



ANNEXATION FREQUENTLY ASKED QUESTIONS



Do I currently pay taxes that I will no longer have to pay if I annex to the City?

Yes. Upon annexation, you will no longer have to pay the Benton County Road levy or the general levy for Fire District #1. However, state statute requires you to continue paying for any voter-approved debt that exists in the Fire District at the time of annexation. Once this voter-approved debt matures, this levy will be discontinued.

Does the City have taxes I do not currently pay in unincorporated Benton County?

Yes. City residents pay a regular city levy on their property taxes, which funds the general operations of the City. Additionally, city residents pay an annual levy for the 1996 Library bonds (see below) as well as utility taxes on natural gas, garbage, cable TV, telephone, ambulance, stormwater, electric, and water/sewer services.

What is bonded indebtedness?

Bonded indebtedness is debt that has been approved by voters through an election. In 1996, Kennewick residents approved the sale of bonds for the construction of the Kennewick Branch Library (on Union) and improvements to the Mid-Columbia Library (on Dayton). Payments on this debt cost the owner of a house with an assessed valuation of \$100,000 approximately \$8.64 per year. The bonds mature December 1, 2016, at which time this excess levy will be discontinued.

Will my property taxes change upon annexation?

Generally, your property taxes will decrease if you annex to the City of Kennewick. There are some new taxes that you will pay as a city resident, however, there are also taxes that you are currently paying that you will no longer pay. The City of Kennewick estimates that property taxes for the owner of a home with an assessed valuation of \$100,000 will decrease approximately \$100 per year upon incorporation. Table 1 summarizes the 2009 Annual Property Tax Levy per \$1,000 in assessed valuation.

TABLE 1

2009 Property Tax Levies		
	CITY	COUNTY
State Schools	\$ 1.9240	\$ 1.9240
County	1.3766	1.3766
City Regular Levy	2.2846	0
Library Bond	0.0864	0
County Road	0	1.9215
Mid-Columbia Library	0.4214	0.4214
School District #17	4.7821	4.7821
Kennewick Hospital	0.1506	0.1506
Fire District # 1 ^a	0.1542	1.5998
Port of Kennewick	0.3507	0.3507
TOTAL^b:	\$ 11.5306	\$ 12.5267

^a State statute requires that if the proposed annexation area involves property currently contained within the boundaries of a fire district, that those property owners continue to pay property tax for any voted debt of the district that exists at the time of annexation. The 2009 voted debt levy for Fire District # 1 is \$0.1542.

^b Total does not include *Benefit Assessments* for Mosquito Control, Noxious Weed Control, and Horticulture Pest Control, however the rates for these assessments are the same in the City or County areas.

Will existing land uses be allowed to continue?

Yes. All legally established existing uses within the annexation area will be allowed to continue. Any nonconforming use(s) are issued a conditional use permit, which stays with the property and will transfer to any subsequent owners, provided the nonconforming use(s) do not cease for a period of at least 6 months. Once the nonconforming use(s) cease for a period of at least 6 months, the city zoning designations will apply. Effected property owners should contact our Development Services division at (509) 585-4558 for additional information.

Will the City require me to hook up to the sewer system?

Annexation into the city limits will not result in the City mandating that property owners connect to the city sewer system. The only reason that a property owner would be required to connect to the sewer system would be if their septic system has failed and their house is located within 200 feet of a City sewer main, as measured along the most feasible route of connection. If their septic system has failed and their house is not within 200 feet of a City sewer main, then they may be allowed to repair their septic system. The City suggests that you contact the Benton Franklin County Health District at (509) 582-7761 if you have specific questions regarding the inspection and/or repair of your septic system.

What are Utility Taxes?

Utility taxes are taxes levied on the gross operating revenues earned by public & private utilities from operations within the city limits. The City of Kennewick receives utility taxes/charges from natural gas, garbage collection, cable television, telephone, ambulance, stormwater, electric, and water/sewer services.

In 1995, voters approved an additional 2.5% utility tax on electric, natural gas & telephone services which is required to be used for public safety purposes. The City of Kennewick currently levies a 7% utility tax on cable and garbage; an 8.5% utility tax on electric, natural gas & telephone services; and a 13.5% tax on water/sewer services. Kennewick citizens also pay \$3.12 per month for ambulance services and \$1.40 per month for the City’s stormwater program.

Will my household utility costs increase if I’m annexed in to the City?

Generally, your household utilities will decrease if you are currently receiving city water/sewer services and you annex to the City of Kennewick. The addition of utility taxes is typically more than offset by the reduction in property tax, water, and sewer rates. City residents do not pay the 50% sewer and 120% water surcharges that county residents pay. Table 2 summarizes the estimated annual household costs for an average \$100,000 home in Kennewick.

TABLE 2

Comparison of Annual Costs (2009)		
Based on an Average \$100,000 Home Receiving City Water/Sewer Services		
	<u>CITY</u>	<u>COUNTY</u>
Property Taxes	\$ 1,153.00	\$ 1,253.00
Telephone	169.00	156.00
Electricity	1,927.00	1,776.00
Water	240.00	466.00
Sewer	253.00	335.00
Natural Gas	1,491.00	1,375.00
Ambulance	3.12	0.00
Stormwater	1.40	0.00
Garbage	167.00 <small>(1 can + 12 free dump passes)</small>	182.00 <small>(one can)</small>
TOTAL:	\$ 5,404.52	\$ 5,543.00

When will I see the change in my taxes reflected?

Utility taxes are generally added by the various utility companies in the billing cycle following the effective date of the annexation. Additionally, the City removes any water/sewer surcharge in the billing cycle following the effective date of the annexation. Property taxes have the longest lag in implementation due to state statute requirements. Property tax levies are made based on the boundaries that exist on March 1 of the year in which the property taxes are levied. Example, if your annexation is completed February 1, 2009, then your 2010 property tax bill will reflect the change. If your annexation is completed April 1, 2009, then your 2011 property tax bill will reflect the change. Property tax bills are not pro-rated for annexations that occur between billing years.

What is a local improvement district?

A local improvement district (LID) is one way for property owners and neighbors to join together to pay for water, sewer and street improvements. City of Kennewick LID’s are established through a

petition sanctioned by the property owners within the proposed boundary. The City requires that the petition is signed by at least 70% of the property owners within the proposed LID boundaries. Upon receiving a legally sufficient petition, the City will conduct a public hearing to consider the issue. The cost of an LID can vary significantly depending on the proximity to existing utilities, the types of improvements being provided, and the number of property owners participating in the LID. Specific information about your property can be obtained from our Engineering Department (509) 585-4286.

How will annexation affect law enforcement and fire protection services?

The City of Kennewick Police and Fire Departments provide police, fire and ambulance services throughout the City. Both departments are dispatched from a centralized location and have strong and effective mutual aid agreements with surrounding jurisdictions to provide assistance when needed.

The Benton County Sheriff's office and Benton County Fire Protection District # 1 are fine organizations. The fact is that persons residing in county islands may already be obtaining City emergency services during a crisis. On a normal night shift the Sheriff may have a maximum of 7 deputies on duty for all of Benton County. This would be to cover in excess of 1,300 square miles. During the same period Kennewick may have a patrol shift of 8-12 officers, as well as a Criminal Apprehension Team (CAT) with 5-7 more officers, on patrol in Kennewick. Kennewick has about 25 square miles of area to patrol.

For the most part, residents will not notice a difference in police and ambulance response to the county island areas since City police and ambulance personnel are already providing response to the island areas. However, because the Fire department maintains a staff of 24-hour, full-time fire fighters, response times to fire emergencies will be reduced.

Will I pay more for Ambulance services?

No, currently the City of Kennewick provides ambulance service into the proposed annexation area. As a county resident you are charged \$867.09 plus \$10 per loaded mile for an ambulance transport. You are also charged a fee of \$250.00 for a fire engine from the county to respond and assist the city ambulance. The city rate for ambulance service is \$578.06 plus \$10 per loaded mile for an ambulance transport with no charge if a fire engine is needed to assist. The City also charges a monthly ambulance utility charge of \$3.12 per unit (residence) which is included in your water/sewer bill.

If I am annexed, will I have to switch garbage services?

Ultimately, yes. For the first 10 years, you will have the option of remaining with your current service provider. After 10 years, the garbage franchise for your area will transfer to Waste Management and you will be required to change providers at that time. The City requires that Basin Disposal offer any newly annexed areas the same rates that Waste Management offers with the following current exceptions:

- ◆ Basin Disposal will continue to pick up unlimited bagged garbage at the curb. Waste Management does not offer this service except for a yard leaf collection program offered during the first full week of the months of October, November and December.
- ◆ If you want an additional can, you can order one at the current Basin Disposal rate of \$2.36 per can per month. Waste Management's rate is \$0.81 per can per month.

- ◆ Basin Disposal customers do not enjoy any free dumping privileges. Waste Management offers 12 free passes to the Kennewick Transfer Station per year for household and yard waste. Please contact Waste Management directly for questions related to free dump passes.

How will I be able to get involved with community issues?

The City offers many opportunities for public involvement in local government. These opportunities include elected positions and appointments to advisory boards and commissions. City government is approachable and accessible. City Council meetings are held on the 1st and 3rd Tuesday of every month at 7:30 p.m. in the Council Chambers at City Hall. Opportunity is provided for public inquiries and comments at each meeting. Additionally, Council has workshop sessions every Tuesday beginning at 6:30 p.m.

Will I be required to license my animals upon annexation?

The City does not have a licensing requirement but does participate in the Tri-City Animal Control program whose primary goals are to ensure that lost dogs and cats are returned to their owners and to enforce compliance from property owners whose dogs or cats are creating a public nuisance. The City strongly promotes pet owners placing identification tags on their pets and having their pets microchipped for permanent identification so that if a pet is ever lost it can be reunited with its owner. Dogs and cats are required to have rabies vaccinations and will not be released from impoundment without proof of a current rabies vaccination. There are special permitting requirements for pit bull breeds or pets that have been designated as potentially dangerous or dangerous animals. These permits are issued through Tri Cities Animal Control. Farm animals (cattle, horses, sheep, etc.) do not require special permitting and can continue to be maintained on your property as long as those animals were permitted under County zoning.

What will happen to my auto and fire insurance ratings if I am annexed?

Auto insurance rates are not determined by municipal boundaries, but by your zip code, which will not change with annexation. Fire insurance rates are determined by the property class rating of the City or Fire District established by the Washington Surveying and Rating Bureau (WSRB). The WSRB issues property class ratings on a scale of 1 to 10 with 1 being the highest and 10 being the lowest ratings. The City of Kennewick Fire Department is rated class 4 and Benton County Fire District #1 is rated class 5. The class 3, 4, and 5 ratings offer similar fire insurance rate for a residential dwelling. Therefore, your fire insurance rates should remain the same upon annexation into Kennewick. For more information contact your insurance agent.

How will annexation affect my home-based business?

If you already have a legal home occupation that complies with County requirements, this use will be permitted in the City after annexation and you will not need to obtain a new home occupation permit from the City. Home-based businesses will need to obtain a business license from the City of Kennewick. The basic license fee for most businesses is \$55 plus \$5 per FTE. Additional information about business licensing can be found on our website located at www.ci.kennewick.wa.us/Support_Services

What does the City offer in the area of public parks and recreation?

The City of Kennewick is a full service city with a comprehensive parks and recreation program. As a city resident, you are entitled to participate in all recreation activities. City residents receive discounted fees as well as preference for enrollment in recreation programs. The City offers a wide variety of recreation activities for all ages including an aquatics program.

The City takes pride in the park and recreational facilities available for residents and visitors. There are 26 maintained public parks and facilities spread throughout the city with 647 acres of green space. Many of the parks and facilities are available to rent for group gathering or special events.

Will annexation affect school district boundaries?

Annexation does not affect school district boundaries. It has no impact on which school your children will attend.

What methods of annexation are available?

As a municipal code city, the City of Kennewick has four methods of annexation available by state statute pertaining to residential areas. Those are 1) Election Method, 2) 60% Petition Method, 3) Alternative Petition Annexation Method, and 4) Provision for the Annexation of Unincorporated Islands. The 60% petition method is, by far, the most common method used by cities. Cities have found the election method, whether initiated by resolution or petition, to be extremely cumbersome and costly and therefore, this method is rarely used by cities.

What is the difference between the 60% Petition Method and the Election Method of annexation?

60% Petition Method: This method of annexation is initiated when property owners representing at least 10% of the assessed value of the property in the proposed annexation area provide written notice to the City Council of their intention to commence annexation proceedings. The City Council must then hold a public meeting within 60 days of receipt of the petition to determine 1) whether or not to accept, reject, or modify the proposed annexation; 2) whether it will require simultaneous adoption of proposed zoning regulations; and 3) whether it will require assumption of all or any portion of existing city indebtedness by the area to be annexed.

If the City Council accepts the initial petition for annexation, then the proposed area needs to be reviewed and approved by the Benton County Boundary Review Board (BCBRB), unless prior board approval had been received. Upon BCBRB approval, a formal petition is circulated to all the property owners within the proposed annexation. The petition must be signed by the owners representing at least 60% (50% for “islands”) of the assessed valuation of the proposed annexation area (RCW 35A.14.120). Once this percentage has been achieved, the City will submit it to the County Assessor for a determination of sufficiency. When a legally sufficient petition is filed, the City Council may consider it and conduct a public hearing allowing proponents and opponents an opportunity to speak. If, following the public hearing, the City Council decides to approve the annexation, it will enact an ordinance to annex the territory. The annexation becomes effective 5 days after publication of the ordinance.

Election Method: The Election Method can be initiated by either City Council Resolution or by a petition from voters living in the area to be annexed who represent at least 10% of the votes cast at the last state general election for that area. If a petition is received, it is transmitted to the County Assessor for a determination of sufficiency. Provided there are sufficient valid signatures, the Council must then pass a resolution within 60 days to notify petitioners whether or not the City will conduct a special election on the issue. The special election on the proposed annexation will be held on one of the dates specified by state statute and the city is responsible for all election costs.

The proposition placed on the ballot will seek approval of the annexation with the following provisions from the electorate within the territory to be annexed:

1. Whether property in the proposed area will be required to assume all or any portion of existing city indebtedness.
2. Whether the city will require the simultaneous adoption of a proposed zoning regulation.

The required approval levels of an annexation proposition vary depending on whether or not the above provisions are placed as separate or a single proposition. A proposition for or against annexation, or for or against adoption of the proposed zoning regulation is approved by a majority vote. A proposition for or against the assumption of all or any portion of indebtedness is approved by a 60% majority, provided the number of persons voting is not less than 40% of the total number of votes cast in the area at the last preceding general election. If the propositions regarding the approval of the annexation area and the assumption of past indebtedness are combined into one proposition, then the proposition is approved by a 60% majority, provided the number of persons voting is not less than 40% of the total number of votes cast in the area at the last preceding general election. However, the city council may adopt a resolution accepting the annexation, but without the assumption of indebtedness, if the combined proposition is approved by a simple majority.

Will I be able to vote on the annexation?

Your signature on the petition is your vote. If you wish to support the annexation, you need to sign the petition and return it to the City. If you do not wish to support the annexation, you would discard the petition.

What is a POA and OUA?

A Power of Attorney (POA) or Outside Utility Agreement (OUA) provides that in exchange for receiving access to the City's water or sewer services, an owner of property outside of the city limits agrees to support any future annexation proceedings that may arise for their property. A POA is specific to a property owner and does not transfer to future property owners. An OUA is typically granted to a developer and is recorded on the property thereby obligating all future owners.

The City of Kennewick is not required to provide utility services outside the city limits. However, the City has allowed county residents who wish to connect to city services to do so in exchange for their agreement to support any future annexation proceedings. The state supreme court upheld the validity of POA/OUA agreements in *Fire Protection District v. Yakima*, 122 Wn.2d 371 (1993).

Does Kennewick require an alarm license for security systems?

Yes. The City of Kennewick does require an alarm license for all security systems in businesses or residences. Alarm licenses are renewed annually in January and there is no charge for the renewal if it is returned to the Police Department by March 1st of each year. For more information on security system licensing, contact the Crime Prevention office at (509) 585-4212.



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