

April 7, 2009

**Kirkland to File Annexation Proposal with
Boundary Review Board**

5-2 Vote Approves Resolution of Intent

In a 5 to 2 vote tonight, the Kirkland City Council approved legislation that provides for the filing of the City's proposal to annex the Finn Hill, North Juanita and Kingsgate neighborhoods with the Washington State Boundary Review Board (BRB) for King County. Adopting a Resolution of Intent is a required step in the process for a city to initiate an election on annexation. Since 2006, the City has studied the potential annexation; two special meetings were held this week for the Council to receive updates on the financial analysis and to hear public comment on the Resolution. If the Council ultimately decides to place the annexation vote on the November General Election ballot, a Notice of Intent must be filed with the BRB on April 8, 2009 in order to allow for review by the BRB prior to the deadline for filing for the election on August 11.

"We value the involvement of residents of the City and those in the Finn Hill, North Juanita and Kingsgate neighborhoods as it has helped guide our discussions over the past four years," notes Mayor Jim Lauinger. "This decision signals our intent to go to the next step in the annexation process."

At a special study session on Monday night, the Council received updated information on the annexation fiscal models that tests three financial scenarios integrating a "base case" scenario with certain revenues and expenditures being added or eliminated. The "base case" model reflects the currently adopted 2009–2010 budget and continuation of current levels of service in Kirkland and estimates the cost of providing similar services in the annexation area. The "base case" financial model showed that the actions taken to balance Kirkland's budget contributed positively to the annexation financial outcome.

The annexation process involves a strict sequence of events. Filing the notice of intent with the BRB initiates its process which includes determining if the City's application is complete and setting a public hearing date. The BRB may approve, modify, or disapprove the City's proposal. If the BRB approves the proposal, the City must indicate to King County its preferred election date.

The City is tracking the progress of three Senate Bills related to the potential annexation including bills related to fire protection services for unincorporated areas that can be annexed (ESSB 5808), extending a local sales and use tax that is credited against the state sales and use tax (ESSB 5321), and requiring cities and towns within King County to annex all potential annexation areas over 4,000 population before 2015 in order to continue to be eligible for state transportation grants and public works loans (2SSB 5433).