



TO: Elizabeth A. Pauli, City Manager
FROM: Lihuang Wung, Senior Planner, Planning and Development Services
Peter Huffman, Director, Planning and Development Services
COPY: City Council and City Clerk
SUBJECT: Resolution – Approving Manitou Annexation Interlocal Agreement and Memorandum of Understanding – October 12, 2021
DATE: September 23, 2021

SUMMARY AND PURPOSE:

A resolution authorizing the execution of an Interlocal Agreement with Pierce County for the annexation of the Manitou Potential Annexation Area, located near Lakewood Drive West and 66th Street West, and authorizing the execution of a Memorandum of Understanding for the transition of governmental services related to said annexation.

BACKGROUND:

The 37-acre Manitou Area is located near Lakewood Drive West and 66th Street West, abutting the southwest corner of the City of Tacoma (City), and is one of the City’s Urban Growth Areas (UGAs) and Potential Annexation Areas (PAAs), as designated in the City’s One Tacoma Comprehensive Plan and Pierce County’s (County) Comprehensive Plan, pursuant to the State Growth Management Act (Act).

As a designated UGA and PAA, the Manitou Area’s annexation to the City is expected by the Act, to ensure the urban growth in the area is properly and effectively supported by urban governmental services. Surrounded by the cities of Tacoma and University Place on all sides, the area is also an unincorporated “island” of the County where future annexation to the City is considered a high priority in regional and countywide planning policies.

As a designated UGA and with more than 60 percent of its boundaries contiguous with the City, the Manitou Area should be annexed to the City through the Interlocal Agreement (ILA) method, pursuant to the Revised Code of Washington (RCW) 35.13.470. RCW 35.13.470 allows either the legislative body of a county or city to initiate an annexation process by adopting a resolution commencing negotiations for an ILA. The County Council passed Resolution No. R2018-97 on September 4, 2018, and the City Council adopted Resolution No. 40150 on October 30, 2018, to initiate the annexation process and commence the negotiations for said ILA.

County and City staff jointly conducted community meetings on May 14, 2018, December 10, 2018, April 26, 2019, and June 30, 2021, to inform the property owners, residents, businesses and stakeholders of the potential annexation of the area; present information on the process; and solicit comments and suggestions. County and City staff completed the negotiations of the ILA, as well as an associated Memorandum of Understanding (MOU), in June 2021. The ILA governs the proceeding of the annexation of the Manitou Area and the MOU sets forth the transition of governmental services from the County to the City.

As directed by the City Council, per Resolution No. 40150, the Tacoma Planning Commission conducted land use and zoning analysis for the Manitou Area and developed the proposed land use designations and zoning districts for the area to be effective upon its annexation to the City. The proposal was adopted by the City Council on September 24, 2019, per Ordinance No. 28609, and has been incorporated into the MOU.



RCW 35.13.470 requires a public hearing to be held by each legislative body, separately or jointly, before the interlocal annexation agreement is executed, and requires that each legislative body holding a public hearing shall, separately or jointly, publish the agreement at least once a week for two weeks before the date of the hearing in one or more newspapers of general circulation within the territory proposed for annexation.

As required by RCW 35.13.470, the City Council has conducted a public hearing on the ILA and the MOU on August 31, 2021, per the recommendation of the Government Performance and Finance Committee on July 20, 2021. The public hearing notice along with the ILA were published twice during the period of August 19, 2021, and August 26, 2021, in both the Tacoma Daily Index and The News Tribune.

The County has also published the ILA twice during the period of September 8, 2021, and September 15, 2021, in The News Tribune. The County Council, as recommended by its Rules and Operations Committee on September 13, 2021, is scheduled to conduct a public hearing on September 28, 2021, and approve Ordinance No. 2021-81s, authorizing the Pierce County Executive to execute the ILA and the MOU with the City.

It is expected that residents and businesses in the Manitou Area, upon its annexation to the City, will enjoy the same services, facilities, infrastructure, employment opportunities, and government representation as Tacomans currently do. It is in the best interest of the City to execute the ILA and the MOU with Pierce County, and proceed to accomplish the proposed annexation of the Manitou Area in accordance with RCW 35.13.470.

For more information about the project, please visit www.cityoftacoma.org/Manitou.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

In addition to the City Council public hearing on August 31, 2021, four community meetings were conducted in May and December 2018, April 2019, and June 2021 by Planning staff in collaboration with County staff. Notices for these meetings were distributed to residents and businesses within the Manitou Area, the South Tacoma Neighborhood Council, departments of the City's General Government and Tacoma Public Utilities, as well as various service providers. Feedback from the community has been generally supportive of the proposed annexation.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The resolution would authorize the execution of the ILA and the MOU, leading to the future adoption of an annexation ordinance by the City Council to set the effective date for the proposed annexation of the Manitou Area. Adoption of the resolution and future adoption of the annexation ordinance allows equal opportunities for all residents and stakeholders with diverse backgrounds and interests to comment on the ILA, the MOU, and the proposed annexation. The principles of equity and accessibility will also apply to the Manitou Area upon its annexation to the City.

Economy/Workforce: *Equity Index Score: Moderate Opportunity*

Increase the number of Tacoma households that have livable wage jobs within proximity to the city.
Increase the number of infrastructure projects and improvements that support existing and new business developments.

Civic Engagement: *Equity Index Score: High Opportunity*

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.
Representation at public meetings will reflect the diversity of the Tacoma community



Livability: Equity Index Score: High Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

Explain how your legislation will affect the selected indicator(s).

The resolution would authorize the execution of the ILA and the MOU, leading to the future adoption of the annexation ordinance which sets forth the effective date for the proposed annexation of the Manitou Area. Upon annexation, residents and businesses in the Manitou Area will enjoy the same services, facilities, infrastructure, employment opportunities, and government representation as Tacomans currently do.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Delay the approval of the resolution.	<ul style="list-style-type: none"> • Allowing more time for public engagement, if desired. • Allowing further negotiations of the ILA and the MOU, if needed. 	<ul style="list-style-type: none"> • Delaying the completion of the annexation process.
2. Reject the resolution.	<ul style="list-style-type: none"> • Not pursuing the proposed annexation of the Manitou Area would eventually avoid the financial impacts and the additional responsibilities for providing municipal services. 	<ul style="list-style-type: none"> • Impacting the good faith efforts by City and County staff on the negotiations of the ILA and the MOU. • Inconsistent with the intent of Resolution No. 40150 that initiated the annexation process. • Not fulfilling requirements of the Growth Management Act, the Countywide Planning Policies, and the One Tacoma Comprehensive Plan.

EVALUATION AND FOLLOW UP:

This resolution would authorize the City Manager to execute the ILA and the MOU with Pierce County regarding the proposed annexation of the Manitou Potential Annexation Area. Upon Council’s adoption of the resolution, staff will work to secure the ILA and the MOU and proceed with the next steps for the Manitou Annexation as required by state laws.

STAFF/SPONSOR RECOMMENDATION:

Staff recommends the City Council adopt the resolution.

FISCAL IMPACT:

There is no fiscal impact related to adopting the resolution. Once the ILA and the MOU are executed, per the resolution, and an annexation ordinance is subsequently adopted and the annexation becomes effective, the City is anticipated to receive approximately \$131,200 per year of revenues from taxes and fees, based on a preliminary analysis done in 2018-2019. The cost for providing municipal services in the Manitou Area is expected to exceed



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the projected revenues; however, given the relatively small scale of the Manitou Area, the fiscal impacts are anticipated to be minimal and manageable and the City should have the capacity and capability to provide the required services for the area.

ATTACHMENTS:

- Exhibit A – Interlocal Agreement between the City of Tacoma and Pierce County regarding the Manitou Potential Annexation Area
- Exhibit B – Memorandum of Understanding between the City of Tacoma and Pierce County regarding the Manitou Potential Annexation Area