MEMORANDUM



TO: Mayor Walker and Councilors

FROM: M McPherson, City Administrator

SUBJECT: Annexation

DATE: August 3, 2021

Background:

The Council discussed annexation and pursuing an orderly annexation agreement with adjacent townships at the June 3, 2021 Study Session. Staff had some additional research to perform and Councilor Gerold had a follow-up question regarding incorporation.

Analysis:

The orderly annexation agreement between the City of Rogers and Hassan Township is provided for your review and reference. It is a relatively simple agreement that outlines the catalyst for the agreement, the area to be annexed, the phasing schedule, the timing, provision of services, reimbursement of taxes, and planning/zoning/land use control and administration.

As discussed on June 3, there are multiple ways to address/encourage/facilitate annexation. Most of which leave the city dependent on others to request annexation. MN Statutes 414 establishes the process for annexation and incorporation.

414.02 – Incorporation

A township intending to incorporate must serve the clerk of each contiguous city or township of the intent at least 30 days prior to submitting the petition or resolution to the Administrative Law Judge (ALJ). It is at this point that the City, during the hearing set by the ALJ, can object to the petition and request an expansion or change in its (the City's) boundaries. There is no opportunity for a preemptive "land grab" (for lack of a better description) prior to receipt of a notice to incorporate. This was Councilor Gerold's question, and there is reference to the same in the Rogers-Hassan agreement.

414.033 - Annexation by Ordinance

Annexation by ordinance can occur in one of the following ways:

- 1. The land is owned by the City:
- 2. The land is completely surrounded by land within the City limits;
- 3. The land abuts the city, the area is less than 120 acres, and the owners petition the City for annexation; or
- 4. The land has been approved after August 1, 1995 by preliminary or final plat for subdivision to provide residential lots averaging 21,780 square feet or less and is located within two miles of the City limits.

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Under Subd 3 of this provision, if the land is 40 acres or less and is 60 percent or more bordered by the City limits, the **City** (emphasis added) may service notice of an intent to annex upon the town board and the ALJ. The town board has 90 days to respond to this notice before the area would be considered annexed. This subdivision is raised as it <u>may</u> apply to the area between Coborn's and the newly annexed Sherburne Village not the current subject of an annexation petition; additional analysis needs to occur to verify this (see exhibit A)

414.0325 – Orderly Annexation

This provision allows for one or more townships and one or more municipalities, by join resolution to designate an unincorporated area as needing orderly annexation.

The above statutory provisions are provided as reference.

Ultimate City Boundary

Staff looked at the City boundary and each person has an opinion with no consensus. The Council will need to provide direction regarding the extent of the orderly annexation; Rogers ultimately absorbed all of Hassan Township as did the City of Elk River to Elk River Township.

Recommendation:

The Council is asked to review the information, discuss ideas to approach the townships regarding establishment of an orderly annexation agreement, and direct staff with any other tasks as appropriate.

Exhibit A



Area in yellow reflects the current city boundary.