



# Annexation Discussion

**Lon Pluckhahn, City Manager, City of Vancouver**

**Rebecca Kennedy, Deputy Director, Community Development Department, City of Vancouver**

July 30, 2025

# Agenda

- Annexation overview
- Process considerations
- City scenario analysis
- City service provision in VUGA
- Collaboration Opportunities
- Closing/Next Steps
- Discussion





# Annexation High Level Overview



# Annexation Overview

## Annexation and the Growth Management Act

- Washington's Growth Management Act (GMA) anticipates that areas within the Urban Growth Area (UGA) will be annexed within 20 years
- Facilitates the provision of urban services to areas that have or are intended to develop at urban densities
- Several methods of annexation- direct petition, election (vote), interlocal agreement, Fire District interlocal, etc.
- The legislature has provided some financial tools to support annexations of UGAs into incorporated areas, but they are insufficient to maintain services levels



# Annexation Overview

## Annexation Process Considerations

- Annexations of any significant size are complex and require careful and intentional planning and collaboration, and a multi-year process
- Interlocal agreements related to all necessary annexation considerations must be negotiated in advance
- Each major service area will require its own discussions and process
- Financial modeling indicates new tools will be needed to provide urban services to the VUGA
- Most annexation methods require some level of community engagement



# Annexation Overview

## Annexation and the Growth Management Act

- Urban level of development are allowed in the UGAs for the following reasons:
  - Cities extend urban services
  - GMA allows it with expectation of annexation
  - Preserves resource lands outside the UGA- farms, forests, recreation, etc. In alignment with GMA
- State enabled revenue tools and GMA structure generally intend for cities to provide urban services and counties to provide social/human services



# Annexation Overview

## Recent Vancouver City Council discussions related to annexation

- In 2023 and 2024, as part scoping for the Comprehensive Plan update, Council asked for information on the financial impacts of potential annexations.
- Staff modeled the following four scenarios and presented findings to Council at a March 17 workshop:
  - Fire District 5 boundary
  - Water Service area boundary
  - Full Vancouver Urban Growth Area (VUGA)
  - Orchards SR-500 to Padden Parkway





# City Services already provided in VUGA





# Service Level Overview

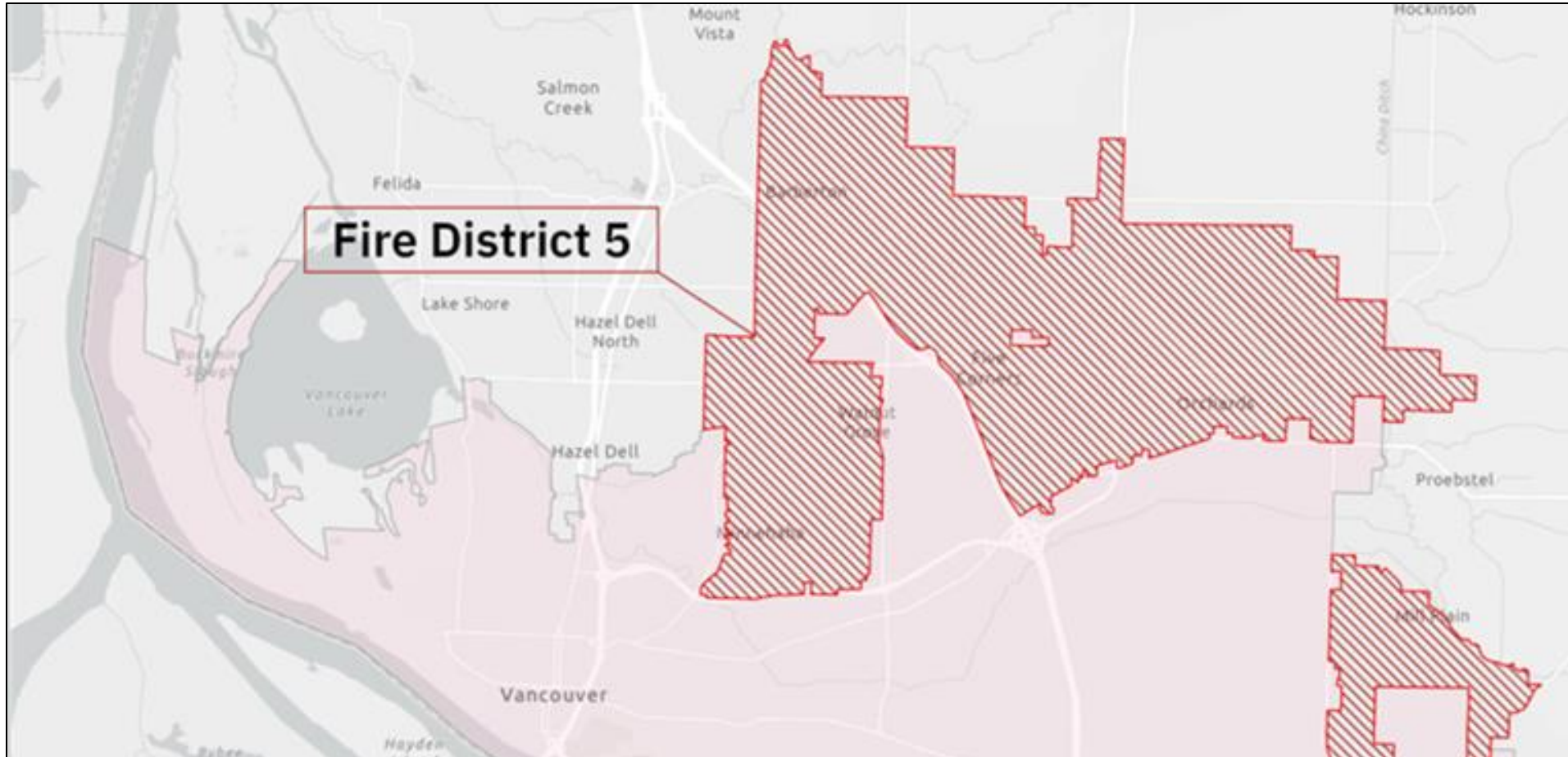
## City services in the VUGA

- Who is on city services now
  - Water District
  - Sewer District
  - Fire District 5
- Considerations:
  - Most properties with City water and sewer service have already agreed to annexation through utility covenants
  - Eligibility for fire district annexation method



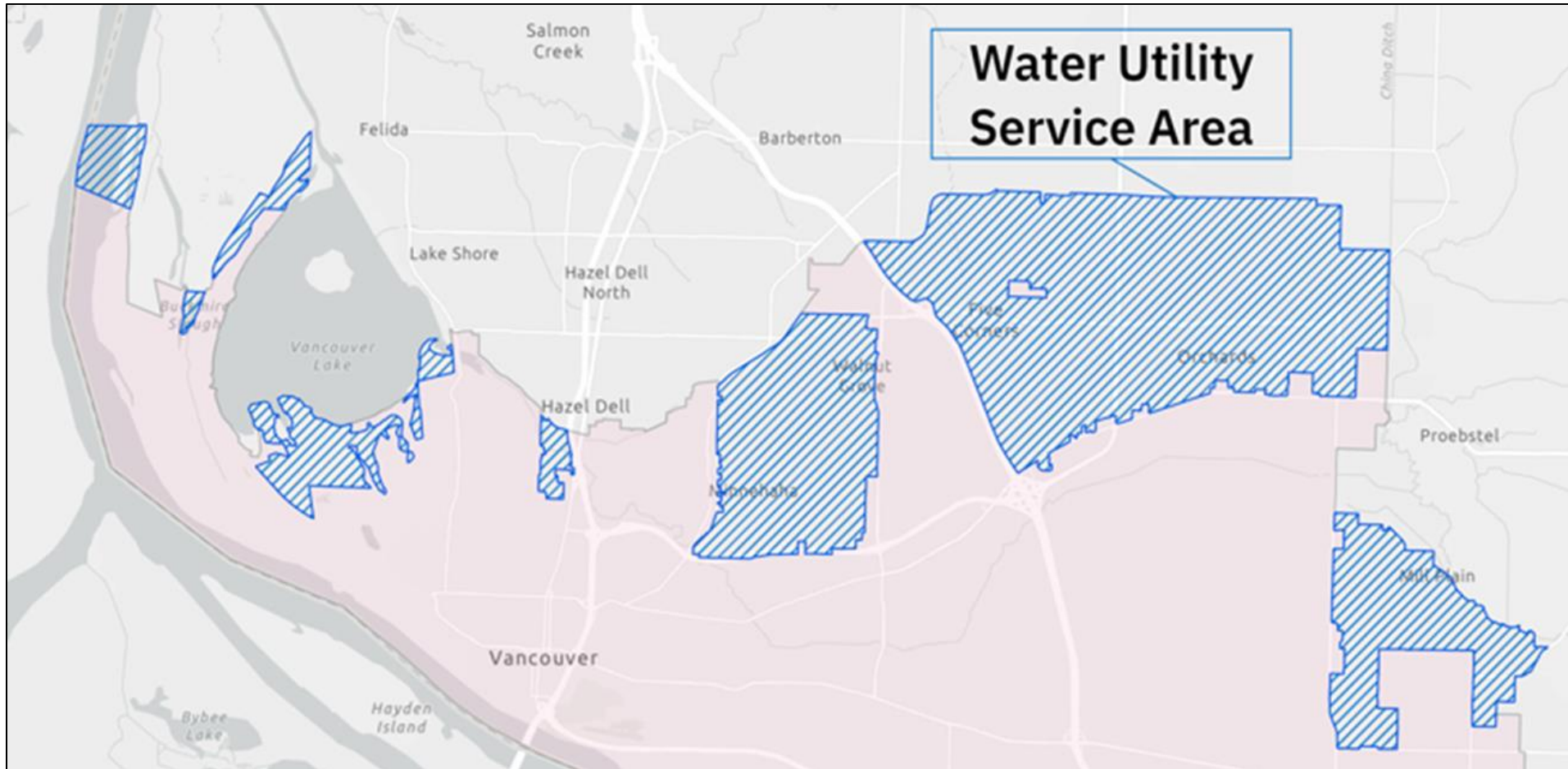
# Service Level Overview

Fire District 5 in VUGA- 95K residents served



# Service Level Overview

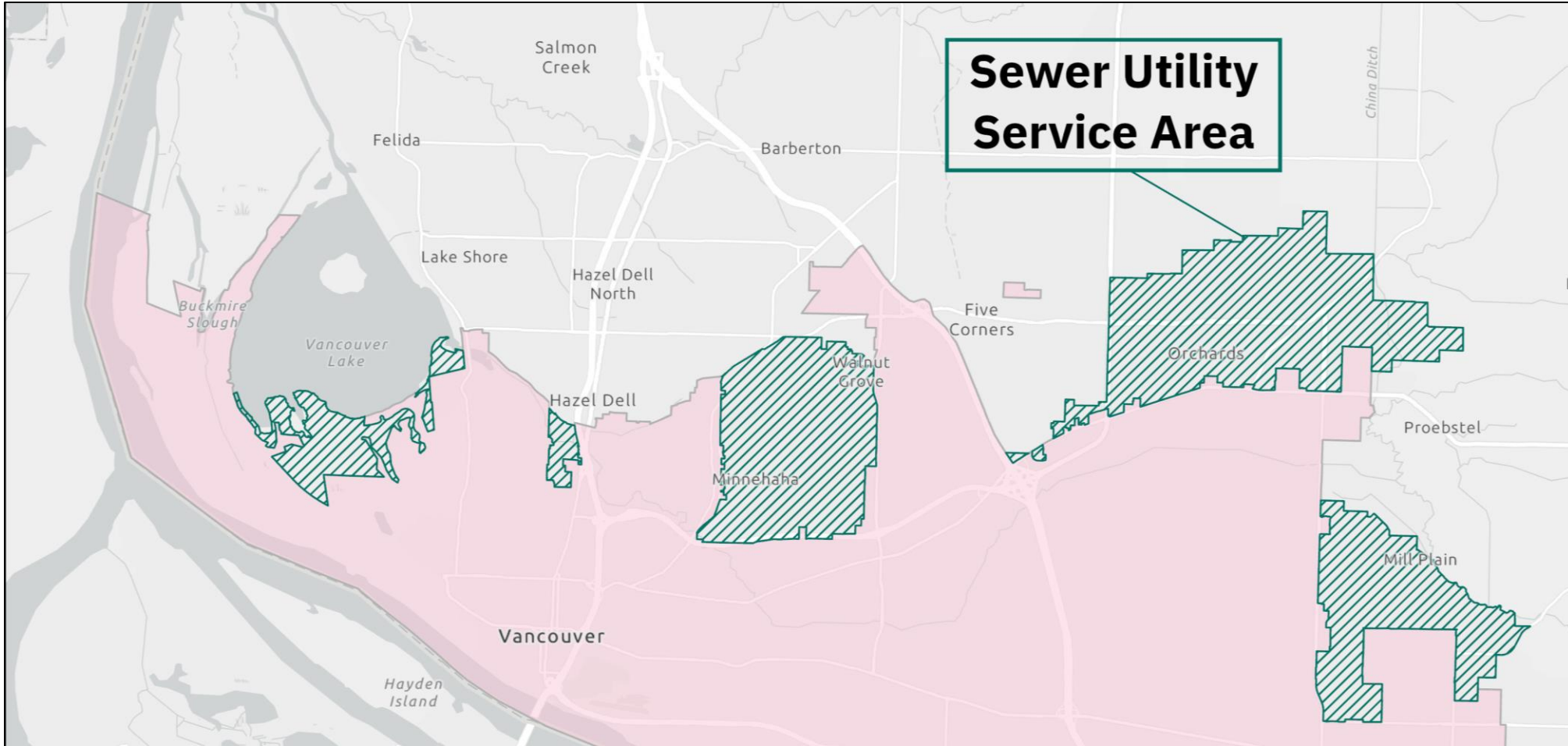
Water Utility Service Area in VUGA- 95K residents served





# Service Level Overview

Sewer Utility Service Area in UGA- 51K residents served



# Collaboration Opportunities



# Key Considerations

Annexation requires City and County agreement on a variety of complex issues

- Transfer of services
- Transfer of facilities
- Transfer/management of special districts
- Transfer of revenues collected to serve specific areas
- Transfer of staff
- Transfer of records





# Collaboration Opportunities

## Potential short-term areas for collaboration

- Understand interest in jointly exploring potential annexation scenarios
- State legislation: joint advocacy for better financial tools to facilitate balanced annexations
- Develop framework for working together to get to an interlocal agreement
  - How do we structure overarching coordination efforts?
  - How do we identify the appropriate annexation scenario?
  - How will we work together to identify transition needs and requirements for all major services areas?
  - How do we communicate information to the community?



# Collaboration Opportunities

## Potential longer-term areas for collaboration

- Adoption of City development standards prior to annexation
  - Ensures new development meets urban standards while interlocal being developed
  - Allows incremental development of more integrated land uses
- Delegation to City for certain services
  - Development review and permitting
  - Public Safety
  - Continue coordinated park funding efforts
- Agreement on a preferred annexation scenario and adoption of an interlocal agreement to facilitate a smooth transition with no disruption to essential services



# Closing/Next Steps





# Closing/Next Steps

Anything but the smallest annexation scenario is multi-year process that requires collaboration and partnership

- We look forward to hearing from County Councilors and leadership on their interest in exploring future annexation
- This will inform potential next steps and any future discussions, including:
  - Schedule series of exploratory meetings
  - Develop joint state legislative agenda to augment financial tools for sustainable, balanced annexations in alignment with GMA



# Discussion





# Thank You



[www.cityofvancouver.us/government/community-development/annexation](http://www.cityofvancouver.us/government/community-development/annexation)

