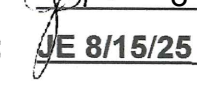


Business of the City Council
City of Vader, WA

Subject: Resolution #07-2025 Authorizing negotiation of an Interlocal Agreement with Lewis County for annexation of a portion of the unincorporated Urban Growth Area	Dept. Origin: City Planner's Office Prepared By: Jennifer Robertson, City Attorney's Office & James Eager, City Planner's Office For Agenda Of: August 20, 2025 Exhibits: Resolution #07-2025 Additional Context/Detail Maps
Proposed Council Action: Approve Resolution #07-2025	Concurred by Mayor: _____ Approved/form by City Atty: _____ Approved from Planning Director: _____ Approved by Dept. Head: _____ Initial & Date  8/20/25  8-20-2025  8/15/25 _____

INFORMATION / BACKGROUND

In 2021, the Washington State Legislature authorized code cities to annex portions of their urban growth area (UGA) via collaboration and negotiation with the county. Lewis County has identified RCW 35A.14.296 as the preferred ILA method for code cities. The City of Vader's City Council approved a motion for the City Planner, SBN Planning, to move forward with annexing the City's UGA on December 18th, 2024. Since that time, the planner has contacted relevant parties at Lewis County Community Development, Boundary Review Board, and Public Works; Vader's City Attorney, Public Works Director, and Planning-Building Lead; Cowlitz-Lewis Fire District #20; Washington State's Office of Financial Management; and private contractors for surveying and census-taking.

This is an update to the previous annexation agenda bill submitted at the April 16 meeting. At the April 16th meeting, Vader's City Council approved a resolution allowing the City to enter formal negotiations with Lewis County over annexation of the UGA. Since that approval, the planner, attorney, and City staff & administration met with County Community Development and Public Works officials to formally negotiate the annexation of Vader's UGA.

UPDATES

On June 30th, the City Planner submitted a memo to the county with updated maps, details, and additional considerations for negotiations with the County. The County determined an update would be needed as the original County-cited RCW of 35A.14.460 does not apply to Lewis County and requested that the City review the passed resolution and determine next steps. Following a legal review which did not find that an immediate update to the resolution was necessary, a meeting was scheduled with Lewis County. The County determined that the City Attorney and Public Works Director should be present, in addition to the City Planner. This meeting occurred on 8/14 and resulted in the following updates:

- The County only supports annexation for parcels entirely in the existing UGA (no change)
- The County will consider UGA swaps or expansions in the new year, and has preferences for where those may be (slight update, initial timeline was 2027)
- The County prefers annexation limits which create clear boundaries for utilities and maintenance, such as discrete intersections. This removed two parcels which created a boundary in the middle of S. Military Rd.
- The County prefers to maintain roads along boundary (e.g., Winlock-Vader Rd.). Previously, they wanted the City to take roads in at boundary.
- Split-zoned parcels can be addressed by a separate ILA and don't need to be included in the annexation ILA. Previously, the County indicated that they would want split parcels to be clarified in the annexation ILA.
- The annexation now covers 262.9 acres instead of 277.8, removing two lots and leaving 111.8 acres for future UGA swaps.
- The resolution now references RCW 35A.14.296 instead of 35A.14.460

The next steps are:

- City Council approve the new map proposal and updated resolution for negotiation with Lewis County
- Notify Lewis County that the resolution passed, so Lewis County's Board of County Commissioners pass a parallel resolution
- City Planner formally notifies Cowlitz-Lewis Fire District #20 of the ILA negotiations, so they can either be a party to the ILA or not
- City and County attorney meet to formalize the ILA based on 8/14 discussion and updated map
- Formal annexations steps to follow: notifications, additional reviews, and a census to fully annex the relevant parcels

FISCAL CONSIDERATION

By annexing proposed parcels, the City could add approximately \$30,000-\$32,000 per year in additional property tax income (\$31,669 based on the 2025 Lewis County tax roll's taxable values and the levy rate of \$1.105406 per thousand in assessed value in Vader, as listed by the WA OFM). This number is an estimate based on the parcels proposed and agreed to by the County at the 8/14 meeting.

The annexation, as proposed, will include the Dollar General which will add an additional bump in sales tax income to the City. However, given the nature of Dollar General's sales of non-taxable goods like groceries and the lack of precise sales data, this number is impossible to estimate accurately. Assuming Dollar General's sales per square foot are approximately average compared to other stores of the same company in the country, the City could see an additional \$2,000-\$4,000 in *quarterly* sales tax income depending on the share of nontaxable goods sold, but these numbers are based on multiple assumptions that are unverifiable at this time (25-50% taxable sales).

The City has set aside \$32,000 in its 2025 budget to work on general city planning, including annexation. As of the 8/14 meeting, the Planner has logged hours equivalent to approximately \$8,200. Including possible involvement from the City Attorney, the cost of a census (quoted ~\$8,000), and the required negotiations from this point forward, that total appears manageable as most noticing is straightforward, the ILA appears to be relatively simple, and updates to service provider agreements appear straightforward based on outreach to providers.

Long-term changes to costs will include additional maintenance of the new areas and changes to agreements to reflect new service areas. State TIB funds may continue to fund road maintenance. The County's change in position on roads also works to alleviate additional road maintenance. Outside of SR-506, only a small stretch of Annonen Road (~2,428 ft) and the Enchanted Valley roads (total, ~6,836 ft) would fall under the City's jurisdiction. The bridge on Annonen will also become the City's capital facility.

Changes to agreements with agencies and private companies, such as the Lewis County Sheriff's Office and Lemay Inc., could increase the amount the City pays to its service providers. Based on discussions between the City Planner, City administrators, and initial connections with stakeholders, it is likely that the additional funds from annexation will more than account for these changes. As the Planner goes through negotiations with service providers, if this resolution is approved, changes to rates and costs will be flagged, and any possible concerns will be raised as soon as possible for City review. Updated agreements will all have to go through Council, regardless. The planner continues to analyze the bottom line of cost recovery as more about possible cost increases is learned during the process.

RECOMMENDATION / MOTION

Adopt Resolution #07-2025.

MOTION: I move to adopt Resolution #07-2025 authorizing the City Planner to begin negotiation of an Interlocal Agreement with Lewis County for annexation of a portion of the unincorporated Urban Growth Area.

CITY OF VADER, WASHINGTON

RESOLUTION NO. 07-2025

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF VADER, WASHINGTON, INITIATING
NEGOTIATION OF AN INTERLOCAL AGREEMENT
WITH LEWIS COUNTY FOR ANNEXATION OF A
PORTION OF THE UNINCORPORATED URBAN
GROWTH AREA.**

WHEREAS, the City of Vader has identified an area for annexation that is within the City's urban growth area as designated in the City of Vader Comprehensive Plan and the Lewis County Comprehensive Plan and such area is reflected on the map attached hereto as **Exhibit A**; and

WHEREAS, RCW 35A.14.296 allows the legislative body of a county or city to initiate an annexation process for unincorporated territory by negotiating an interlocal agreement with the County under certain conditions, including providing notice to certain agencies, including a fire protection district under Title 52 RCW; and

WHEREAS, the City of Vader and Lewis County wish to engage in negotiations for such an interlocal agreement to annex the described portion of the City's urban growth area into the City of Vader; and

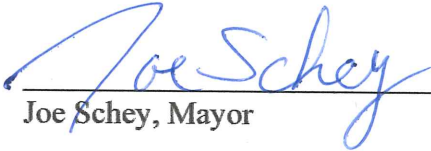
WHEREAS, if an interlocal agreement is negotiated, the City will comply with all of the notice and hearing requirements as required by law; **NOW, THEREFORE**,

**THE CITY COUNCIL OF THE CITY OF VADER HEREBY RESOLVES AS
FOLLOWS:**

Section 1. Initiation of Annexation Negotiations. The City Council finds it is in the public interest to negotiate annexation of the unincorporated territory in the urban growth area. The Mayor

or designees are hereby authorized to commence negotiations with Lewis County regarding annexation of the territory as designated on the map attached hereto as **Exhibit A**.

PASSED by the City Council at the open public meeting h by the City Council of the City of Vader, signed by the Mayor and attested by the City Clerk in authentication of such passage on this 20th day of August, 2025.



Joe Schey, Mayor

ATTEST:

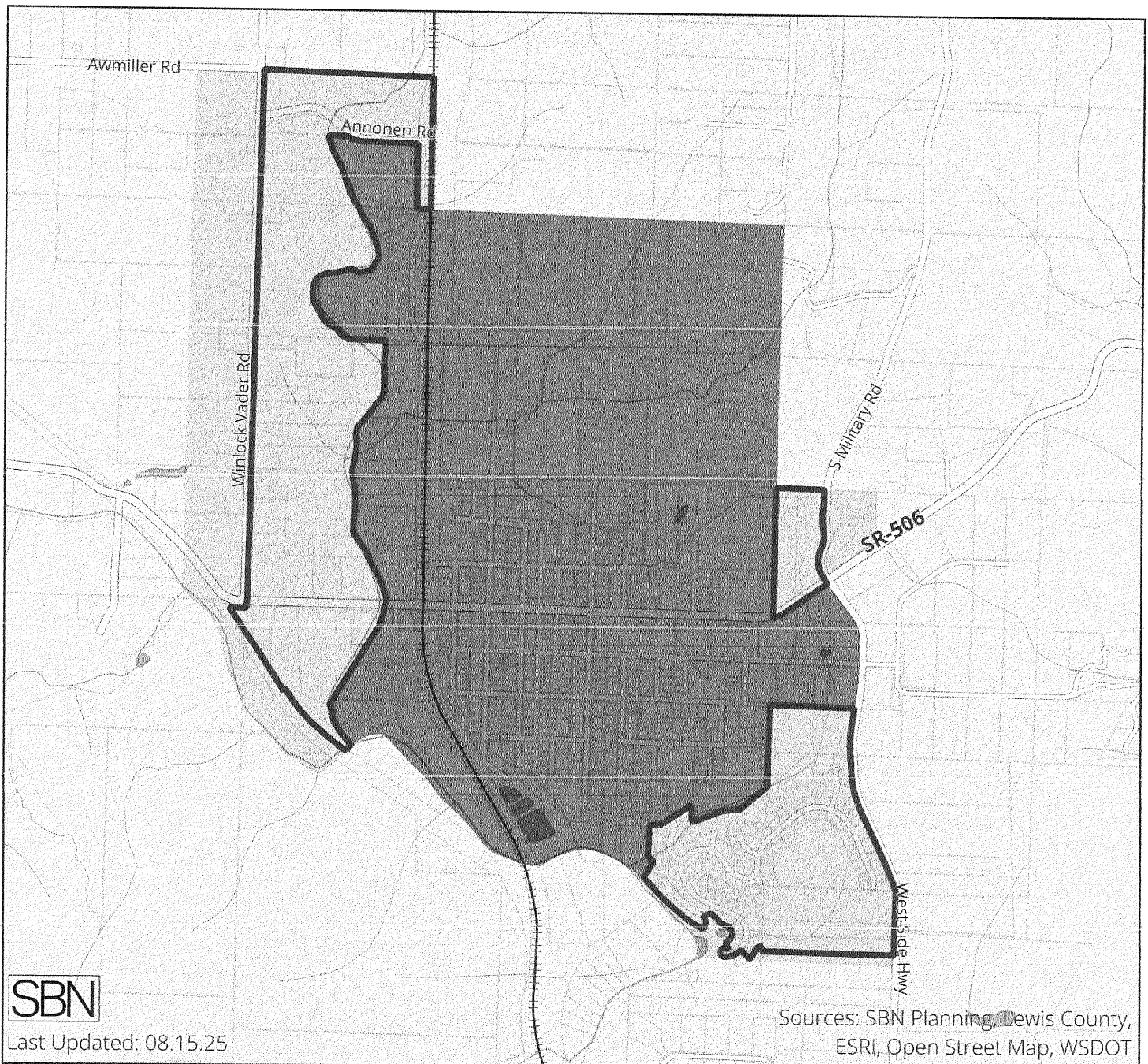


Kristyn Miller, City Clerk/Treasurer

FILED WITH THE CITY CLERK: _____
PASSED BY THE CITY COUNCIL: 8.20.25
RESOLUTION NO: 07-2025

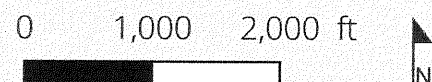
Attachments:
A-Map of Annexation Territory

Exhibit A: Map of Proposed Annexation Territory



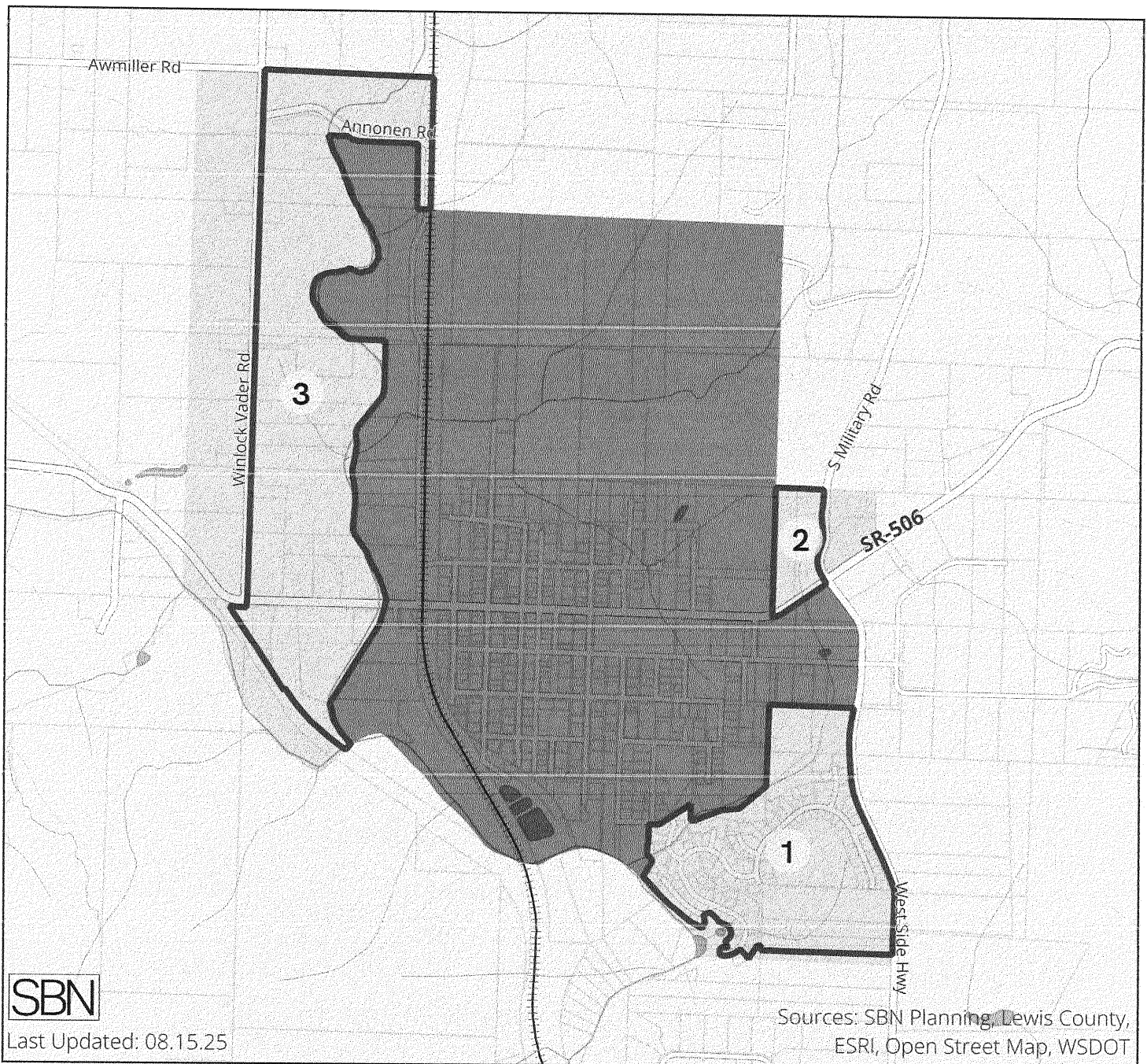
<u>Existing City Acres:</u>	605.3
<u>Existing UGA Acres:</u>	374.7
<u>Proposed Annexation Acres:</u>	262.9
<u>Proposed Total City Acres:</u>	868.2
<u>Remaining UGA:</u>	111.8

Boundaries	
	Current City Limits
	Existing UGA
	Proposed Annexation



Areas approximate and reflect initial negotiation with county. Detailed legal description of areas will follow with the ILA.

City of Vader Proposed Annexation Areas: Context Maps



Legend

- Current City Limits
- Existing UGA
- 2025 Annex Revision

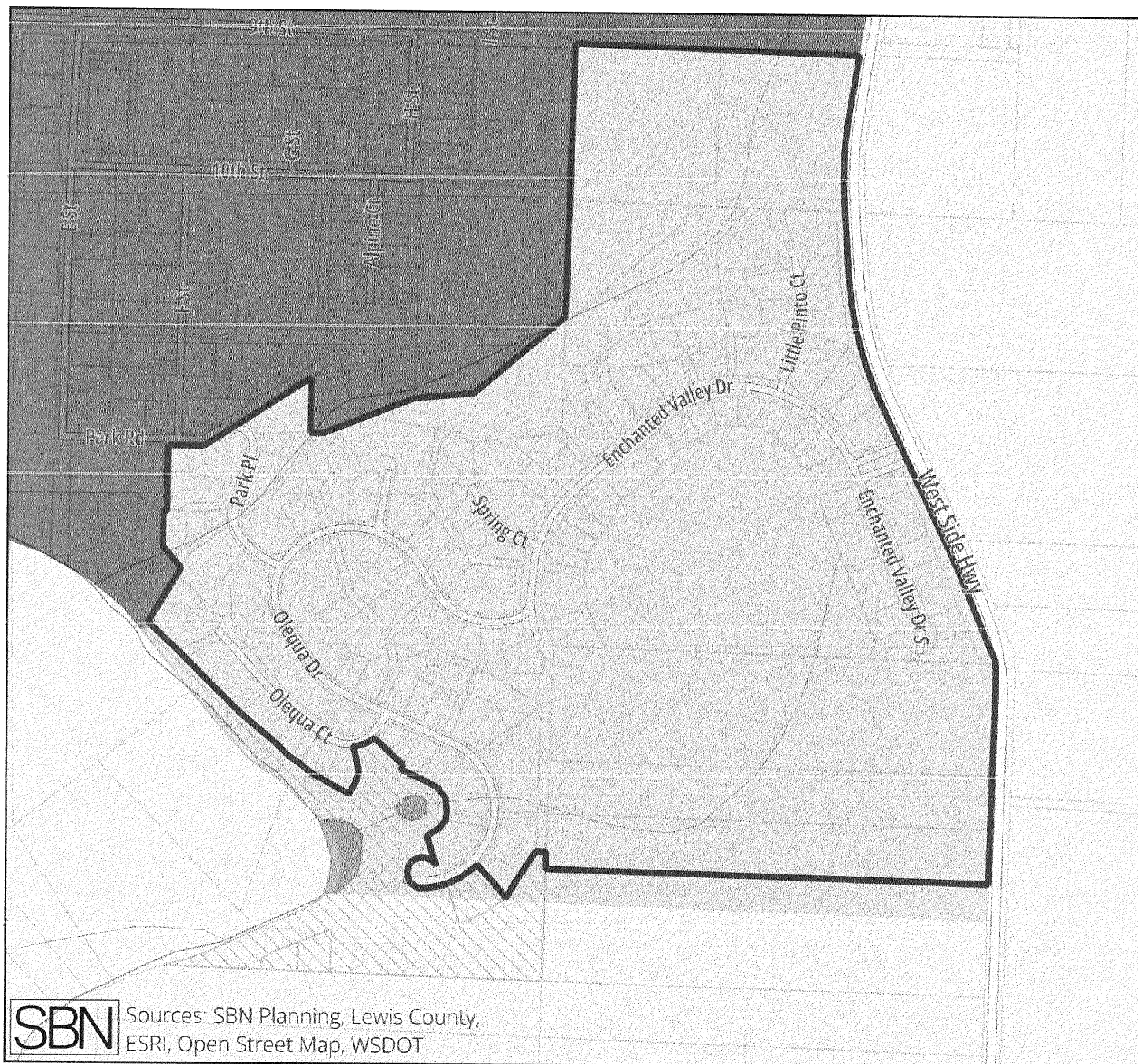
Numbered Annexation Areas:

- Area 1: Enchanted Valley subdivision, SE of City
- Area 2: Full northeastern portion of UGA, north of SR-506
- Area 3: From western City boundary to Vader-Winlock Road

0 1,000 2,000 3,000 4,000 ft



Area 1: Enchanted Valley Country Club



Legend

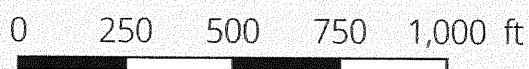
- Current City Limits
- Existing UGA
- Lot Considerations
- 2025 Annex Revision

Notes:

Proposed for 2025 Annexation: 89.1 Acres | 90 res. units | 61 vacant lots
 Remaining Lots (including partial): 7.1 Acres | 2 res. units | 1 agricultural lot

No change from original proposal.
 Crosshatched lots preferred for future UGA expansion or swap.

Last Updated: 08.15.25



Area 2: Northeast Corner, South Military Road



Legend

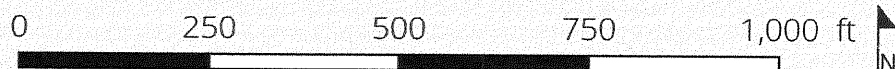
- Current City Limits
- Existing UGA
- 2025 Annex Revision
- Original Proposal

Notes:

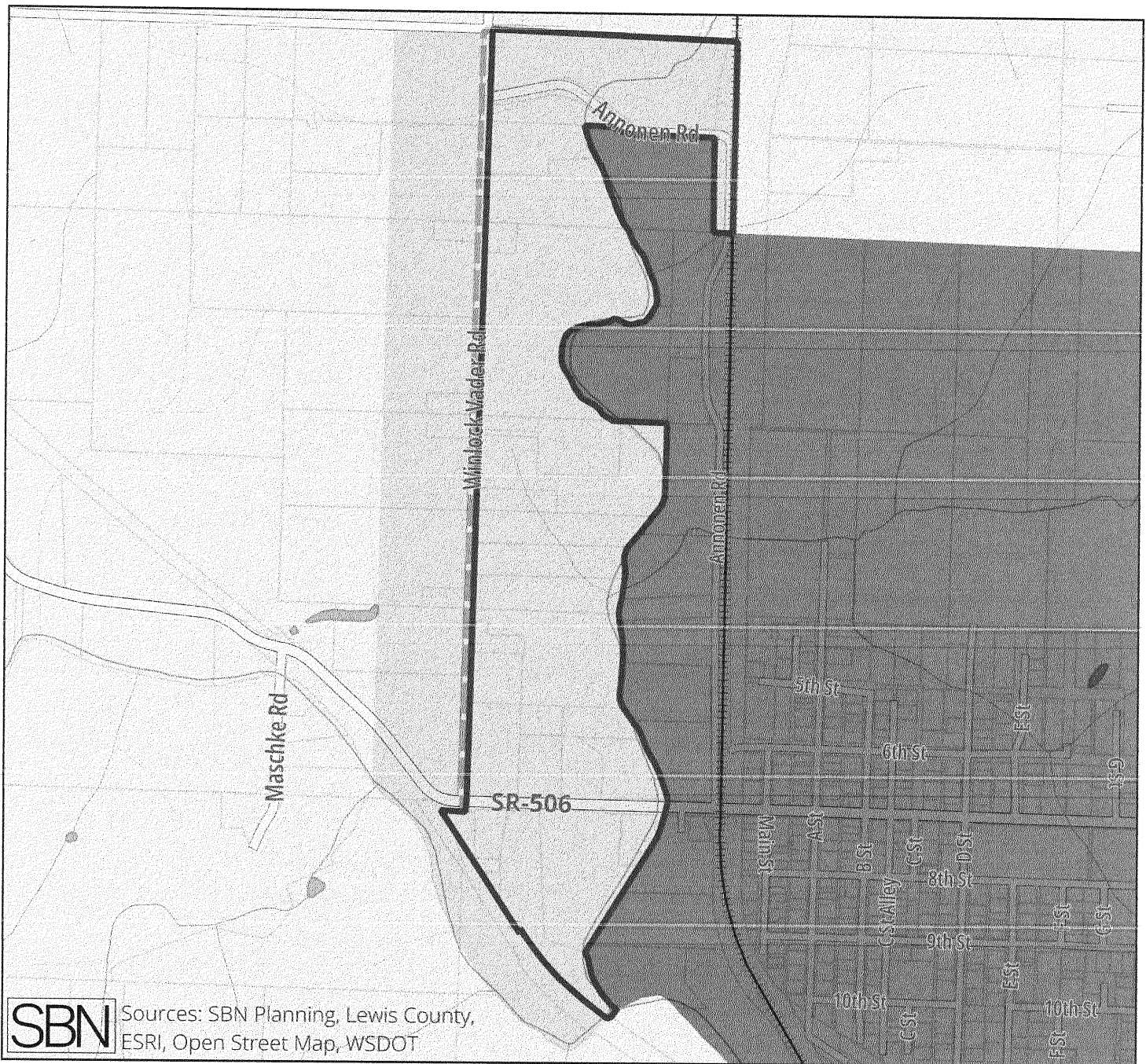
Proposed for 2025 Annexation: 12.5 Acres | 1 res. unit | 1 vacant lot
Remaining Lots (including partial): 8.7 Acres | 2 utility lots

Proposed change from original proposal at County's request. Change is intended to limit City boundaries to intersections to facilitate ease of interpretation for maintenance.

Last Updated: 08.15.25



Area 3: Western Boundary & Vader-Winlock Road



Legend

- Current City Limits
- Existing UGA
- 2025 Annex Revision
- Original Proposal

Notes:

Proposed for 2025 Annexation: 161.3 Acres | 21 res. units | 5 commercial lots
 Remaining Lots (including partial): 95.7 Acres | 5 res. units | 2 commercial lots

Proposed change from original proposal at County's request. Change reflects County's intent to maintain Winlock-Vader Road: annexation border now follows lot lines east of road.

Last Updated: 08.15.25

0 1,000 2,000 3,000 4,000 ft

