

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL
HELD ON JUNE 3, 2021 4:30 P.M.**

Mayor Thom Walker called the meeting to order. Council members present were Vicki Hallin, Jenny Gerold, Jules Zimmer and Jeff Reynolds. Staff present, Finance Director Tracy Peters, Public Works Director Bob Gerold, Community Development Manager Stephanie Hillesheim, Police Chief Todd Frederick, Clerk Shawna Jenkins, Wastewater Plant Manager Chris Klinghagen, and Fire Chief Ron Lawrence.

Annexation

McPherson advised that Councilor Gerold brought forth an article from the March 28th, 2021 Town and Country article and requested that annexation be a discussion topic for the City Council discussion. The current approach to annexation is to utilize annexation by ordinance when landowners request annexation. This does not provide an opportunity for the City to chart its own path to growth and expansion of the tax base.

The Council is asked to discuss annexation and what additional information staff should bring to the table regarding the issue, including desired next steps.

Walker said he has been under the impression that if Baldwin or Princeton Township wanted to incorporate, the City would have a chance to expand their borders and asked if that was still correct. McPherson said she was not sure, but she will check with Attorney's Toven and Bourgeois. Hillesheim added that she believes they would square off the boundaries to some extent at that time.

Hallin stated that she remembers discussion with Baldwin about 15 years ago, and at that time, she does not believe that the state was in favor of them incorporating. Walker added that he has heard that incorporation could not be used to stop annexation.

McPherson stated that if a Township would want to incorporate, she believes they would need to also create a Comprehensive Plan and have Zoning ordinances. Walker added that those could not be less restrictive than the County Ordinances. Michele said they would have to create a comp plan, create zoning ordinances, etc. Thom said he believes that they cannot be less restrictive than the County.

J Gerold commented that if Baldwin were to incorporate, it would not allow the city to grow to the south. Since she saw the article in the paper, she thought it may be a good time to begin discussing this.

Walker said he remembered a discussion that the city could be more aggressive in annexation, but there would likely be legal bills involved. His question to Baldwin is how would they provide water and sewer to the residents. He does not think they would be able to get a permit for a wastewater plant with ours being so close.

McPherson There are only 2 ways to annex properties. One is to let the landowners request annexation by petition, or by an Orderly Annexation Agreement. Walker said he does not see the Townships agreeing to that.

Jenkins spoke a little about the Hassan and Rogers Orderly Annexation agreement. Hassan Township was annexed in 3 phases, with a portion of the taxes going back to the Township for a set number of years. Hillesheim explained that for the City of Becker, they began doing planning for Becker Township so they could plan accordingly for their future land use planning as it would likely be annexed into the City.

McPherson added that each Orderly Annexation Agreement would be different, as it depends on the needs of the City and Township.

Walker stated that it appears we would want to look into an orderly annexation agreement. He suggested staff start coming up with some preliminary ideas.

Reynolds commented that he can see that it makes sense in areas where there is a higher population density that could benefit from water and sewer. He doesn't see those with larger properties wanting to be annexed to the City.

Zimmer said he would be in favor if the City and Township residents were in agreement as well.

Hillesheim added that from a land use planning perspective, we want to grow.

McPherson stated that regardless if the city annexes more land in, we are going to need to add at least one more staff person as we are in need of an IT person. On another note, we are promoting the recreational options, but we are asking Hillesheim to handle those as well as economic development. We need security cameras in several sites in the City, and an IT person would be a great value to that as well.

J Gerold mentioned the many commercial properties just south of the city in Baldwin Township. If those properties were annexed into the city, that additional tax base could be used to pay for the additional staff needed, the security cameras, etc.

Zimmer asked if properties where to be annexed, who pays for the cost to get water and sewer services out there. McPherson responded that there are many different options like tax abatement, and allowing developers to put in trunk lines in.

Hallin is in favor of looking into this as well.

J Gerold knows that this would be a lot of work, but thinks we have the right person now to move forward and look at these options.

Walker stated that it appears there is a council consensus for staff to begin coming up with an orderly annexation agreement. We are going to get a lot of questions, so we need to determine what we are looking for, and what we can offer to City residents.

Reynolds said he is in favor of continuing the way it is now, where a property owner needs to request annexation. He cannot see rural property owners being in favor of this.

McPherson asked for clarification that the Council consensus was for staff to begin looking at a possibly boundary, and some things that the City Could provide to the Township and their residents.

Adjournment

ZIMMER MOVED TO ADJOURN THE STUDY SESSION AT 5:30. REYNOLDS SECONDED THE MOTION. MEETING ADJOURNED

Respectfully Submitted,

Shawna Jenkins Tadych
City Clerk

ATTEST:

Thom Walker, Mayor