, Lauren Cahill 1831 106th DR SE LAKE STEVENS, WA 98258

EXHIBIT # 43

Eco, Debbie FILE ORD 21-005

From: Kate MacKenzie <kcmacken@gmail.com>

Sent: Tuesday, April 27, 2021 9:34 AM

To: Contact Council

Subject: Lake Stevens Annexation

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments.

Hello Councilmembers,

I am writing to you as a resident of the UGA that is proposed to be annexed by the City of Lake Stevens. My family and neighbors (who I encouraged to contact you as well) are STRONGLY in support of this annexation. We feel like we are Lake Stevens residents already, we use the parks, the library, attend events, and volunteer locally. Not having a vote in city elections has always been extremely frustrating, and makes us feel like outsiders. We deserve to have an equal voice in our own community! It is my hope that you will take this into consideration as you discuss the topic at tomorrow's meeting.

Thank you!

Sincerely,

Kate MacKenzie 10617 18th PI SE Lake Stevens, WA

EXHIBIT # 44
FILE ORD 21-005

Eco, Debbie

From: James Monroe <jmonroe642@gmail.com>

Sent: Tuesday, April 27, 2021 10:48 PM

To: Nehring, Nate; Dunn, Megan; Wright, Stephanie; Mead, Jared; Low, Sam

Cc: Contact Council

Subject: Snohomish County Interlocal Agreement Proposed Ordinance 21-005

CAUTION: This email originated from outside of this organization. Please exercise caution with links and attachments.

Council Members,

We write this today in opposition of the proposed annexation of the southeast area of the current Lake Stevens Urban Growth Area (UGA) as detailed in Ordinance 21-005.

James has been a resident of the greater Lake Stevens area for more than 32 years--both in unincorporated Snohomish County and within City boundaries. Angela has been here for more than 28 years. We have been witness to the unprecedented growth of the region--both in size of the City of Lake Stevens and the population growth. We fully understand the dynamics of the effects this has on infrastructure, schools, city and utility services, etc. No doubt, we have enjoyed being a part of Lake Stevens regardless of where we called home.

However, we are not in favor of the proposed annexation process being utilized by the City of Lake Stevens at this time. The use of a Washington State Law allows a local municipality to do an end run around the citizens of a given area within a UGA targeted for annexation. No one has adequately explained to us why the City has chosen this process. Why did the City choose this process? What are they afraid of? That the citizens and property owners know what's best for themselves? No doubt, many of the property owners in the proposed annexation might support joining the City of Lake Stevens, but, through this process the City is denying them this right. The City leaves it up to twelve people on two separate elected governing bodies of which only one of those people actually represent the residents on the County Council. The residents did not have a say in who the other eleven people are and whether or not those eleven are concerned for their property rights.

Many of our neighbors are not for annexation at this time. Some of the reasons stated are 1) an increase in taxes (based on the City's own so-called "utility tax," and 2) zoning imbalances and the negative impacts of the potential for higher density housing and a decrease in property values. We understand that the property tax monies would stay more local and have a greater impact locally, but, let us decide that.

At the March 23, 2021 Lake Stevens City Council Meeting, the Council approved their Ordinance 1112 giving the Mayor authorization to enter into the Interlocal Agreement as detailed in the County's Proposed Ordinance 21-005 pending the outcome of action by the County Council and Lake Stevens Sewer District Board of Commissioners. At the March 9, 2021 joint hearing of the two Councils and Board of Commissioners a proposal was put forth by County Council Members Wright and Dunn to seek an Advisory Vote of the people in the affected areas. Why the City Council moved ahead with their Ordinance is a mystery.

Please do not be swayed by the City's rush to annex. The people of the affected areas have been shut out of the process to have a direct say in the matter! Also, do not be swayed by a handful of property owners in the affected area that are suddenly anxious to sell their properties to developers who want nothing more than to turn the rural landscape into an extremely condensed residential eyesore.

<u>Please vote AGAINST</u> this ordinance and let the people in the affected area have a voice in the decision. The letters in the City Council Agenda package are from those that are appended to the meeting package for your April 28, 2021 10:30 AM Meeting would like to see the process expedited. I understand their financial concerns. However, it's only fair that everyone in the proposed areas weigh in. **Do not be swayed** by a small handful of residents and two out of area real estate agents. You asked to hear the will of the people. The folks that live here and want to stay here also deserve a voice. If it is determined through that advisory vote that a majority of people want to be annexed into the City, then by all means proceed with a proper citizen-voted-on annexation process. That's where the City should have started in the first place.

We emphatically request that the County Council vote against Ordinance 21-005. Come to us with a proposed annexation that allows the residents of the targeted areas have a say. You might get a more favorable response.

If you feel that an Advisory Vote is in order, then so be it. Ultimately, it should be just of the residents and owners that reside within the proposed annexation areas. However, this is complicated because one of the areas includes ALL of Lake Stevens. One of you surmised that perhaps all of the residents adjacent to the lake shore, at least, and, at most, perhaps all of the current residents of Lake Stevens have a say in the Advisory Vote. We don't think this is fair to the current residents of the proposed annexation areas. The current City residents didn't ask us to vote on their annexations in 2002, 2006, 2007, 2010, 2018 and 2019. Not once, were we asked.

It should be noted that the Annexation process in 2019 was also not handled in a way that allowed residents in that specific area to have a say one way or the other.

Again, the process the City has chosen for this current proposed annexation does not sit well with the majority of residents in the proposed annexation areas.

Thank you for reading our concerns for fair and equitable participation in the democratic process.

Sincerely,

James and Angela Monroe 11706 2nd St SE