



1.1121 ANNEXATION POLICY
ADMINISTRATION
Enabling Legislation: M2010-053, M2010-077
Date Adopted: 04/16/ 10 2010, 05/04/ 10 2010
Revised: 02/06/24N/A 04/16/24 20

PURPOSE

The City of Northfield (the “City”) will use the Comprehensive Plan and this policy as a guide to provide overall guidance and direction regarding consideration of the annexation decisions matters, subject to the governing law contained Minnesota Statutes, Chapter 414, and any respective orderly annexation agreements in effect at the time of an annexation as applicable to the land proposed for annexation.. This policy will provides provides a summary framework for of some common issues and considerations that may arise related to City Council consideration of an annexation matter. This policy is intended to aid the City Council in its decision-making and in analyzing annexation matters, but shall not serve as a limiting document, provided however, that Any specific annexation matters that arise will be dealt considered with by the City Council with on a case-by-case, fact specific basis in accordance with applicable law.

The City is willing to develop and maintain an orderly annexation agreement with any neighboring township but only when it is appropriate for the City.

GENERAL ANNEXATION POLICY POSITIONS POLICY

The City Council considered the direction from the Comprehensive Plan related to annexation and concluded that the Comprehensive Plan describes a development preference for infill, redevelopment and intensification of property already within the corporate limits of the City. At the same time However, the City Council recognizes that the Comprehensive Plan also indicates that “greenfield Greenfield,” edge development through annexation is appropriate and that there are other circumstances not addressed in the Comprehensive Plan where annexation may be necessary or appropriate, including but not limited to: expansion of a new or existing business; urban or suburban residential development; orderly growth and planned municipal services extensions; or abating an adverse environmental condition or preventing a potential adverse environmental condition that would extend the City limits outward, can also occur as long as it is selective and strategic. The policy positions of the City Council that will accomplish the foregoing selective and strategic annexation are:

- That Annexation fundamentally involves a change in the governmental jurisdiction of a piece of property from the Township to the City.
- That annexation should be opportunity based;
- That annexation should support and serve to accomplish City Council goals;
- That annexation fundamentally involves a change in the governmental jurisdiction of a piece of property from the township to the City and should be seen in a broad regional context.;
- That annexation reflects a general policy preference of for growing from the inside out and should be guided by first within the designated priority growth boundary of the Comprehensive Plan, where annexation would occur within the priority growth boundary area



1.01021 ANNEXATION POLICY

ADMINISTRATION

Enabling Legislation: M2010-053, M2010-077

Date Adopted: 04/16/10, 05/04/10

Revised: 02/06/24, A04/16/24

before extending ~~out~~ into the Urban Expansion Boundary area, but that annexation may also be necessary or appropriate under the circumstances presented at the time.

- That Annexation will be primarily guided based on the principle of opportunity, primarily in response to a request from a property owner, where ~~to~~ the requested annexation would meet one or more of the following ~~outcomes~~ factors:
 - Be consistent with and ~~assist~~ Assist in the implementation of ~~and be consistent with the Comprehensive Plan, and any City-adopted policy plans.~~
 - Advance the potential to protect or enhance an environmental resource or abate an existing or potential environmental problem.
 - Enhance the efficient and cost-effective extension of infrastructure, municipal services and transportation systems.
 - Result in new or expanded business growth opportunities, enhancing economic development for the community as well as providing ~~enhanced a significant tax base generation and/or family-sustaining job creation~~ potential.
 - Support and serve adopted goals or strategies of the City Council, including but not limited to the creation of new affordable and/or work force housing ~~opportunities~~.
- That ~~annexation~~ the City's preference is for annexation to be initiated ~~That annexation is preferably initiated~~ by property owner petition is preferred and that City-initiated annexation would seldom occur and only where deemed necessary under the circumstances by the City Council under the circumstances.
- That the City ~~should~~ strive to accomplish annexations under the orderly annexation procedures established in state statute where practicable through development of mutual orderly annexation agreements between the City and affected Township statutes, such that annexation results in a benefit to being obtained by to the City at the same time that fairness is experienced by the township and the City mutually benefit.
- That areas proposed for annexation ~~shall~~ should be contiguous to City corporate limits, and that non-contiguous annexation and/or "string and balloon" annexation not occur unless there is an orderly annexation agreement providing otherwise, or there is a compelling reason to do so under the circumstances, and the annexation conforms with the Comprehensive Plan.
- That annexation ~~should~~ shall be guided as applicable under the certain circumstances presented by an analysis of infrastructure capacity, ~~ease of infrastructure extension~~ and cost effectiveness of extending infrastructure.
- That annexation ~~shall~~ may ~~should~~ shall be guided as applicable under the circumstances presented by an analysis of the impact ~~of annexation of potential transportation and infrastructure improvements, and related travel demand~~ on environmental resources, and the impact of potential transportation improvements on environmental resources;
- That annexation analysis ~~shall~~ may ~~should~~ shall include, where applicable and based on the circumstances presented, such matters as an accurate projection of the potential for tax-base expansion and/or diversification, job creation, and salary and wage creation.
- That annexation ~~shall~~ may ~~should~~ shall be guided where applicable and based on the circumstances presented, by an analysis of potential holding costs related to the area annexed, including any agreed-upon tax reimbursement to a ~~Township, when township;~~ when if applicable.



1.01021 ANNEXATION POLICY
ADMINISTRATION
Enabling Legislation: M2010-053, M2010-077
Date Adopted: 04/16/ 10 2010, 05/04/ 10 2010
Revised: 02/06/24N/A 04/16/24 20

- ~~That Annexation will may~~ Annexation fundamentally involves a change in the governmental jurisdiction of a piece of property from the Township to the City.
- be evaluated where applicable and based on the circumstances presented, from both a regional context and City perspective and any decisions decisions to annex will may involve the consideration of the effects of annexation on the applicable Township or other government jurisdictions.
- ORDERLY ANNEXATION AGREEMENT PRINCIPLES** Annexation will reflect a general policy of growing from inside out and will be guided by the designated priority growth boundary of the Comprehensive Plan, where annexation would occur within the priority growth boundary area before extending out to the Urban Expansion Boundary area.



1.01021 ANNEXATION POLICY
ADMINISTRATION
Enabling Legislation: M2010-053, M2010-077
Date Adopted: 04/16/102010, 05/04/102010
Revised: 02/06/24N/A04/16/2420

Future orderly annexation agreements (“OAA”) to which the City may enter into with neighboring townships should reflect the following principles:

- OAAs, to be effective, are required by state law to specifically designate portion(s) of the township(s) as in need of orderly annexation.
- OAAs should designate areas of the township for orderly annexation that are likely to experience pressure for urban or suburban development on municipal sewer and/or water over the term of the agreement, potentially including such areas as are located within the City’s Priority Growth Area or Urban Expansion Area identified in the Comprehensive Plan, as well as under such other conditions as the parties may mutually agree consistent with state law.
- OAAs should establish a process for property owners located anywhere within the designated orderly annexation area to petition for annexation and which gives effect to property owners’ intent (whether such intent is to petition for annexation to the City to facilitate development of the property on municipal services, to receive municipal services to abate environmental issues or remedy failing septic systems or wells, or to remain rural/agricultural and in the township).
- OAAs should establish and/or maintain regulations protecting the rural/agricultural character of property within the designated orderly annexation area that is not annexed to ensure such property remains rural/agricultural with no development thereof at densities inconsistent with orderly City growth and extension of municipal utilities.
- OAAs may establish a review and comment process for the town board to communicate its views regarding particular property owner annexation petitions for consideration by the City Council prior to proceeding with the annexation, but annexation of such property shall not require further town board approval since the OAA will set forth the agreed upon terms and conditions for such future annexations at the time the OAA itself is approved by both governing bodies.
- OAAs must provide for tax reimbursement to the Township for any annexations occurring within the parameters set forth in Minn. Stat. § 414.036.
- OAAs may establish other terms and conditions to which the parties may agree, including but not limited to a joint planning board with respect to land use controls within the designated orderly annexation area.
- The City believes that road maintenance ~~The City believes that road maintenance~~ reasonability of the City should be limited to ½ of the road surface and right-of-way adjacent to the property to be annexed.
- The City believes that the actual responsibility for maintaining the road should remain with the Township and the City should make an agreed upon payment to the Township.

ORDERLY ANNEXATION TAX REIMBURSEMENT POLICIES



1.01021 ANNEXATION POLICY
ADMINISTRATION
Enabling Legislation: M2010-053, M2010-077
Date Adopted: 04/16/102010, 05/04/102010
Revised: 02/06/24N/A04/16/2420

- Tax reimbursement payments are intended to compensate ~~the~~ a Township for a defined statutory period for the loss of property taxes previously received from an annexed area and to transition from the ~~€Township tax rate~~ township to the City tax rate for the future responsibility of the City to provide property tax supported services to the annexed area following annexation.;
- Tax reimbursement payments need to be structured to comply with governing law contained in Minnesota sStatutes, section 414.036. statutes.;
- The amount of tax reimbursement should be based on an amount that approximates the lost property taxes that the ~~€Township~~ township would have received from the annexed area in the year of annexation had the property not been annexed, over ~~the~~ a statutorily defined and limited duration and may include, depending on the circumstances and applicable law, a reimbursement to the ~~€Township~~ township for special assessments assigned by the ~~€Township~~ township to the annexed property, and any portion of debt incurred by the ~~€Township~~ town prior to the annexation and attributable to the property to be annexed, but for which no special assessments are outstanding.

ORDERLY ANNEXATION WATERFORD ANNEXATION-SPECIFIC TOWNSHIP POLICY POSITIONS

- Waterford Township (Thye Parkway)
 - This area, viewed as a “corridor” in the Comprehensive Plan as a possible area to designate as a future orderly annexation area. This area is to be interpreted to include a possible alignment for an extension of Thye Parkway.
- ~~The City of Northfield desires to discuss the possibility of developing an orderly annexation agreement with Waterford Township not as a preemptive or offensive annexation strategy, but to instead designate an orderly annexation area within Waterford Township and establish an agreed-upon process to accommodate property owner petitions for annexation and other circumstances for future annexations from within the designated orderly annexation area;~~
 - ~~The City views the area guided as;~~
- ~~The City believes annexation within a designated orderly annexation area in Waterford Township should be primarily by property owner petition, but the City wishes to discuss other possible circumstances and contingencies that may make future annexation within the designated orderly annexation area appropriate.~~

BRIDGEWATER ANNEXATION POSITION (PRAWER/GILL REQUEST)

- ~~The City believes that road maintenance~~ Bridgewater Township (Heath Creek and Rice Creek)
 - The City should convey to the Township a willingness to assume the regulatory responsibility for the protection of Heath Creek and Rice Creek with in the area to be



1.01021 ANNEXATION POLICY
ADMINISTRATION
Enabling Legislation: M2010-053, M2010-077
Date Adopted: 04/16/ 10 2010, 05/04/ 10 2010
Revised: 02/06/24N/A 04/16/24 20

annexed and to demonstrate progress at creating and adopting regulation(s) for this purpose prior to finalizing any amendment to the annexation agreement.

- ~~responsibility of the City should be limited to ½ of the road surface and right of way adjacent to the property to be annexed;~~
- ~~The City believes that the actual responsibility for maintaining the road should remain with the Township and the City should make an agreed upon payment to the Township for this service to be defined in the orderly annexation agreement or other written agreement;~~
- ~~The City believes that tax reimbursement should be based on the general annexation tax reimbursement policy of the City;~~

Notewithin

Note: The policy position statements ~~aboveabove~~that follow are intended to be general in scope and serve as guiding principles for the City in addressing certain annexation issues. The City Council, however, in approving such policies, expressly recognizes that annexation law may change over time and annexation issues tend to arise in the context of unique and fact-specific circumstances. The City Council therefore will, and reserves the right in the future to, analyze all annexation matters on a ~~casecase~~h-by-case basis. Nothing herein should be construed to ~~be~~ interpreted as limiting the City Council’s discretion ~~or authority~~ with respect to considering specific annexation matters or to take a position that is not contained herein or ~~is~~ contrary to a position contained herein, should ~~unforeseen~~ circumstances warrant in a particular case or should such position be deemed in the best interest of the City based on the circumstances at the time in the Council’s discretion and judgment.