2023 CGMC Policy Positions: Annexation & Land Use

CGMC believes that smart annexation and land use policies are necessary to ensure the long-term economic growth of Minnesota's cities, maximize cost efficiencies in delivering public services, protect Minnesota's environmental and natural assets, and curb Minnesota's greenhouse gas emissions.

1. **Functions of Cities, Counties and Towns**
   CGMC believes cities, counties, and towns serve specific and unique roles in land use planning and the administration of governmental services. CGMC opposes any and all legislation that would extend town powers into services over which cities have historically been responsible and supports legislation that would re-establish the primacy of cities and counties in land use planning decisions.

2. **Annexation Law Reform**
   CGMC supports reform of Minnesota's annexation laws that accomplishes the following objectives:

   a. Strengthening the legislative findings and goals contained in Minnesota State Statutes 414.01 that state a preference for urban development to be contained within incorporated municipalities that provide sewer and water service;

   b. Restricting payments from cities to townships negotiated through orderly annexation agreements to reimbursement of lost property tax base for no longer than 5 years, and limiting payments to utilities for loss of service territory to an amount that reasonably compensates the utility for their capital investment related to the area and that includes a calculation of fair market value;

   c. Limiting the role of the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings to only review and comment and enforcement of annexations conducted pursuant to an orderly annexation agreement;

   d. Supporting the consolidation of local units of government, such as the merger of townships with existing cities, and providing transition aid to encourage mergers;

   e. Creating a more streamlined and flexible annexation by ordinance procedure and removing acreage limits for annexations by ordinance based on property owner petitions;

   f. Ensuring that the annexation process is open to all cities with an annexation claim, even when there may be a competing annexation claim from another city over the same area;

   g. Encouraging the establishment of smart urban growth areas that are based on projected population or economic growth and the municipality's ability to provide services upon development of the area;

   h. Strengthening cities' ability to plan cooperatively for zoning, subdivision and other land use controls outside their borders to ensure thoughtful growth and extension of

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services; and

i. Promoting annexations that are done in an environmentally sensitive way and that accomplish preservation and improvement of water quality, protection of municipal wellheads, and the preservation of Minnesota's other natural resources.

3. Annexation Principles

CGMC opposes changes to the Municipal Boundary Adjustment Chapter (Minn. Stat. 414) and the laws governing cities and townships that would do the following:

a. Change the findings, definitions, or goals contained in Minnesota Statutes 414.01 or other portions of Minnesota statutes to imply that there is no functional difference in the roles of townships and cities;

b. Unduly restrict a city's current regulatory authority to plan, zone, and enact and enforce regulations in areas surrounding cities;

c. Statutorily allow townships to create designated township "growth" or "development" areas that would not be subject to annexation by a city;

d. Reinstate an election requirement; or

e. Impose delays, additional or unnecessary costs, or otherwise make annexations more difficult to accomplish.

4. Zoning and Building Code Authority

CGMC recognizes that every city has unique opportunities and challenges with respect to developing city property and believes cities must have the ability to adapt their zoning ordinances and building codes to meet the needs of their community. CGMC opposes any legislation that restricts a city's ability to adopt zoning or building codes that are more restrictive than state law or that otherwise interferes with a city's traditional zoning powers.

5. Building Permit Authority

CGMC opposes any legislation that changes how a city calculates its building permit fees or that alters requirements for processing permits.

6. Sound Land Use Policy

CGMC supports land use reform that increases the efficiency and reduces the cost of providing municipal services by controlling urban sprawl and that supports Minnesota's objectives related to climate change.

7. Municipal Land Dedication

Land dedication is a useful tool for guiding development in a way that meets community needs. CGMC opposes legislative interference with street and/or park dedication agreements.

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8. **Detachment**
   CGMC opposes any efforts to lower the threshold or ease the criteria for detachment. CGMC also opposes legislation granting townships the right to seek detachment through the creation of a detachment by ordinance process.

9. **State Planning Assistance**
   CGMC supports the re-establishment of a state-wide agency to provide technical assistance and research current trends and issues regarding land use policy and practices in the state of Minnesota and the provision of state grants to assist municipalities with land use planning.

10. **Eminent Domain**
    Eminent domain is an important tool that allows cities to balance the rights of private property owners with the cities' ability to act in the best interest of the health, safety, and welfare of its citizens. CGMC supports changes to current eminent domain laws that would make the process more efficient and less costly for local governments. CGMC opposes legislation that would increase barriers to using eminent domain.

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