



CITY OF PORT ORCHARD

Planning Department

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MEMORANDUM

DATE: July 15, 2008

TO: Port Orchard City Council

FROM: James Weaver, AICP, City of Port Orchard Development Director

RE: McCormick Woods Annexation Status Update

Thank you for considering this memorandum. The City of Port Orchard is providing staff time and City resources to support the McCormick Woods Annexation Committee in their efforts to analyze the annexation request and any issues related to annexation of McCormick Woods. The following information is provided as an update to the petition for annexation.

- Port Orchard City Staff met with Kitsap County Staff on June 25th to discuss issues relating to annexation of McCormick Woods and began a preliminary discussion of inter-jurisdictional pre-annexation agreements.
 - Information provided at the meeting included that Kitsap County has collected approximately \$300,000 in transportation impact fees. Pursuant to the Transportation Development Agreement for McCormick Woods, of that amount, GEM 1, LLC / McCormick Land Company is owed the \$300,000 for the proportional share of constructing the Glenwood Connector road as a regional system improvement. The resulting net impact fee transfer to an annexing municipality would be negligible.
 - Information provided at the meeting included that Kitsap County has not collected any Parks Impact Fees, but is anticipated to collect \$643,742.00 for development of McCormick Village Park. Actual design, planning, and construction costs have not been calculated. Annual maintenance costs were identified as \$115,000.00 per year.
 - Storm water agreements for regional storm water pond capacity dedication with the South Kitsap School District would be proposed to be maintained through pre-annexation agreement.
 - Renegotiation of Development Agreements may require a three party negotiation between the City of Port Orchard, Kitsap County, and GEM 1 LLC.
 - Discussion of possible Kitsap County continued collection of impact fees and continued responsibility for satisfaction of development agreements was broached as possible pre-annexation agreement.
- Kitsap County Board of Commissioners preliminarily agreed for a joint meeting on August 4th with the Port Orchard City Council to discuss a range of topics including the McCormick Woods annexation.
- Port Orchard Planning Staff have been preparing Maps, MS Excel parcel lists, and Signature Pages for use during the annexation process and in assistance to the McCormick Woods Annexation Committee. The documents are proposed to be completed and forwarded to the committee near August.

- On July 7th, GEM1, LLC/McCormick Land Company provided a general letter of intent for future annexation of the parcels known as McCormick East (APN# 102301-3-008-2002 & 152301-2-013-2002) and a verbal commitment for no protest annexation agreements for the property known as McCormick West.
- Research into City facilities and municipal owned parcels has identified existing parcels within McCormick Woods that has been annexed by the City of Port Orchard since 2001 (Ordinance 1816). Annexation notice beginning Comprehensive Land Use / Zoning process is proposed for July 22nd, Council Meeting.
- McCormick Woods Annexation Committee members and individual residents within McCormick Woods have attended, been invited to, informed of, and provided information about the SKIA annexation discussions with the City of Bremerton & Port of Bremerton.

Next Steps may include direction from joint meeting between Kitsap County Commissioners and Port Orchard City Council. Possible direction may also be obtained from meeting for issues that may be addressed in a future potential draft pre-annexation agreement or possible Inter-local agreement. Any proposed agreements could be submitted either prior to or upon receipt of 75% signatures. Additional next steps would include Planning department creation of Annexation website (in progress) and continuous tracking and map updates of annexations, citywide. Additional meetings with Kitsap County would be anticipated.