

**PROCEEDINGS OF THE
WASHINGTON STATE BOUNDARY REVIEW BOARD
FOR KING COUNTY
RESOLUTION AND HEARING DECISION**

**IN RE: CITY OF ISSAQUAH
 Klahanie Area
 Proposed Annexation
 King County, Washington**

FILE NO. 2347

I. PUBLIC HEARING OVERVIEW

In July of 2013 the City of Issaquah submitted to the Washington State Boundary Review Board a Notice of Intention (File No. 2347) to annex a certain 1243 acre portion of territory, i.e., the planned community of Klahanie, together with several neighboring suburban residential communities: including Brookshire, Estates, Brookshire Crest, Brookshire East, Brookshire Ridge, Autumn Glen, Hunter's Lane, Hunter's Place, Hunter's Ridge, Livingston, Pine Classics, Rainbow Lake Ranch, Summer Meadows, Summer Pond, Glenwood) and Eastridge Church. A King County Park is located within the Klahanie Area.

The Klahanie Area is located on the northeast side of the City of Issaquah. The site is bounded on the west by the Cities of Issaquah and Sammamish (Issaquah-Pine Lake Road.) The site is bounded on the south and east by Unincorporated King County (Issaquah-Fall City Road.) The site is bounded on the north by the City of Sammamish (SE 82nd Street.)

In July, 2013, Issaquah City Council adopted a Resolution approving a plan to annex the Klahanie Area.

The City's proposal to annex the Klahanie Area is supported by an Annexation Study provided for the City of Issaquah. The Annexation Study evaluates the plan to provide governance and services to the Klahanie Area citizens that is equivalent to the governance and service systems provided to citizens of City of Issaquah. The Annexation Study contains fiscal analyses (including an examination of benefits and costs) attendant upon governance and service for the Klahanie Area.

The City of Issaquah invoked the Board's jurisdiction pursuant to RCEW 36.93.100 at the same time it filed a Notice of Intention for the Klahanie Annexation. The City sought a public hearing for the stated purpose of providing an independent forum for citizens to obtain information and comment upon the proposed annexation. Notably, the City of Issaquah Resolution calls for an annexation election to permit the citizens of the Klahanie Area to ultimately decide whether or not to join this community.

A public hearing was conducted on September 18 and 19, 2013 before a quorum of the Boundary Review Board in order to consider the proposed annexation. The Board closed the Special Meeting/Public Hearing on September 19, 2013 and scheduled a Special Meeting for discussion and deliberation in this matter. The Board conducted its discussion and deliberation and reached a preliminary decision in the matter of File No. 2347 on October 10, 2013.

Under Washington law, the Board is required to: (1) examine the record (e.g., application materials; technical studies; fiscal studies; regulatory analyses; other documents; exhibits; statements; and testimony); (2) determine the specific policies and guidelines are applicable to the proposed action; (3) review and balance these elements; and (4) take the action that best advances those elements.

As prescribed by the state law, the Board reviewed File No. 2347 in accord with RCW 36.93. (Local Governments – Boundaries – Review Boards). The Board directed particular attention to RCW 36.93.170 (Factors) and RCW 36.93.180 (Objectives). The Board also considered RCW 36.93.150, the statutory authority for the Board to modify annexation proposals. As also required by the law, the Board considered RCW 36.70.A, the Growth Management Act, the King County Comprehensive Plan, the City of Issaquah Comprehensive Plan, together with other applicable state, regional, and local regulations and guidelines.

On the basis of the testimony, evidence and exhibits presented in the course of the public hearing, and the matters on record in said **File No. 2347**, it is the decision of the Board to **approve** the action proposed in said **Notice of Intention**. The legal description of the Klahanie Area is attached hereto and incorporated by this reference as "Exhibit I", together with a map showing the boundaries of the area herein attached as "Exhibit II."

II. FINDINGS

RCW 36.93.170 FACTORS AFFECTING THIS PROPOSAL

The Boundary Review Board finds the following Factors (RCW 36.93.170) to be applicable to the City of Issaquah's proposed Klahanie Area Annexation. Additional authorities applicable to the Klahanie Area include, but are not limited to: RCW 36.70A, RCW 35.13, King County Comprehensive Plan/Countywide Policies, the Issaquah Comprehensive Plan and its enabling regulations (e.g., zoning code). These State and local authorities are intended to ensure reasonable development regulations and adequate public services to local communities.

A brief review of key issues related to each applicable element is presented below:

RCW 36.93.170 (1) POPULATION AND TERRITORY

The Board considered the following factors for File No. 2347: "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 (36.70A RCW) applicable service agreements (36.115 or 39.34 RCW); ...; per capita assessed valuation; topography, natural boundaries and drainage basins, proximity to other populated areas; ... the likelihood of significant growth in the area and in adjacent incorporated and unincorporated during the next ten years; location and most desirable future location of community facilities."

The entire Klahanie Area lies within the Urban Growth Area adopted by King County. In addition, the annexation area is defined in the City of Issaquah Comprehensive Plan Land Use Element as a Potential Annexation Area. The evidence demonstrates that the community is unified with respect to its specific physical elements (e.g., geographic features) and social elements. The Klahanie Area is primarily developed with residential uses – including single-family and multi-family dwellings. The Klahanie Area includes some commercial area, open spaces (e.g., parklands, wetlands, water bodies), and public uses/facilities. The Klahanie Area will likely experience continuing modest urban growth over the next ten years, based upon the limited vacant and redevelopable land within the Klahanie Area.

King County Comprehensive Plan/Countywide Planning Policies support the proposed annexation. Countywide Planning policies encourage cities to annex territory within their designated potential annexation area. Other policies identify cities as the appropriate units to govern, develop, and serve Urban Areas. For example, County Comprehensive Plan/Countywide Policies call for contiguous orderly growth of local jurisdictions; support Urban Growth Area designations; demonstrate land and capacity to accommodate and serve area growth; and encourage annexations of urban lands into local jurisdictions. Cities are the appropriate providers of local urban services to Urban Areas (e.g., U-102 U-201; U-202; U-204; U-206.)

In addition, the Klahanie Annexation is report to be consistent with King County Comprehensive Plan/Countywide Planning Policies relevant to and delineated in Chapters relating to:

- Environment
- Development Patterns
- Housing
- Transportation
- Public Facilities and Services

The Issaquah Comprehensive Plan "Annexation Element" addresses the annexation of the Klahanie Area. The Klahanie Area Annexation is consistent with City's Comprehensive Plan policies addressing annexation and governance of urban areas (e.g., Annexation Policies and Land Use Policies), including those provisions relating to land development, service provision, and mutual social and economic benefits.)

The Klahanie Area is primarily developed with residential uses – both single-family homes and multi-family dwelling units. There is limited remaining land that is designated and suitable for redevelopment/new development with residential uses. The Klahanie Area also includes a small commercial development, parkland/open spaces, and public uses (e.g. church, schools.)

While the Board is required by RCW 36.93.170(1) to address zoning as an element for review, this statute does not authorize the Board to undertake zoning of a Potential Annexation Area. The Board note that the Issaquah Plan demonstrates that the City of Issaquah intends to maintain zoning consistent with King County zoning of the Klahanie Area for the present, and will work with the citizens of Klahanie to provide zoning for this territory following annexation. These factors meet the elements established in RW 36.93.170.

The City of Issaquah has planned for growth at urban levels of density in the Klahanie Area. These plans establish standards to guide land uses in the Klahanie Area following annexation. The testimony established that future residential development will be generally similar to and essentially compatible with existing housing density/design requirements. Following annexation of the Klahanie Area, there will be an opportunity to immediately implement consistent and coordinated development standards throughout the community.

The Klahanie Area includes environmentally sensitive areas (e.g., parkland, open spaces, water bodies, variable terrain, and diverse vegetation.) Upon annexation, the City of Issaquah will provide environmental review and management of the annexation area based upon local, regional, and state Critical Areas Regulations and Storm Water Management Regulations to ensure protection of environmentally sensitive areas.

The Growth Management Act (RCW 36.70A) supports the Klahanie Area Annexation. For example, the proposed action would be consistent with RCW 36.70.20 which calls for community planning goals, for urban growth, services and infrastructure, and environmental preservation.

City of Sammamish officials have also expressed an interest in annexing the Klahanie Area. At the present time, the City of Issaquah is the *only* jurisdiction that includes the Klahanie Area within a recognized Potential Annexation Area. Consequently, the City of Issaquah is the only jurisdiction that may legally annex the Klahanie Area. As such, the Board may only consider annexation of the Klahanie Area to the City of Issaquah.

RCW 36.93.170 (2) MUNICIPAL SERVICES

The Board considered the following factors for File No. 2347: 'Need for municipal services; effects 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 need for such services and controls; probable effect of proposal or alternative on cost and adequacy of services and control in area and adjacent are; the effect on the finance, debt structure, and contractual obligations and rights of all affected governmental units.'

The evidence shows that the Klahanie Area community requires municipal services and facilities. Service policies are established by the Growth Management Act and the King County Comprehensive Plan. For example, King County FW-13 states that cities are the appropriate provider of local urban services to Urban Areas. FW-29 and FW-30 address the need for jurisdictions to plan for and coordinate services. Additionally, annexation is appropriate under Countywide Policy CO-1, when a jurisdiction has "identified and planned for (a) full range of urban services".

Pursuant to the Growth Management Act, and the King County Plan, the City of Issaquah has adopted policies – through the City's Comprehensive Land Use Plan, Comprehensive Service Plans, and other regulatory authorities – for serving all properties within its corporate boundaries.

The evidence demonstrates that the City of Issaquah is able to provide and sustain public services, infrastructure, and facilities to the Klahanie Area. Upon annexation, the City of Issaquah would include the Klahanie Area in its Service Area. The evidence shows that, upon annexation to Issaquah, all services for the Klahanie Area will be efficiently coordinated under unified regulatory authorities administered by a single local government unit. Service levels would be equal to – or superior to – the levels of services currently provided by King County.

The evidence shows that the City of Issaquah has planned and can provide urban services to the area either directly or via agreements between the City and service providers. For example, Sammamish Plateau Water & Sewer District would continue to provide water and sewer services to the area. Eastside Fire and Rescue District will provide fire/emergency services to the Klahanie Annexation properties. The Issaquah Police Department will provide protection services. The City of Issaquah will provide roadway management. The King County Library and local/regional recreation facilities would be available to residents. The Issaquah School District (No. 411) and the Lake Washington School District (No. 414) boundaries for the Klahanie Area would be unaffected.

The evidence shows that the City has sufficient municipal resources to ensure necessary funds to serve the area (e.g., regional and local improvements) in a manner that will address impacts on cost and adequacy of services, finances, debt structure or rights of other governmental units. The City has developed a basic plan to sustain levels of service at reasonable rates to all citizens. For example, substantial resources are anticipated from the following:

- Issaquah's existing municipal fund base;
- Klahanie Area property owners will assume their share of the regular and special levy rate of the City for capital facilities and public services
- Funding available from the State of Washington (sales tax rebate program – SSB 6808)

With these resources, the City will be able to provide high quality governance and service to the Klahanie Area. While more specific data linked to the Klahanie Area will be developed upon annexation, the evidence thus far establishes that:

King County supports annexation of the Klahanie Area. This consolidated action provides for a more logical municipal government and service area. The City can provide more cohesive policies, standards, programs, cohesive operations, and efficient, economic control of services than would occur under the jurisdiction of King County.

RCW 36.93.170 (3) Effects of Proposal

The Board considered the following factors for File No. 2347: "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."

Evidence in the record supports the approval of the annexation of the Klahanie Area to Issaquah including the fact that the territory proposed for annexation is contiguous to the City. The socioeconomic profile of the Klahanie Area population is similar to the socioeconomic profile of the citizens of the City of Issaquah.

Evidence in the record, including but not limited to the Annexation Study, shows that the City is prepared to govern and to provide full services to the Klahanie Area. Affiliation with the City would promote a viable community because new citizens would be able to participate in local governance – including land use planning, service planning, fiscal planning and planning for public amenities to serve the community. Coordinated integration of citizens of the Klahanie Area into Issaquah would preserve social organization, support economic health, and protect public safety and welfare.

King County supports the Klahanie Area Annexation stating that the action is in the best interests of all parties. State law, the King County Comprehensive Plan, and the City of Issaquah Comprehensive Plan each contemplate and encourage local governance of communities. Annexation of the Klahanie Area is consistent with the King County Executive's Annexation Initiative, which calls for incorporation of urban lands to local jurisdictions at the earliest feasible date. Immediate annexation of the Klahanie Area better promotes balanced governance.

Evidence in the record demonstrates that the City of Issaquah supports the Klahanie Annexation so that the City may serve citizens of the area.

CONSISTENCY WITH THE GROWTH MANAGEMENT ACT

RCW 36.93.157 requires that Boundary Review Board decisions must be consistent with three sections of the Growth Management Act:

- RCW 36.70A.020 Planning Goals
- RCW 36.70A.110 Urban Growth Areas
- RCW 36.70A.210 Countywide Planning Policies

With respect to File No. 2347, the key Growth Management issues involve the Countywide Planning Policies pertaining to land use and municipal services (RCW 36.70A.020 and RCW 36.70A.110). The Growth Management Act policies that guide the provision of public services and that are relevant to the proposed Annexation include:

- RCW 36.70A.020 (1) Urban Growth: Encourages development in urban areas where adequate public facilities and services exist or can be provided efficiently.
- RCW 36.70A.020 (2) Reduce Sprawl: Reduce inappropriate conversion of undeveloped land into sprawling low-density development.
- RCW 36.70A.020 (10) Environment: Protect and enhance the environment and quality of life.
- RCW 36.70A.020 (11) Citizen Participation and coordination in the planning process and ensure coordination between communities/jurisdictions to reconcile conflicts.
- RCW 36.70A.020 (12) Public Facilities and services: Ensures that adequate public services and facilities are available to serve land developments.
- RCW 36.70A.110 (1/6) calls for each county to designate an urban growth area.
- RCW 36.70A.110 (3) directs urban growth to areas with existing or available public services and facilities
- RCW 36.70A.110 (4) states that "(in) general, cities are the units of local government most appropriate to provide urban ...services."
- RCW 36.70A.210 (1) calls for cities to be primary providers of governmental services in urban growth areas.

- Annexation of the Klahanie Area into the City of Issaquah would effectively address Growth Management Act criteria for incorporation of urban areas to achieve local governance and provision of services.

The Klahanie Area Annexation is consistent with the provisions of RCW 36.70.20 calling for community planning goals, for urban growth, services and infrastructure, and environmental preservation. For example, the proposed action would be consistent with RCW 36.70.20 which calls for community planning goals, for urban growth, services and infrastructure, and environmental preservation. Additionally, the proposal is consistent with RCW 36.70A.020 (1), encouraging development in urban areas where there are adequate public services.

The Klahanie Area Annexation is consistent with the provisions of RCW 36.70A.020 (12), calling for public services to support permitted development. The City is prepared to provide the Klahanie Area with development review services and general administrative services under local, regional, and state standards. The City is also prepared to provide environmental review (including evaluation and regulation of sensitive areas) so that the natural environment within and near to the Klahanie Area would also be preserved with the proposed annexation.

RCW 36.93.180 OBJECTIVES

The Boundary Review Board has considered RCW 36.93.180 (Objectives), as follows:

RCW 36.93.180 (1) PRESERVATION OF NATURAL NEIGHBORHOODS AND COMMUNITIES

The evidence shows that the Klahanie Area is a "neighborhood" – based upon the definition of the term under applicable case law, as "either geographically distinct areas or socially... distinct groups of residents". The Klahanie Area, in its entirety, exhibits many features that associate the Klahanie Area with the City. This Area is connected to Issaquah by social fabric (e.g., similar land uses and open spaces) and by natural/built geographic features (e.g., plateau terrain). For example, both the Klahanie Area and the adjacent Issaquah community are residential in character. The Klahanie Area and the nearby City of Issaquah share similar demographic and economic characteristics. Residents of the Klahanie Area utilize facilities, services and amenities in the City of Issaquah (e.g., shops, personal services, employment, schools, roadways, libraries, shopping centers, parks, and recreation facilities.)

Issaquah's Comprehensive Plan anticipates the annexation of the Klahanie Area. The City currently includes the Klahanie Area in community planning programs in order to guide growth and to provide coordinated services. The annexation would advance the objective of preserving the natural neighborhood because this action would provide stronger links within the greater community and would encourage a more effective connection to the City of Issaquah.

Issaquah officials have testified that the Klahanie Area Annexation would, provide all property owners/residents a voice and a vote in planning for the future preservation and development of their community. Community representatives proffered plans to effectively govern and serve this area as a part of a unified community.

King County supports the annexation of the entire Klahanie Area as this action is consistent with state, regional, and local guidelines. King County has designated this area for urban development due to its location within the Urban Growth Area boundary. The County has stated its preference for immediate annexation of urban areas to provide uniform governance for citizens of the Klahanie Area. The City of Issaquah has demonstrated that it is an entity capable of providing for zoning, development standards, and environmental protection appropriate to the area.

RCW 36.93.180 (2) Use of physical boundaries, including but not limited to bodies of water, highways, and land contours

The boundaries of the proposed Klahanie Area Annexation are based upon physical boundaries (e.g., co-terminus borders, rights-of way, and individual property lines) with the City of Issaquah. More specifically, the proposed Klahanie Area is located on the northeastern edge of the City of Issaquah.

The Klahanie Area is generally bordered on the west by the City of Issaquah and the City of Sammamish (Issaquah-Pine Lake Road). The Annexation Area is bordered on the east and the south by King County (Issaquah-Fall City Road; SE 48th Street.) The City of Sammamish borders the site on the north (SE 32nd Way.)

The evidence demonstrates that, while the Klahanie Area physical boundaries appear to have a rather unusual configuration in terms of connection to the existing City of Issaquah, this Area has been specifically established for annexation by Issaquah under both the City of Issaquah Comprehensive Plan (adopted by the State of Washington in 1995) and the City of Sammamish Comprehensive Plan (adopted by the State of Washington in 1999.)

Further, "social neighborhoods" may also constitute boundaries as socially distinct communities. The evidence demonstrates that the City and the Klahanie Area share a social affiliation. Numerous factors and features have forged a linked social neighborhood for these communities.

Approval of the Klahanie Area annexation advances progress toward incorporation of the greater unincorporated area in King County. This annexation would provide for an immediately unified community with established physical boundaries, a community identity, coordinated governance and provision of services.

RCW 36.93.180 (3) Creation and preservation of logical service areas

Annexation of Klahanie Area into the City of Issaquah advances the objective for the creation and preservation of logical service areas. The King County Comprehensive Plan and Issaquah's Comprehensive Plan identify the City as the provider of services for the entire Klahanie Area. More specifically, Issaquah has authority and responsibility to provide public services to all of its citizens under city plans and regulations including, but not limited to, the Comprehensive Sewer and Water Plans, Transportation Element of the Comprehensive Plan, and the Comprehensive Storm Water Management Plan.

The evidence shows that, upon annexation of the Klahanie Area, the City of Issaquah would design and implement coordinated service programs throughout the community. The City of Issaquah can directly provide (or contract for) urban services to the area. For example, upon annexation, the City will begin to provide the Klahanie Area police services.

Eastside Fire & Rescue will continue to provide a full array of fire protection services and emergency medical services to the City of Issaquah and the Klahanie Area. Fire District officials (coordinating with municipal officials) are the best qualified entities to determine appropriate specific facilities and resources necessary to maintain or enhance services levels to the affected communities.

The Board recognizes the importance of ensuring that the community has access to water sufficient in quality and quantity to serve both the existing City of Issaquah and the Klahanie Area. Likewise, provision of a full array of wastewater management services is essential to a safe and healthy community. The City of Issaquah has demonstrated an intent and capacity to provide the Klahanie Area citizens with the same full array (and quality) of utilities and services that the jurisdiction currently provides to the citizens of Issaquah.

Further, the City has adopted the King County Surface Water Design Manual for surface water control. The Issaquah Creek Basin and Nonpoint Action Plan was completed in September 1994 by King County in coordination with the City of Issaquah. It has also adopted a Water Resource Action Plan that combines and coordinates the management of Issaquah's water resources and includes the Issaquah Creek Basin Nonpoint Action Plan.

Testimony was offered on the subject of roads management. By fact and by law, roadways adjacent to the site – and within the Potential Annexation Area – must be incorporated in their entirety to the City of Issaquah upon annexation to this municipality. There can be no "centerline boundaries" as suggested by the testimony.

