Proposed Ordinance No. 8/07

APR 2 3 2007

ORDINANCE NO. 1414

AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF OWATONNA TO INCLUDE CERTAIN UNINCORPORATED LAND ABUTTING THE CITY OF OWATONNA

WHEREAS, the City of Owatonna is the owner of the property described herein; and

WHEREAS, the property described lies in the Southeast Quarter of Section 17, Township 107 North, Range 20 West, Steele County, Minnesota and comprises 41.51 acres; and

WHEREAS, said property is suitably conditioned for and needs urban government; and

WHEREAS, no part of the property described herein is included within the limits of an incorporated city; and

WHEREAS, the City has authority, pursuant to Minnesota Statutes 414.033, Subdivision 2 (1) to declare the property described herein annexed to the City; and

WHEREAS, the City of Owatonna is a city of the second class operating under a Home Rule Charter adopted pursuant to the provisions of the Constitution and Laws of the State of Minnesota.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF OWATONNA DO ORDAIN:

SECTION 1. The City Council hereby determines:

1. That the annexation will be to the best interest of the City of Owatonna and of the property affected.

2. Said property is suitably conditioned for and needs urban government.

3. That none of said properties are now included within the limits of any incorporated city.

<u>SECTION 2</u>. That the following described property, referred to in the preamble of this ordinance, situated in the County of Steele, State of Minnesota, to-wit:

The Southeast Quarter of the Southwest Quarter of Section 17, Township 107 North, Range 20 West, Steele County Minnesota.

Containing 41.51 acres, more or less.

be and the same hereby is annexed to the City of Owatonna and shall, upon the effective date of this ordinance, become a part of the City of Owatonna as effectively as if it had been originally a part thereof, and the corporate limits of said City of Owatonna are hereby extended to include said land.

SECTION 3. Zone Class shall be applied as follows:

Property being annexed shall be placed in the I-1 Light Industry District.

<u>SECTION 4</u>. This ordinance is enacted pursuant to the provisions of Minnesota Statutes, Chapter 414, Section 414.033, Subd. 2 (1).

<u>SECTION 5</u>. Upon its adoption, a certified copy of this ordinance shall be filed with each of the following:

Owatonna Town Clerk Steele County Auditor Minnesota Department of Administration

as provided by law.

<u>SECTION 6</u>. This Ordinance shall take effect upon its passage, publication and approval by the Minnesota Department of Administration.

Passed and adopted this <u>17th</u> day of <u>April</u>, 2007, with

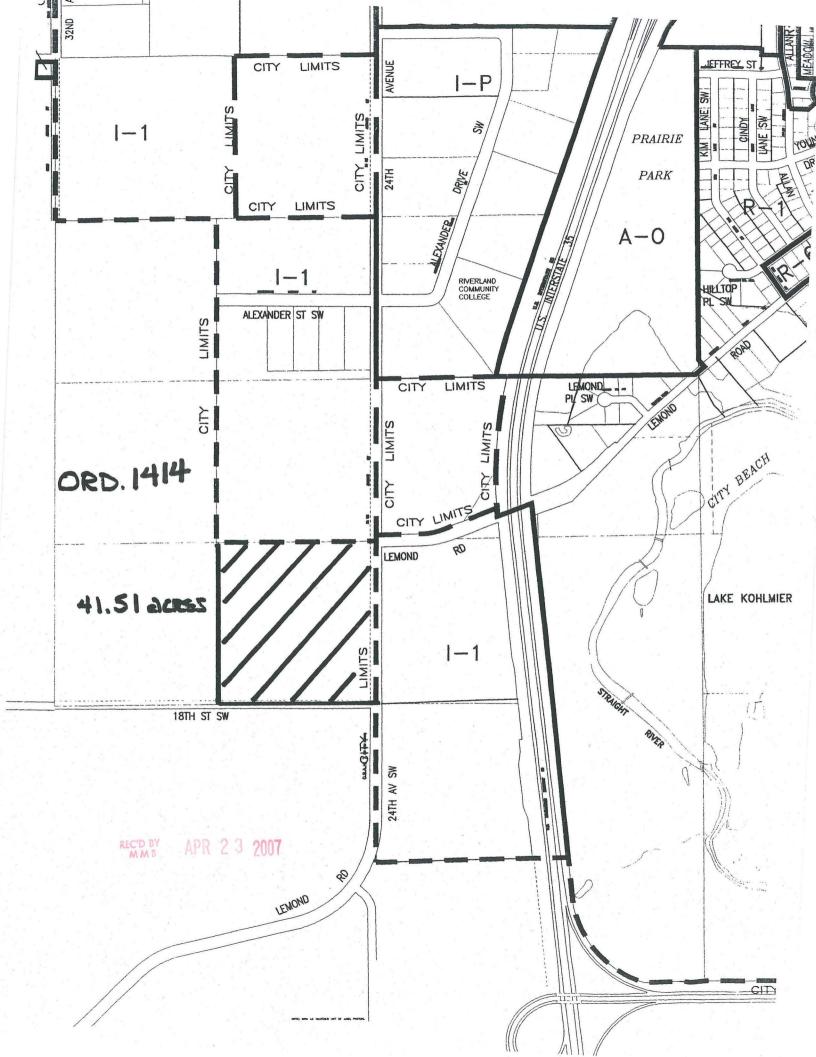
the following vote: Aye <u>5</u>; No <u>0</u>; Absent <u>2</u>.

Approved and signed this <u>17th</u> day of <u>April</u>, 2007.

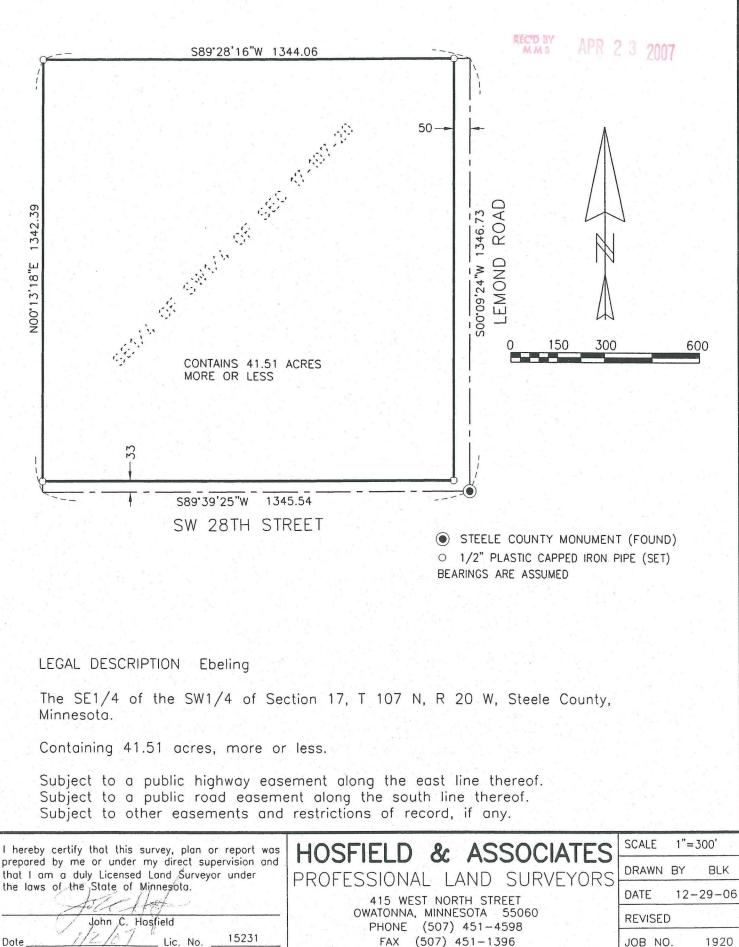
ann Mayor

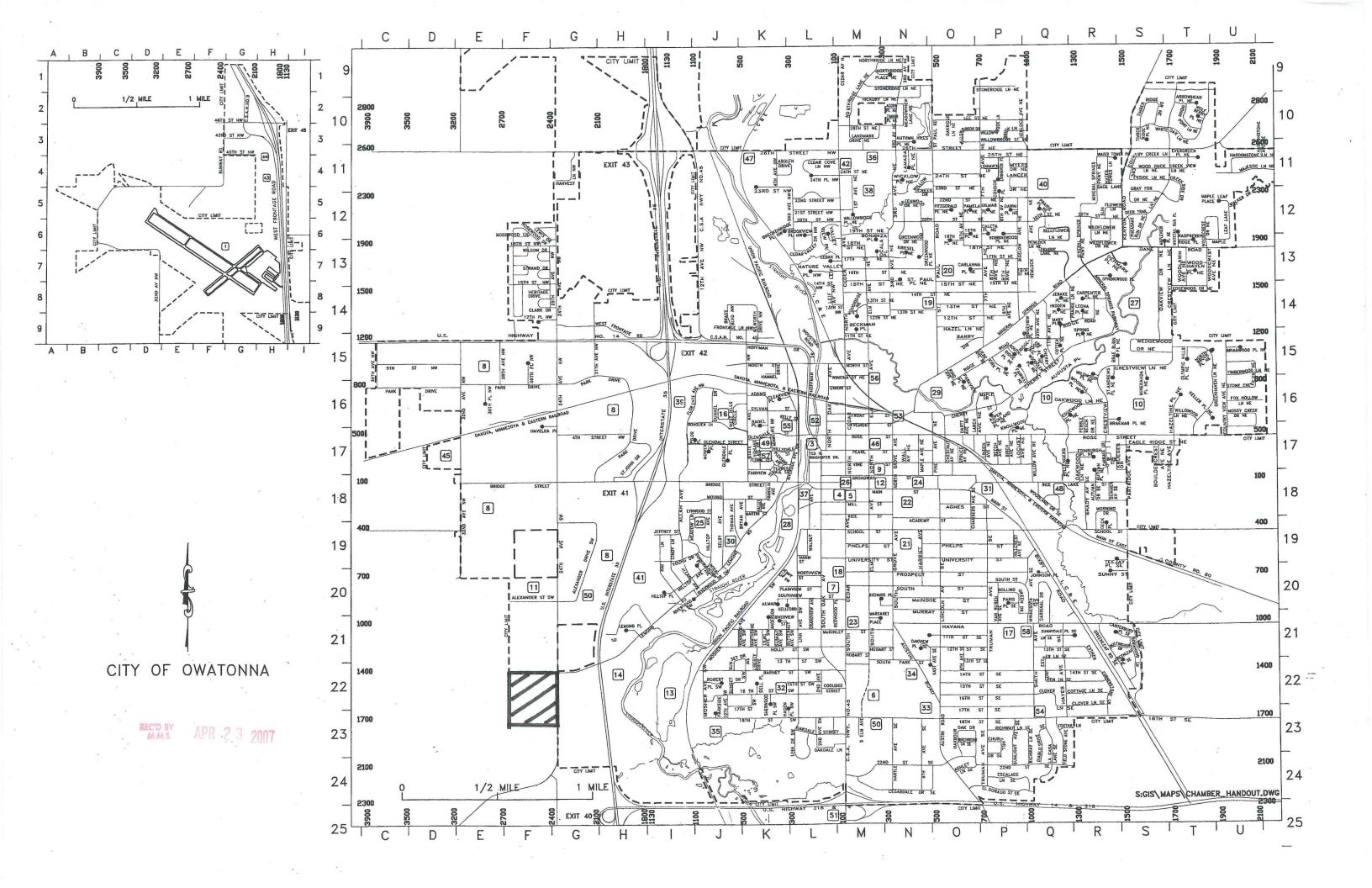
ATTEST:

City Clerk



CERTIFICATE OF SURVEY









OWATONNA

Planning and Zoning Department

June 15, 2007

Office of Administrative Hearings Municipal Boundary Adjustments Unit 658 Cedar Street, Room 300 St, Paul, MN, 55155

Re: A-7543 Owatonna/Owatonna Township Ordinance No. 1414)

In response to your letter of April 26th regarding reimbursement issues with the township, I have attached a copy of the City –Township Annexation Agreement. The agreement was approved and executed by the Owatonna City Council and Owatonna Town Board and is in effect for 2007. Note that the agreement was originally adopted in 2004 for a two year period and as provided in the agreement, General Provision #2, was extended another year. General Provision #5 of the agreement stipulates the amount and process by which the city reimburses the township for annexations. Please note that there are no special assessments due relative to the property included in this annexation request.

In subsequent annexation ordinances regarding properties in Owatonna Township we will include language within the ordinance referencing this agreement and the provision on reimbursement.

Sincere

Dave Strand Community Development Director

PH 507-444-4344 davids@ci.owatonna.mn.us

AN

540 West Hills Circle OWATONNA, MN 55060-4794 (507) 444-4340

CITY-TOWNSHIP ANNEXATION AGREEMENT January ____, 2007

Pursuant to authority contained in MN. Stat. 414.0325, the City of Owatonna and the Town of Owatonna do hereby enter into this Annexation Agreement.

PURPOSE

The purpose of this Annexation Agreement shall be to provide land areas for the growth of the City of Owatonna and further, to provide for the protection of agricultural and other lands within the Town of Owatonna from urban and suburban development and to promote an organized framework for systematic annexation, provided that the described areas are determined to be ready for annexation.

AREA A

This area has relatively immediate development potential. The City will support annexations within this area in as much as extension of services can be done in an orderly and cost effective way. The Township will not object to annexation requests within these areas, provided the City will install water and sewer within two years after annexation. Furthermore, Township will prohibit non-farm uses of the property in these areas. In instances where individual property owners can substantiate that within the previous five years from when city sanitary sewer becomes available, at least \$900 has been spent to refurbish or reconstruct the on-site sewage treatment system and that such system is functioning properly and conforming to applicable codes, the property owner may defer hooking up to the city's sewer system for a period of five years. During that period interest on assessments resulting from construction of the city sewer system shall not accumulate or accrue. After five years, such residences shall be connected to city sewer and water lines, existing on-site systems shall be abandoned in compliance with city, county and state regulations and outstanding assessments shall be paid in conformance with prevailing assessment policy and the original interest rate.

Area A1

In addition to the above the city agrees to not exercise its rights to annex by ordinance under MN Statutes 414.033, Subdivision 2 any of the properties in this area unless such permission is expressly given by the Owatonna town Board.

AREA B

1. The area presents some commercial/industrial development potential as well as the expansion of a mobile home park. There are currently some residences and businesses in the area but not at a density to support extension of services. The City will support annexation only at such time that extent of proposed development can support the extension of such services.

2. The City views this area as having potential for industrial and possibly commercial expansion. The City views the area as being available for continued commercial/industrial expansion and will support annexation as long as such proposals will provide for the orderly extension of streets and utility services. While this area is under Township jurisdiction only farm uses shall be permitted. The City and Township will jointly request that the County place all land in B3 that is not currently in the County's Interim Ag Zone into this district.

AREA C

1) These areas have a largely residential development potential. The City will accept requests for annexation based on the ability to extend city services to the property, the costs of such extension, and how such costs shall be born. Total annexations in this area shall not exceed 65 acres in any year that the agreement is in effect. As per State Statutes, a specific petition for annexation shall not exceed 60 acres and the City may require that such request be reduced in area in a manner specified by the City. The Township shall not object to annexations within this area that are in compliance with the terms of this agreement.

2) These areas have residential development potential. The City will not support annexation within these areas until such time that the number of available single family lots in the City with utility services in place falls below 350. In addition, such parcels proposed for annexation must border City Limits by no less than 20% of the property's perimeter. While the area is under Township jurisdiction, the only new uses permitted shall be farm uses.

GENERAL PROVISIONS

1) Requests for annexations shall be presented to the Owatonna Town Board for review unless both the City and affected Township waive this provision.

2) The Annexation Agreement shall be in effect for 2 years. Each year the agreement may be reviewed and upon majority vote of the governing bodies, a one year extension of the agreement with any approved revisions shall be made.

3) Relative to references to commercial and industrial development, proposed development shall mean imminent construction of buildings and structures or the platting of property into lots for future sale if the total property to be annexed is not larger than 160 acres and available property zoned for industrial uses within City Limits and west of I-35 drops below 150 acres with not less than 2 parcels of 40 acres (no side of which is over 1600 ft. in length).

4) The terms of this agreement may be altered by joint resolution of affected township and City.

5) The City shall reimburse the Township for lost property taxes as provided for in MN. Statutes 414.033, Subd. 12 and any subsequent amendments thereto made, except that payment shall be made in the amount equivalent of two and a half years tax revenue collected by the Township for the property being annexed in the year of annexation. Such payments are to be made upon the Office of Strategic and Long Range Planning or successor agency's approval of the annexation ordinance. Annexations by joint resolution of the City and Township or under the provisions of MN. Statutes 414.033, Subd. 3 shall be subject to the same reimbursement unless otherwise provided for.

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6) Within the designated annexation areas the Township will give the City written notice prior to all zone change requests, requests for subdivision, variances, conditional uses, and non-farm building permits.

7) The term "farm uses" as used in this agreement, shall mean such uses commonly associated with the growing of produce on farms; including field crop farming, pasture for hay, fruit growing, tree, plant, shrub or flower nursery, truck gardening and the raising of livestock but not including commercial feedlots; and accessory operations that are clearly secondary, incidental and directly related to the farming operation.

8) City will submit an Improvement Plan in the areas designated A, B, C, and D to the Township in order that the Township have reasonable advance notice of City's timetable for installation of sewer and water. The Improvement Plan will be submitted within six months to a year of the date of this Agreement and will be revised annually as necessary.

9) If any parcel annexed to the City of Owatonna under the provisions of this agreement does not have municipal water and sewer installed and property owner has not hooked up to said water and sewer within two and a half years from annexation Owatonna Township will require the City to reimburse the Township an amount equivalent to the property tax that the Township would receive as if that property were still in the Township. Such reimbursement shall occur at the end of each year until these services have been extended or utilized. This provision shall not apply to lands annexed prior to adoption of this agreement or when hookup to city sewer is deferred as provided for in the provisions for annexation area "A".

10) If the City, by way of operation of this agreement or petition by a property owner desires to annex property, the City shall submit to the Township a letter of intent of the proposed annexation which should include the following:

- A. Description and map of the parcel to be considered.
- B. The proposed use and development of said property.
- C. The proposed services to be provided including water, sewer, police, fire, refuse and roads. Said list is not exclusive and can include additional municipal services.

- The staging or time period in which the annexation is to occur and the D. period that the services will be developed.
- Any change that is required in the Comprehensive Plan and/or E. zoning and subdivision ordinance of the City.

11) At the time of purchase, the City shall reimburse the Township for lost property taxes on property in the Township that is purchased by the city such amount to be equivalent of two and a half years tax revenue collected by the Township for the property purchased.

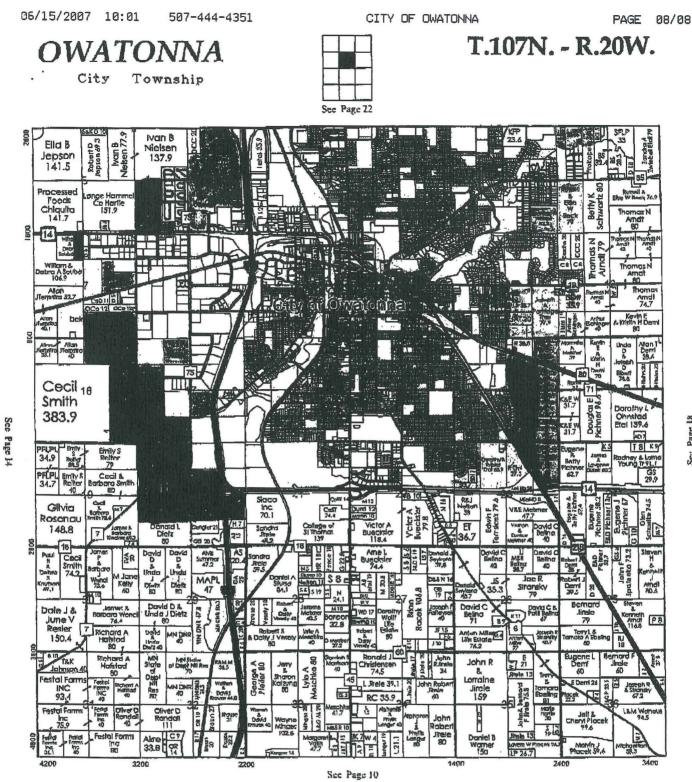
IN WITNESS WHEREOF both parties have caused this agreement to be executed on the date opposite their signatures below.

TOWN OF OWATONNA

BY Slen w Neleon Bul a Mult

DATE June (per Save)

CITY OF OWATODRIA
North All
Mayor form Man
1 - Bargar
Attest have a
City Administrator
DATE 5/30/07



See Puge 18

Annexation Agreement Map



B C2 C1