



Public Comment Questions - Alderwood Annexation

<p>1. What are the actual benefits of being in the City limits?</p>	<p>There are several benefits that residents, property owners, and business owners will receive with annexation. Some of the services the City provides includes:</p> <ul style="list-style-type: none"> • Fire protection and emergency medical services; • Police service, including animal control; • Option to hook-up to sewer and water utilities; • Removal of the 50% utility surcharge for property owners already on City utilities; • Street maintenance and improvements; • Parks, recreational facilities, and recreation programs; • Urban land use planning and development regulations; • Urban building regulations and inspection; • City Council representation; • Library system and educational programs; • Historic and art museum exhibits; • Neighborhood representation; • Government and educational community television programming.
<p>2. What is the assessed value of the proposed annexation area?</p>	<p>The proposed annexation area is approximately 718 acres in size and has an assessed tax valuation of about \$270,600,657.</p>
<p>3. Will the annexation trigger the 60% threshold identified in RCW35.02 and the 1997 interlocal agreement that would require the City of Bellingham to provide fire protection to all of Fire District 8?</p>	<p>If the annexation is approved, the City would have annexed approximately 67% of Fire District 8 (the District) territory since the 1997 agreement. Back in 2013, the City entered into an agreement with the District to provide administrative services for their territory. Then in 2016, the City and the District entered into an interlocal agreement that resulted in the merging of the operations of both the District and the City of Bellingham Fire Department. These agreements are intended to satisfy the requirements of RCW 35.02 and the 1997 interlocal agreement, to ensure that fire and emergency medical services are provided throughout both the City and the District's service area.</p>
<p>4. How will annexation effect the safety of the area? Sidewalk, Police, streetlights?</p>	<p>With annexation, the City will provide urban levels of service to the area, which includes 24-hour fire and police protection. It is estimated that seven to ten additional police officers will be needed to serve and patrol the area. With these emergency services, it is expected that public safety and response times into the area would improve. Also see question 1 & 3 above. Depending on the type of development or land division proposed, new infrastructure improvement may be required by the Bellingham Municipal Code (BMC). Generally, improvements consist of curb, gutter, sidewalks, stormwater facilities, street lighting,</p>



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	and other pedestrian improvements. If the area is annexed, the City will be responsible for the maintenance of existing public facilities and other public services.
5. Stormwater impact fee?	<p>Upon annexation, property owners will be subject to stormwater fees, which are based on the amount of impervious surface on the property. 2019 Stormwater fee rates are classified into three footprint categories:</p> <ul style="list-style-type: none"> • small less than 1,000 sq. ft. at \$13.57; • medium 1,001-2,999 sq. ft. at \$22.60; and • and greater than 3,000 sq. ft. at \$0.00753 per sq. ft. of impervious area. <p>Impervious surface area is any hard surface that either prevents or slows the entry of water into the soil.</p>
6. Short plats?	<p>Upon annexation, property owners that can meet the adopted zoning requirements may have the opportunity to subdivide their property and option to hook up to City water and sewer utilities. Land division in the City is regulated under Title 23 of the BMC. https://bellingham.municipal.codes/BMC/23</p>
7. Timeline for infrastructure improvements?	<p>As part of the annexation review process, the City will evaluate the area for needed capital improvements as well as review Whatcom County's current capital improvement plan and transportation improvement plan. Potential projects identified will then be considered as part of the City's capital improvement program and transportation improvement plan if the area is annexed. Please note as new development occurs, private development will be responsible to construct new public infrastructure improvements, such as streets, sidewalks, and utilities to serve their development as required by Title 13 and 15 of the BMC. https://bellingham.municipal.codes/BMC/13 and https://bellingham.municipal.codes/BMC/15</p>
8. Why is the City looking at annexing the Alderwood area?	<p>The Alderwood area has been in Bellingham's urban growth area since 1997 and was originally in Bellingham's Urban Service Area in the mid-1980s. The area is already characterized by urban growth and development and both the City and County comprehensive plans contain policies that encourage urbanized areas to annex. (Bellingham Comprehensive Plan, Policy LU-54 and Whatcom County Countywide Planning Policies, F 3.) The City is pursuing annexation of the area in order to build a stronger community and help improve the quality of life for residents and business owners in the area with the full range of urban services. Cities are intended to be the primary providers of urban services in urban areas. Also see question 1 & 14.</p>
9. What is cost break down for businesses?	<p>Please see Attachment 1 for estimated business cost break down.</p>



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<p>10. With annexation will Air B & B and in-home businesses be regulated?</p>	<p>Yes, if the Alderwood area is annexed, an Air B & B and home businesses would be regulated by the Bellingham Municipal Code.</p> <p>An Air B & B is classified as a short-term rental and would be subject to BMC 20.10.037 Short-term rentals https://bellingham.municipal.codes/BMC/20.10.037 and a home business will be subject to BMC 20.10.045 Home Occupations https://bellingham.municipal.codes/BMC/20.10.045. Note: Uses legally established by the County prior to annexation will be allowed to continue, however all businesses will be required to obtain a City of Bellingham business license. Previously approved uses may be subject to the City's nonconforming regulations in BMC 20.14 https://bellingham.municipal.codes/BMC/20.14.010.</p>
<p>11. Clarify water and sewer hookup fees?</p>	<p>New water and sewer hook-up fees will depend on meter size. Please see Public Works 2019 fee schedule Attachment 2.</p>
<p>12. What changes will occur relating to fire protection. Are additional fire hydrants needed?</p>	<p>As described in question 3 above, the Bellingham Fire Department and Fire District 8 currently provide fire and emergency medical services in the proposed annexation area. Currently, water service in the Alderwood area is provided by the City of Bellingham and Whatcom County Water District 2 (WCWD 2). Based on the City's initial analysis, both the City and WCWD2 water mains have sufficient fire flow capacity to serve existing developed properties in the area. As new development occurs, existing water mains may need to be upsized and additional hydrants may be needed to serve those areas in order to meet City development standards and fire flow requirements. Generally, the developer would be responsible to construct these water main/hydrant improvements to serve their development. In some cases, WCWD 2 may transfers portions of their existing water systems to the City and in that case the City would evaluate that system for any needed capital improvements.</p>
<p>13. How will the City provide annexation information to those property owners that are not on-line?</p>	<p>Property owners that are not on-line may request annexation information be mailed to their residence.</p>
<p>14. Please clarify the UGA and role in annexation?</p>	<p>Urban growth areas (UGAs) are areas designated by the County that are intended for urban growth and eventual annexation to a city. Generally, these areas are already characterized by urban development or are adjacent to urban areas. In consultation with the City, the County establishes the urban growth area for the City and only those properties within these areas may be considered for annexation per state law. Primarily, UGAs are intended to help provide the necessary land to help accommodate the projected population growth of a city and to help control urban sprawl into county rural/resource lands. The estimated future development capacity for the Alderwood area is approximately 250 new housing units accommodating an estimated 525 residents.</p>



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<p>15. If increased cost is applied to rental properties, why won't the increase be added to the rent?</p>	<p>Any rent increase is at the discretion of the property owner.</p>
<p>16. Rentals are those least able to afford tax increases.</p>	<p>Generally, property taxes decrease slightly with annexation. With annexation certain Whatcom County taxes will be removed, such as: County Road, Fire District, and Library District tax. Also see question 15 and Attachment 1.</p>
<p>17. How many rentals vs. owner residents are in the Alderwood neighborhood?</p>	<p>There are approximately 1,169 housing units accommodating an estimated 2,336 residents in the proposed annexation area. Owner or renter tenure status is based on available information from the Whatcom County Assessor Office where owner-occupancy is assumed when the title-owner and site addresses match. Using this criteria, there are an estimated 404 owner-occupied and 765 renter-occupied housing units, or 35% owner-occupancy and 65% renter-occupancy. The breakout of housing types by tenure is 280 single-family, 87 condo, and 37 manufactured homes that are estimated to be owner-occupied; and 597 apartment, 52 duplex, 102 single-family, and 14 manufactured home units that are estimated to be renter-occupied.</p>
<p>18. If the City is occurring debt with the annexation, won't it be passed on to all the residents of the City including Alderwood?</p>	<p>Yes, if the City incurs debt the obligation is shared by the entire City as a whole. The City's budget is funded by general tax, fee revenues, special revenue funds/bonds, and capital project funds. Additionally, as part of the annexation process, the City Council will determine if the annexation area is responsible for any bonded indebtedness as a condition of annexation (such as: debt that has been approved by voters through an election; however, there is not any identified debt at this time). Note property owners in the Alderwood area may still be responsible for certain outstanding approved levies or bonds that apply to the area until that debt is retired.</p>
<p>19. Can the Public Works Department provide more information on needed infrastructure improvements for the Alderwood area?</p>	<p>As part of the annexation review process, the City will do a preliminary analysis of the area to determine needed capital infrastructure improvements for the area. Potential improvements will be addressed in the annexation report prepared for the area and future projects would be considered as part of the City's capital improvement program and transportation improvement plan if the area is annexed.</p>
<p>20. How is the annexation financially beneficial to the City?</p>	<p>City revenues collected help cover the cost of providing City services within the proposed annexation area and throughout the City. Currently, the County is providing a rural level of service in an area that contains existing levels of urban development.</p>



Estimated Annual Cost Examples For Properties Before and After Annexation to Bellingham

For property taxes and selected City services, programs, and fees

Examples	Single Family Home (owner-occupied)	Duplex Rental (owner-occupied site)	20-Unit Apartment Building	150-Unit Apartment Complex	Small business - 5 employees	Mid-size business - 50 employees	Large business - 200 employees
	\$300,000 property tax value 7,500 sq ft lot 2,500 sq ft impervious	\$350,000 property tax value 9,000 sq ft lot 6,000 sq ft impervious	\$2M property tax value 40,000 sq ft lot 35,000 sq ft impervious	\$8M property tax value 290,000 sq ft lot 175,000 sq ft impervious	\$500,000 property tax value 20,000 sq ft lot 18,000 sq ft impervious \$2M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)	\$2M property tax value 30,000 sq ft lot 25,000 sq ft impervious \$10M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)	\$5M property tax value 40,000 sq ft lot 35,000 sq ft impervious \$30M gross annual receipts (50% manuf/wholesale, 40% other svcs, 10% retail)

Before Annexation (outside City)								
Property Taxes	\$3,991	\$4,656	\$26,607	\$106,429	\$6,652	\$26,607	\$66,518	
City Water & Sewer Service	\$1,800	\$3,000	\$10,972	\$82,288	\$1,200	\$2,500	\$12,000	
Stormwater Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Rental Registration & Insp. *	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Business & Operations Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Estimated Total Annual Costs:	\$5,791	\$7,656	\$37,579	\$188,717	\$7,852	\$29,107	\$78,518	

After Annexation (inside City)								
Property Taxes	\$3,563	\$4,157	\$23,756	\$95,024	\$5,939	\$23,756	\$59,990	
City Water & Sewer Service	\$1,199	\$1,998	\$7,314	\$54,804	\$799.00	\$1,665	\$7,992	
Stormwater Fee	\$132	\$264	\$1,533	\$7,665	\$788	\$1,095	\$1,533	
Rental Registration & Insp. *	\$0	\$87	\$333	\$2,200	\$0	\$0	\$0	
Business & Operations Taxes	\$0	\$0	\$0	\$0	\$5,560	\$27,800	\$83,400	
Estimated Total Annual Costs:	\$4,894	\$6,506	\$32,996	\$159,693	\$13,086	\$54,316	\$152,315	
Difference (Before - After)	(\$897)	(\$1,150)	(\$4,643)	(\$29,024)	\$5,234	\$25,209	\$73,797	

Assumptions: (all rates are for 2018)
 Property Tax Rate outside City = \$13.30363747 / \$1,000 taxable value
 Property Tax Rate inside City = \$11.8780477418 / \$1,000 taxable value
 Rental Registration Fee = \$10/unit per year or \$8/unit if 21 or more units
 Rental registration inspections are \$100/unit every 3 years for the specified number of units requiring inspection which varies by unit total per property (e.g. inspections required for 20% of units for properties with 21 or more total units)
 * Rental Registration & Inspection costs are 3-year average.
 For City water/sewer service there is a 150% surcharge for properties outside City limits. For business examples estimates are based on typical water consumption for commercial office type usage for small, mid-size, and large employers. Actual billing will vary by metered consumption.
 Stormwater rate = \$13.16/acre-monthly cycle for <1,000 sq ft, or \$21.91/acre-monthly cycle for 1,000-2,999 sq ft, or \$0.00790/sq ft for >= 3,000 sq ft impervious area
 City B & O Tax rates are \$0.0017 for extracting, manufacturing, retailing, and wholesaling, and \$0.0044 for services and other activities.

All figures listed above are estimates and may not apply to all properties equally. In addition, the estimates above do not include many private utilities like phone, cable, and garbage service, and other costs of ownership or renting that apply to most properties.



Permit Center
 210 Lottie Street
 Bellingham, WA 98225
 phone: 360-778-8300
 fax: 360-778-8301
 www.cob.org

Water, Sewer, Stormwater, Right-of-Way Use and Transportation Impact Fees

Effective 5/2/2019

Water Service and Meter Fees

Cost includes water main tap, installation of water service pipe, water meter and box only.
Applicant's Contractor to provide all excavation, backfill and site restoration for installation.

All water services shall be metered effective 1/1/2005 per BMC 15.08.040 (E)

Water Meter Size	Short Run Service 0' to 20'	Long Run Service 20' to 80'	Meter
5/8" (on a 1" service)	\$530.00	\$650.00	\$700.00
3/4" (on a 1" service)	\$530.00	\$650.00	\$720.00
1"	\$530.00	\$650.00	\$970.00
1 1/2" (on a 2" service)	\$1,030.00	\$1,380.00	\$2,180.00
2"	\$1,030.00	\$1,380.00	\$2,420.00
3" (on a 4" service)	\$2,400.00	\$2,740.00	\$8,410.00
4"	\$2,400.00	\$2,740.00	\$9,410.00
Larger than 4"	Calculated at time of proposed connection		TBD
Fire Hydrant	\$4,600.00	\$4,980.00	N/A

Fireline/Water Main Connection Tap

Cost are for the water main tap ONLY.

Developer's Contractor to provide all excavation, backfill, site restoration and connection.

Water Service Size	Tap	Connection	Total
4"	\$1,830.00	\$210.00	\$2,040.00
6"	\$2,010.00	\$210.00	\$2,220.00
8"	\$2,570.00	\$210.00	\$2,780.00
10"	\$3,120.00	\$210.00	\$3,330.00
12"	\$4,010.00	\$210.00	\$4,220.00
Larger than 12"	Calculated at time of proposed connection		TBD

Water, Sewer and Irrigation

Water & Sewer System Development Charges (Inside City Limits)

For all water and sewer services outside the city limits, multiply the charges below by 1.5

Type of Service	Water	Sewer	Irrigation
5/8" Meter	\$4,444	\$7,637	\$2,139
3/4" Meter	\$6,668	\$11,456	\$3,208
1" Meter	\$11,113	\$19,093	\$5,347
1 1/2" Meter	\$22,227	\$38,185	\$10,695
2" Meter	\$35,564	\$61,097	\$17,110
3" Meter	\$71,129	\$122,193	\$34,200
4" Meter	\$111,140	\$190,927	\$53,469

Water & Sewer Inspection Fees

Water Permit	\$35
Sewer Permit	\$35
Water/Sewer Permit (Combined)	\$50

Water Turn-on Charge

\$25 during normal business hours (7:30 AM to 4:30 PM Monday-Friday) \$75 during all other hours

Temporary Right-of-Way Use Permit Fees

Activities permitted under BMC 13.14

Number of Days Permit is Valid	Area Occupied	
	<1000 SF	>1000 SF
5 days or less	\$25	\$35
6 days to 90 days	\$40	\$90
More than 90 days	\$150	\$300
Annual renewal fee (if applicable)	\$50	\$50

Street Obstruction Permit Fees

Activities permitted under BMC 13.12

Awning	\$35
Driveway/Culvert Service	\$50
Sanitary Sewer/Stormwater Service	\$50
Utility Franchise Service	\$35
Utility Franchise Main	\$85 per 350 feet
Other*	\$50

*Other permits in right-of-way may be required.

Transportation Impact Fees

Fee: \$1,864 per Person Trip

Fees are revised annually

	Person trip fee	Person trip rate	Fee
SFR	\$1,864 X	1.44 =	\$2,676 per unit
Accessory Dwelling Unit (ADU)	\$1,864 X	0.81 =	\$1,514 per unit
Other (Residential & Commercial)	Fees vary – Contact Chris Comeau at (360) 778-7946		

Stormwater Development Charge

Type of Use	Amount
Single Family Residence (SFR)	\$678 per SFR
All other types	\$0.226 per square foot of hard surface

Stormwater Permit Fees

Effective 08/01/05 per ordinance 2005-06-051

Permit Type	Amount of Impervious	Amount of Clearing & Grading	Fee
Level One Permit (fee per site)	300 to 1000 SF	500 to 5000 SF	\$113
Level Two Permit (fee per site)	1000 to 5000 SF	5,000 to 30,000 SF	\$316
Level Three Permit (fee per site)	5000 SF to 1 acre	More than 30,000 SF	\$633
Level Four Permit (fee per acre)	More than 1 acre	N/A	\$844