



TO: Elizabeth Pauli, City Manager
FROM: Peter Huffman, Director, Planning and Development Services Department
COPIES: Government Performance and Finance; Andy Cherullo
PRESENTER: Lihuang Wung, Senior Planner, Planning and Development Services Department
SUBJECT: Manitou Annexation
DATE: August 21, 2018

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

Planning and Development Services staff will review the scope of the pre-annexation planning for the Manitou Potential Annexation Area, and as appropriate, provide a recommendation for the City Council to officially initiate (by resolution in September) the planning process and the negotiation of an interlocal agreement with the Pierce County Council.

BACKGROUND:

The 37-acre Manitou Potential Annexation Area is located at the southwest corner of the City of Tacoma near Lakewood Drive West and 66th Street West (see Exhibit A). This is one of the unincorporated “islands” in Pierce County where future annexation to the City is expected by the State Growth Management Act and considered a high priority in regional policies and Pierce County’s Comprehensive Plan. It is also one of the City’s Urban Growth Areas – effectively the Potential Annexation Areas – as designated in the One Tacoma Comprehensive Plan.

Pierce County has approached the City to launch a collaborative planning effort for the potential annexation of the Manitou area, to be carried out through the Interlocal Annexation Agreement method as allowed by State laws (i.e., RCW 35.13.470 and 480). This planning process will be initiated by both the Pierce County Council and the City Council via resolutions, expected to occur in September 2018.

County and City staff have already conducted a community meeting on May 14, 2018, to inform the affected parties and engage the community. The Planning Commission has received a briefing of the matter at its meeting on July 18, 2018, and is ready to conduct the pre-annexation planning as set forth in the Tacoma Municipal Code 13.02.040.K.

Since the pre-annexation planning is expected to result in changes to the One Tacoma Plan, this project has been added to the docket of the 2019 Annual Amendment to the Comprehensive Plan and Land Use Regulatory Code slated for completion in June 2019. Additional information about the subject can be viewed at www.cityoftacoma.org/Manitou.

ISSUE:

Issues associated with the potential annexation of the Manitou area can be best illustrated in the Manitou Annexation Fact Sheet (Exhibit B) and the Manitou Annexation Community meeting comments and responses (Exhibit C).

ALTERNATIVES:

Staff’s recommendation is to proceed with the pre-annexation planning for the Manitou area and no alternatives are being contemplated.



FISCAL IMPACT:

There is no fiscal impact on the initiation of the pre-annexation planning; fiscal impacts of the annexation will be identified and evaluated during the planning process.

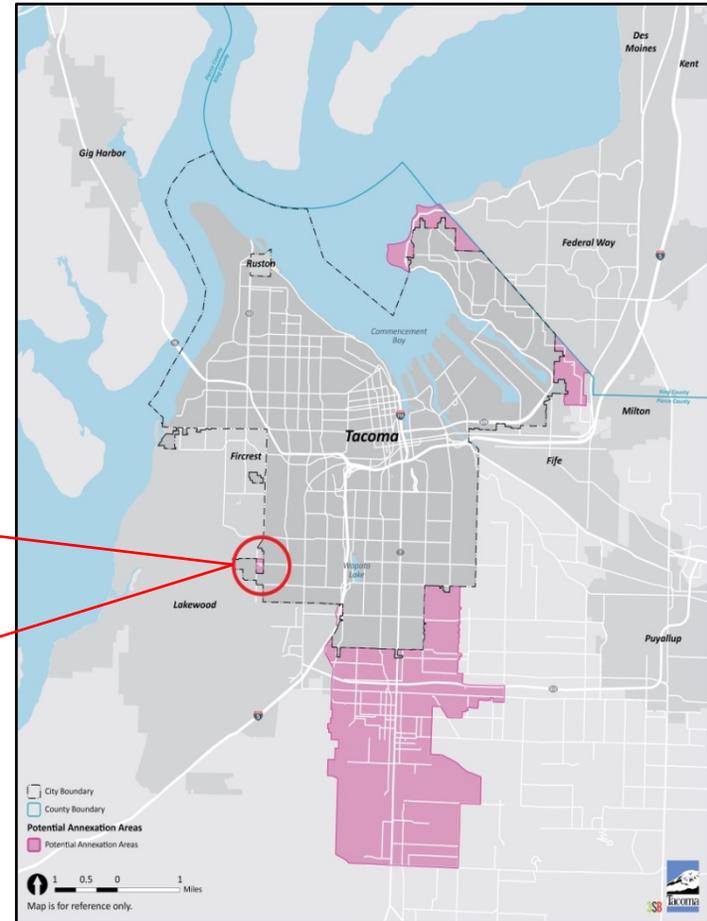
RECOMMENDATION:

Planning and Development Services recommends the City Council consider a resolution on September 11 or 18, 2018, to officially initiate the pre-annexation planning process and the negotiation of an interlocal agreement with the Pierce County Council.

EXHIBITS:

- A. Manitou Potential Annexation Area Location Map
- B. Manitou Annexation Fact Sheet (June 21, 2018 draft)
- C. Manitou Annexation Community Meeting Comments and Responses (June 18, 2018 draft)

Exhibit "A" – Manitou Potential Annexation Area Location Map



City of Tacoma's Potential Annexation Areas (Manitou Area circled)

(Source: One Tacoma Comprehensive Plan, Public Facilities and Services Element, Figure 38. Potential Annexation Areas, page 9-8)

Manitou Annexation Fact Sheet

Background

Annexation is the process of transferring land from one jurisdiction to another. We propose the area of Manitou nearest the Meadow Park Golf Course between 64th Street W and 70th Street W—not presently part of any city or town—be annexed into the City of Tacoma. Annexation would give residents and businesses in Manitou a greater voice as part of the Tacoma community, and expand access to municipal services.

What Could Change?

Local Government Administration



The City of Tacoma would provide several services that are currently offered by the County, such as pet licensing, solid waste management, business licensing, and parking regulation.

Surface Water Management Fee



Local jurisdictions manage surface water runoff to reduce flooding and prevent water pollution, billing property owners for this service. Fees for this service would likely increase with annexation into the City of Tacoma. As an example, a typical single-family residence would see rates increase from \$127 per year to \$279 per year; a larger commercial development would see charges increase from \$2,281 per year to \$4,740 per year.

Police



Police services would be provided by the Tacoma Police Department, where they are contracted with the University Place Police Department today. However, Tacoma may choose to continue contracting with University Place PD.

Fire



Fire protection services that are currently provided by West Pierce Fire & Rescue would instead be provided by the Tacoma Fire Department if annexed to the City of Tacoma. But Tacoma may choose to contract so fire services remain with West Pierce Fire.

Roads



The City of Tacoma Public Works Department would take over responsibility from Pierce County Planning and Public Works for maintaining and improving public roads in the neighborhood. Tacoma would study the need for new street name signs, parking restrictions, traffic safety measures, speed limits, and other elements.

Residential Water



Residential water rates would decrease by approximately 20% due to Tacoma Public Utilities' existing surcharge on unincorporated communities. Commercial water rates would remain unchanged.

Addresses

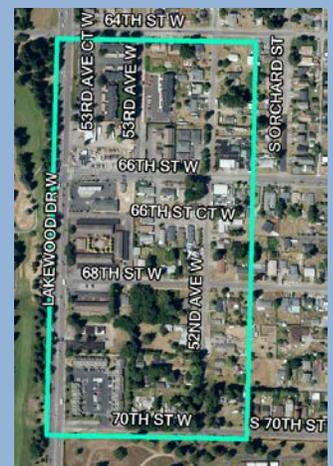


Becoming part of Tacoma would result in changes to neighborhood street names to conform with those in the rest of the City. For example, 66th Street W would become S 66th Street. Tacoma would work with the US Postal Service to update addresses, and would notify residents and businesses when the change is approved.

Area Profile

- 425 People
- 33 Median Age
- \$42,000 Average Household Income
- 31% Households on Food Stamps/SNAP
- 97 Properties
- 197 Houses
- 26 Businesses
- 37 Acres

- Single-family homes
- Multi-family apartments
- Mobile homes
- Businesses
- Professional Offices



Building, Planning and Zoning



Pierce County currently regulates land and building in the neighborhood under the Mixed Use District designation, which allows a broad variety of mid-density residential, commercial, and industrial land uses including multi-family housing, nursing homes, mobile home parks, day-care centers, sewage collection facilities, offices, agricultural supply, malls, restaurants and bars, auto sales, and contractor yards. Up to 60-foot-tall buildings could be permitted with these uses. The areas surrounding the neighborhood are currently designated R2-STGPD Single-Family Dwelling District. Tacoma would carefully study and determine how to zone the Manitou neighborhood upon annexation.

Solid Waste



The City of Tacoma's Waste Management would take over waste management services from LeMay Pierce County Refuse. For a 60-gallon container, residential rates for City of Tacoma customers start at \$43.85 per month, compared to \$77.84 at present; commercial rates for a one-cubic-yard container start at \$170.05 per month, compared to \$117.87 at present. Recycling and food/yard waste pickup is also offered.

Business Licenses and Taxes



Tacoma requires that businesses obtain a Business License from the City, while Pierce County does for only a few types of businesses. Tacoma business license fees are assessed yearly and are based on business income and business type, varying from \$25 to \$250. More information may be found at <http://www.cityoftacoma.org/businesslicense>. Pierce County does not assess Business and Occupation taxes, whereas Tacoma does. Rates for businesses within the City of Tacoma are based on gross receipts, and vary from .05% to .4%. However, B&O taxes would not be assessed on existing businesses for the first three years after annexation.

Elected Representative



Tacoma City Council Position 5 would represent the neighborhood; City Councilmember Chris Beale currently serves in this position. County Councilmember Connie Ladenburg would continue to represent residents at the County level.

Property Taxes



In 2018, property owners in the unincorporated Manitou neighborhood paid .0162% of their property's assessed value in property taxes; in contrast, residents in the Manitou community within the City of Tacoma paid .0158% of assessed value in property taxes. For example, a typical single-family home worth \$253,571, a homeowner would have owed \$3997 in property taxes as a resident of the City of Tacoma, as compared with paying \$4113 in the unincorporated County.

Libraries



Pierce County libraries are available to residents of the Manitou community. With annexation, residents would be free to utilize the Tacoma Public Library system as well.

Neighborhood Council Program



The City of Tacoma's Neighborhood Council Program establishes an environment in which residents are afforded an opportunity to participate in City government decisions in an advisory role. The Manitou area is within the boundaries of the South Tacoma Neighborhood Council.

Customer Support Center



Citizens can utilize the TacomaFIRST 311 system to ask questions, register complaints, or request for services. To access the system, dial 311 within city limits or (253) 591-5000 from anywhere else, or search online for "Tacoma First 311."

What Would Remain the Same?

Schools



Tacoma Public Schools would continue to serve families in the area.

Electric, Natural Gas, Water, Wastewater Providers



Tacoma Public Utilities provides electric service and Puget Sound Energy provides natural gas service. For customers not utilizing wells or septic, Tacoma Public Utilities also provides municipal water and wastewater service. Rates would not change for electric, natural gas, commercial water, or wastewater.

Manitou Annexation Community Meeting, May 14, 2018
Questions/Comments and Staff Responses (June 18, 2018 draft)

Theme(s)	Question / Comment	Response (if applicable)
General	What is the purpose of annexation?	The Manitou Neighborhood is one of the unincorporated “islands” in Pierce County, where future annexation to the respective abutting municipalities is expected by the State Growth Management Act (GMA) and considered a high priority in regional policies. This is also an Urban Growth Areas, as designated in both the County's and the City's comprehensive plans pursuant to GMA. A basic premise of the GMA is that denser urban development should be supported by urban services, such as roads, transit, sidewalks, water, sewer, parks, and libraries, and should be located in cities to ensure the most efficient provision of service.
General	Support annexation.	Comment noted.
General	Please consider showing the annexation timeline/process and appropriate materials on the internet.	The County maintains a website regarding annexation at http://www.piercecountywa.gov/annexation . The City maintains a website specifically for the potential annexation of the Manitou Neighborhood at www.cityoftacoma.org/Manitou . Updates and relevant information will be posted on these websites.
Outreach	Hold more community meetings soon; follow up on unanswered questions. Hold special Council meetings in neighborhood.	Once the County Council and the Tacoma City Council initiate the planning and negotiation process for the potential annexation of the Manitou area, County and City staff will jointly conduct another community meeting to solicit additional feedback from the community. The meeting could be scheduled in July or August.
Outreach	Difficult to hear in meeting venue, especially for those hard of hearing.	Staff will seek different venues for subsequent meetings.
Building & Planning	Zone to R2-STGPD Single-Family District. Existing uses are ok, but no more density or new multi-family or commercial development.	This could be considered. But also consider that PC's existing zoning is a "Mixed-Use", therefore a lower intensity transitional/commercial zone may be considered as well (such as the C-1 or T Districts). Or if possible/makes sense a mix of lower intensity transitional/commercial and residential zones may be considered.

Theme(s)	Question / Comment	Response (if applicable)
Building & Planning	How will City of Tacoma zone the area? Notify people of proposed rezone.	How the area is to be zoned, if and when annexed to the City, is yet to be determined. The Tacoma Planning Commission will conduct a pre-annexation planning review and make a recommendation to the City Council. Residents and stakeholders of the Manitou area will be notified of the Commission's and the Council's meetings and will be provided opportunities to weigh in.
Building & Planning	Some existing mobile homes are not up to code; how will they be affected?	It depends on whether the mobile home was built with a building permit under Pierce County. (A response will be needed from a residential plans examiner). For Land Use, the use will become non-conforming to use and possibly development standards and will be reviewed under the City's Non-Conforming Code (TMC Section 13.06.630).
Building & Planning	What happens to uses/buildings that become noncomplying under Tacoma's zoning code?	Staff will review all future applications under the City's Non-Conforming Code (TMC Section 13.06.630).
Infrastructure	Streets in poor condition.	The City would conduct a pavement rating analysis to assess condition and include in the residential paving program. http://www.cityoftacoma.org/cms/One.aspx?portalId=169&pageId=2844
Infrastructure	What will happen to existing private septic systems with annexation?	(Staff will review this issue and provide appropriate response later.)
Infrastructure	Will property owners be compelled to connect to sewer? Who will pay for sewer connections? How would property owners voluntarily hook up to sewer?	(Staff will review this issue and provide appropriate response later.)
Infrastructure	If not connected to sewer, will property owners still pay for sewer service?	(Staff will review this issue and provide appropriate response later.)
Infrastructure	Where are existing sewer lines?	There is a sewer main line on 52nd Ave. W. between 64th St. W. and 68th St. W. At the north end, it connects with a main line on 64th St. W. that connects with Tacoma's system to the east (at S. Orchards St.) and University Place's system to the west (at Lakewood Dr. W.). At the mid-point, it connects with a short main line on 66th St. W. that extends westward to approximately 100 feet west of 53rd Ave. W. At the south end, it turns eastward onto 68th St. W., entering Tacoma and connecting with a main line at S. Huson St. (Source: Pierce County GIS Map at https://matterhornwab.co.pierce.wa.us/publicgis/)

Theme(s)	Question / Comment	Response (if applicable)
Infrastructure	Desire for Tacoma to connect septic properties with sewer.	Comment noted.
Infrastructure	Will the water system connectivity be improved?	(Staff will review this issue and provide appropriate response later.)
Infrastructure	Would Lakewood Drive or other streets be renamed?	The City is still evaluating how the street names will be addressed. It is likely that streets addressed "West" would be converted to "South" for consistency and identification; however, the impacts are being evaluated. Also, according to the USPS Address Management group, via our local Business Network Representative, the post office does not generally (rarely) changes the ZIP code when areas are annexed. ZIP codes are used primarily for mail sortation and not city/town designations. However, we can designate those streets as Tacoma vs. University, so the customers can use either as the Preferred Last Line. As for the changing of street names, depending on how they do it (if they change the primary or only the street name), once notified by the addressing authority, we can use an alias or link the addresses so that mail will be sorted correctly.
Infrastructure	Will private roads become public with annexation?	Private roads would remain private.
Infrastructure, Public Safety	Need street lights to deter crime and make pedestrians more visible. Will more street lights be installed if annexed?	Streetlights will not be installed as a part of the annexation. There are numerous areas within the current City of Tacoma limits that do not have streetlighting or where additional infill lighting is warranted. There is currently no funding for adding streetlight infrastructure in the budget. New residential street lights can be installed through the Local Improvement District Program that is supported by adjacent property owners. Existing street lights would be considered for conversion to LED. http://www.cityoftacoma.org/cms/One.aspx?portalId=169&pageId=11488 and http://www.cityoftacoma.org/cms/One.aspx?portalId=169&pageId=11548
Infrastructure, Public Safety	Unsafe walking conditions. Will the City add missing sidewalks?	The City is working on a program to assess and prioritize installation of missing sidewalks. The program is not currently funded.
Parking	Semi-trucks are parking near intersections; how will the City manage this issue?	Road Use Compliance and TPD would respond to complaints about illegal parking or commercial vehicles in residential neighborhoods.

Theme(s)	Question / Comment	Response (if applicable)
Public Safety	Perceived high crime area. How will police availability and responsiveness change?	(Staff will review this issue and provide appropriate response later.)
Public Safety	Concern about safety of neighborhood worsening with annexation due to changes in police service.	(Staff will review this issue and provide appropriate response later.)
Public Safety	Will additional resources be dedicated to Tacoma Police Department?	(Staff will review this issue and provide appropriate response later.)
Infrastructure	How will parks amenities be different?	(Staff will review this issue and provide appropriate response later.)
Taxes/Fees	General concern about higher costs, taxes.	The City has a local B&O tax, which is assessed on gross income and the rates vary from .102% to .4%. When annual gross income is less than \$250,000 no tax will be due and no tax return is required to be filed. The City B&O tax classifications and rates can be found at www.cityoftacoma.org/businesslicense . The City requires an annual business license fee that is based on a company's gross income - gross income of less than \$12,000 = \$25 fee; gross income between \$12,000 - \$250,000 = \$110 fee; gross income over \$250,000 = \$250 fee.