Annexation frequently asked questions

January 2021

Annexation processes in Oregon vary from city to city in accordance with State Law. This FAQ serves to provide general information on annexation in the City of Florence. The City's current policy, adopted by the City Council in 2010, is to not send individual annexation requests to a City-wide vote. A process for reviewing annexation petitions includes public hearings before both the Planning Commission and the City Council.

What is annexation?

Annexation is the legal process by which properties become part of a city. After annexation, a property will be inside the city limits and thereafter subject to City jurisdiction. Annexation to the City is required before land can be developed at urban density with Florence zoning, receive City police services, hook up to Florence utilities, and receive other services provided by the City. If a property is eligible for annexation, the City is legally obligated to consider the request and make a decision based on specific legal criteria within 120 days.

Who is eligible to annex?

Land proposed to be annexed must be within the City's Urban Growth Boundary (UGB) and contiguous to the city limits or separated from the city only by public right of way or a stream, bay, lake, or other body of water.

Boundary?

a street.

Annexed Area Contiguous to Current City

In addition to being located within the

contiguous to the City's boundary in order

to be eligible to annex. In some cases, the

connection to the City boundary can be

made by annexing a right of way, such as

must be

Florence UGB, properties

Within the Urban Growth Boundary?

Areas eligible for annexation are those properties within the Urban Growth Boundary (UGB). The UGB is the area that the City, through its Comprehensive Plan and approval by the State of Oregon, has determined is subject to urban uses and eventual inclusion within the City.

Can the City Provide Services?

In order to take a property into its jurisdiction, the City must be able to provide services such as wastewater treatment and police service. The City also coordinates with other agencies to ensure non-City provided services would be available, including water supply, fire protection, electricity, and more. The adequacy of these services for a particular kind of development isn't a major factor until development is actually proposed in a later application. For the purposes of an annexation request, it only matters that services can be provided at a basic level.

Annexation Authority & Regulations

Chapter II Section 4h of the Florence City Charter outlines the powers conferred upon the City by the Charter. One of those powers is annexation. The City has the authority to annex areas to the City in accordance with State law.

Annexation requests are regulated by Oregon Revised Statute 222 and Florence City Code 10-1-3.

Could my property be annexed if I do not want it to be?

The City's current policy is not to force annexation, meaning a property owner has to request annexation for their property and go through the process.

If a property or right of way is annexed next to me, but I remain in the County, would I be required to pay City taxes, too?

No. The City only taxes and provides City services to property <u>within</u> City limits, even if you are along a street that has been annexed.

Contact the Community Development Department:

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planningdepartment@ci.florence.or.us 541-997-8237

For more information on the City of Florence services and operations, visit www.ci.florence.or.us.



A City in Motion

annexation process

Who approves annexations?

The Florence City Council must approve all annexations in Florence. Applications for annexation are submitted by property owners to the City of Florence's Community Development Department. Staff review applications per the Florence City Code and present the applications to the Florence Planning Commission. After a public hearing, the Planning Commission deliberates and makes their recommendation to the Florence City Council based on the findings of facts. The City Council then makes a final decision after another public hearing.

What does annexation mean for development of a property?

Properties in the City's jurisdiction are eligible to propose development under the City's codes. A property owner can only propose development to the City after the land has been brought into the City's jurisdiction. Determining whether a proposed development complies with City regulations is done through a different process from annexation, however, and annexation does not represent approval for development. Just like properties that are already in the City, a property proposed for annexation will have to file new applications and go through development review before anything can be built. Proposals such as subdivisions or non-residential development can expect new public hearings, design review, and other consideration.

Annexation is ultimately a legal change involving redrawing maps and handing off responsibility for services and regulation between public agencies. On its own, annexation does not represent an approval for development. When a property owner proposes development that could impact the transportation system, the City's transportation codes will be applied; when a proposal could impact stormwater runoff, the City's stormwater codes will be applied, etc.

connecting to city services

Do I have to connect to City sewer if I am annexed?

No. The City does not require connection to sanitary sewer upon annexation. Reasons for this include the lack of gravity sewers in the area; direct connection to a pressure sewer main which requires the home service line to be pressurized, and individual sewer connections are not practical because of the need for a sewer pump within the home. If a request to annex into the City is approved by the City Council and the desire is to connect to City sewer, coordination with the City's Public Works Department will occur to develop a plan to for connection.

Do I have to connect to City water if I am annexed?

No. The City does not require connection to water service upon annexation. Properties that are currently served by Heceta Water People's Utility District (PUD) will continue that service after annexation. The City and Heceta Water PUD work together to ensure that properties are provided with appropriate domestic water and fire service within our two service area boundaries.

Properties that are annexed and are within the Heceta Water PUD service area, but do not currently have service or service infrastructure to the property, will remain within the Heceta Water PUD service area. Those property owners will need to work with Heceta Water PUD to determine service to their property. Properties owners that annex into the City of Florence that are currently outside both the City's and Heceta Water PUD's service districts will need to work with the City of Florence Public Works Department to determine how and when water service can be provided to those properties.

What is an Urban Growth Boundary?

Each Oregon city is surrounded by an urban growth boundary (UGB); a line drawn on planning maps to designate where a city expects to grow over a 20-year period. This growth can occur with new houses, industrial facilities, businesses, or public facilities such as parks and utilities. Restrictions in areas outside of a UGB protect farm and forest resource land and prohibit urban development. Generally speaking, it's where the city ends and the farms and forests begin.

A UGB is expanded through a joint effort involving the city and county, in coordination with special districts that provide important services in the urban area. Once land is included in a UGB, it is eligible for annexation to a city.

The City of Florence last adjusted the Florence UGB in 2002. In 2017 -2018, the City of Florence underwent a Housing Needs and Economic Opportunities Analysis. These analyses contributed towards the update of the Buildable Lands Inventory which looks at the land availability to accommodate projected demand for housing and economic needs for the next 20 years of growth. These studies demonstrated that the current land available within the UGB is adequate to address the projected growth needs for the next 20 years.

I want to annex. Now what?

You will want to contact the City's Community Development Department. City staff will check to ensure you are eligible to annex and can help you navigate the processes needed for annexation. The City works as a team to provide you with the best information possible as you move towards development.

city taxes and next steps

If annexation of my property is approved, will my taxes increase after annexation?

Yes. City taxes are higher than the taxes in unincorporated areas, but the level of services is higher, too. The City's permanent tax rate is \$2.8610 per \$1,000 of the property's assessed value. The City also currently levies \$0.1496 per \$1,000 for a general obligation bond (Fiscal Year 2021). This bond will expire June 30, 2022.

Based on the current combined tax rate of \$3.0106 per \$1,000 of assessed value, as an example, if a property with an assessed value of \$200,000 is annexed into the city, the property owner's property taxes would increase by \$602.12 for the current tax year. That includes \$572.20 to the City and \$29.92 for the bond.

City tax revenue is used to pay for police protection, parks, planning/building, code enforcement, and city administration.

Please note, assessed value and real market value are different. Taxes are based on the assessed value of a property. To find out more information and how your particular taxes may change, you should contact the Lane County Office of Assessment and Taxation by phone at 541-682-4321 or visit https://lanecounty.org/government/county_departments/assessment_taxation.

What happens after annexation?

• Your address will not change.

The United States Postal Service does not change your zip (or the city or county name associated with your zip code) as a result of annexation.

- Your property will be incorporated into the City and assigned a City zoning designation.
- Some of the tax rates on your annual property tax statement will change.
- Some services, such as police and code enforcement, will be provided by the City. Other services will continue to be provided by the same service districts (e.g. Library, Fire, & Ambulance.) and private and customer owned companies (e.g. Charter, Century Link, Central Lincoln PUD, Heceta Water PUD, etc.) that are currently serving your property.
- The City will notify all existing service providers of your property's annexation into the City.
- Some of the uses or structures on the property may not conform to the City's code. This is okay and not unusual. Having a nonconforming use or structure will not prevent you from annexing or continuing to use your property.

For example, structures on your property may be larger or closer to your property line than what the City's code allows. Uses and structures that were legal when established, but that do not conform to the City's current zoning code are considered nonconforming. Nonconforming uses are allowed to continue and nonconforming structures are allowed to be maintained in reasonable repair. However, neither is allowed to expand or be significantly altered without City review and approval.

• Future development on a property, such as a home remodel or new driveway, will be subject to the City's permitting requirements and zoning code.

For example, a home remodel or new deck may require a building permit and new driveway may require an erosion control and/or right-of-way permit. Please check with the City before making these kinds of changes on your property.

How are property taxes calculated in Oregon?

In Oregon, property is taxed on its assessed value. A property's assessed value is the lower of its real market value or its maximum assessed value. Each year, the county assessor determines the property's real market value and calculates its maximum assessed value. You are taxed on the lesser of the two, which is called the assessed value. Real market value and maximum assessed value are defined below.

Real Market Value (RMV)

Oregon law says the assessor must value all property at 100 percent of its real market value. Real market value (RMV) is typically the price your property would sell for in a transaction between a willing buyer and a willing seller on January 1, the assessment date for the tax year.

Maximum Assessed Value (MAV)

A property's maximum assessed value (MAV) is the taxable value limit established for each property. The first MAV for each property was set in the 1997–98 tax year. For that year, the MAV was the property's 1995–96 RMV minus 10 percent. MAV can increase for only two reasons: a 3 percent annual increase or specific property events.

Full details on real property assessment can be found at the links below:

Lane County

https://lanecounty.org/ government/county_departments/ assessment_____taxation

State of Oregon

https://www.oregon.gov/dor/ programs/property