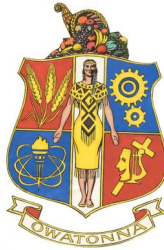


5/01/18 - Council approved 1st Reading

5/15/18 - Council will 2nd Reading for approval.

THE CITY OF



OWATONNA

Greg Kruschke
Community Development Manager

540 West Hills Circle
Owatonna, MN 55060-4794
Ph. (507) 774-7317
FAX: (507) 444-4394

Email: Greg.Kruschke@ci.owatonna.mn.us

DATE: April 26, 2018

TO: Mayor and City Council

FROM: Community Development Dept. – Greg Kruschke

SUBJECT: Proposed Annexation of Land Located at 3525 County Road 45

Purpose:

Hold a public hearing and first reading of Proposed Ordinance 8-18 for this proposed annexation.

Background:

- John Ihlenfeld has petitioned the City for annexation of the property located at 3525 County Road 45 for the purposes of constructing an office building for their trucking business.
- The property is approximately 15.822 acres, including the County Road 45 ROW and the Interstate 35 ROW.
- The property is proposed to be zoned B-2, Community Business District.
- Municipal Sewer and water are currently available along County Road 45.
- The applicant is requesting annexation in order to hook up to municipal utilities when they construct the building.
- The township portion of the taxes is \$94.13 annually. The City is required to reimburse the township for 2.5 years of taxes per our annexation agreement for a total of \$235.32. Steele County has been asked to verify this number.
- The applicant currently has a billboard on the property. Upon annexation this billboard will become non-conforming. Staff is recommending that this billboard is removed prior to issuing a building permit for the property as a condition of the annexation.
- With sanitary sewer and water extended to the site, the City has outlaid costs to add service mains to this area. In order to recoup these costs Staff is recommending an annexation fee of \$16,969.40 for this property to cover already installed infrastructure improvements. This fee should be paid before the annexation papers are filed with the State of Minnesota.
- It should be noted that the property is currently enrolled in the Green Acres program. The applicant will need to resolve the deferred taxes owed with Steele County prior to the annexation being finalized.

Budget Impact:

The City is required to reimburse Clinton Falls Township 2.5 years of property taxes for a total of \$235.32. The applicant also will be providing an annexation fee of \$16,969.40 to the City for utilities.

Staff Recommendation:

Staff is recommending approval of the proposed ordinance for annexation on first reading and set the date of the second reading for May 15, 2018 for the property located at 3525 County Road 45 with the following conditions:

- 1) The applicant shall submit the annexation fee of \$16,969.40 prior to the City filing the annexation with the State of Minnesota.
- 2) The billboard shall be removed prior to a building permit issued on the property.
- 3) The applicant shall resolve the green acres deferred taxes with Steele County.
- 4) The applicant shall plat the property and enter into a development agreement regarding the proposed development.

Proposed Ordinance No. 8-18

ORDINANCE NO. __

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

WHEREAS, all owners of property described herein have petitioned for annexation of the described property to the City of Owatonna; and

WHEREAS, the property described lies in the Northeast ¼ of Section 32-T108N-R20W and Part of the Northwest ¼ of Section 33-T108N-R20W Steele County, Minnesota and comprises 15.822 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 (3) to declare the property described herein annexed to the City; and

WHEREAS, a public hearing on the annexation into the City of Owatonna of property herein described was held on May 1, 2018, and notification requirements of Minnesota Statutes 414.033, subd. 2b were satisfied; 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. All property owners have petitioned the City for annexation of this property and 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.

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

Attached as Exhibit A

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 B-2, Community Business District.

SECTION 4. The City shall reimburse the Township for lost property taxes in an amount equivalent of two and a half years tax revenue collected by the Township for the property being annexed in the year of annexation. There are no Township levied special assessments on this property or other debt incurred by the Township attributable to the annexed property.

SECTION 5. This ordinance is enacted pursuant to the provisions of Minnesota Statutes, Chapter 414, Section 414.033, Subd. 2 (3).

SECTION 6. Upon its adoption, a certified copy of this ordinance shall be filed with each of the following: Owatonna City Clerk; Steele County Auditor; and Minnesota Department of Administration as provided by law.

SECTION 7. This Ordinance shall take effect upon its passage, publication and approval by the Minnesota Department of Administration.

Passed and adopted this ____ day of _____, 2018, with the following vote:

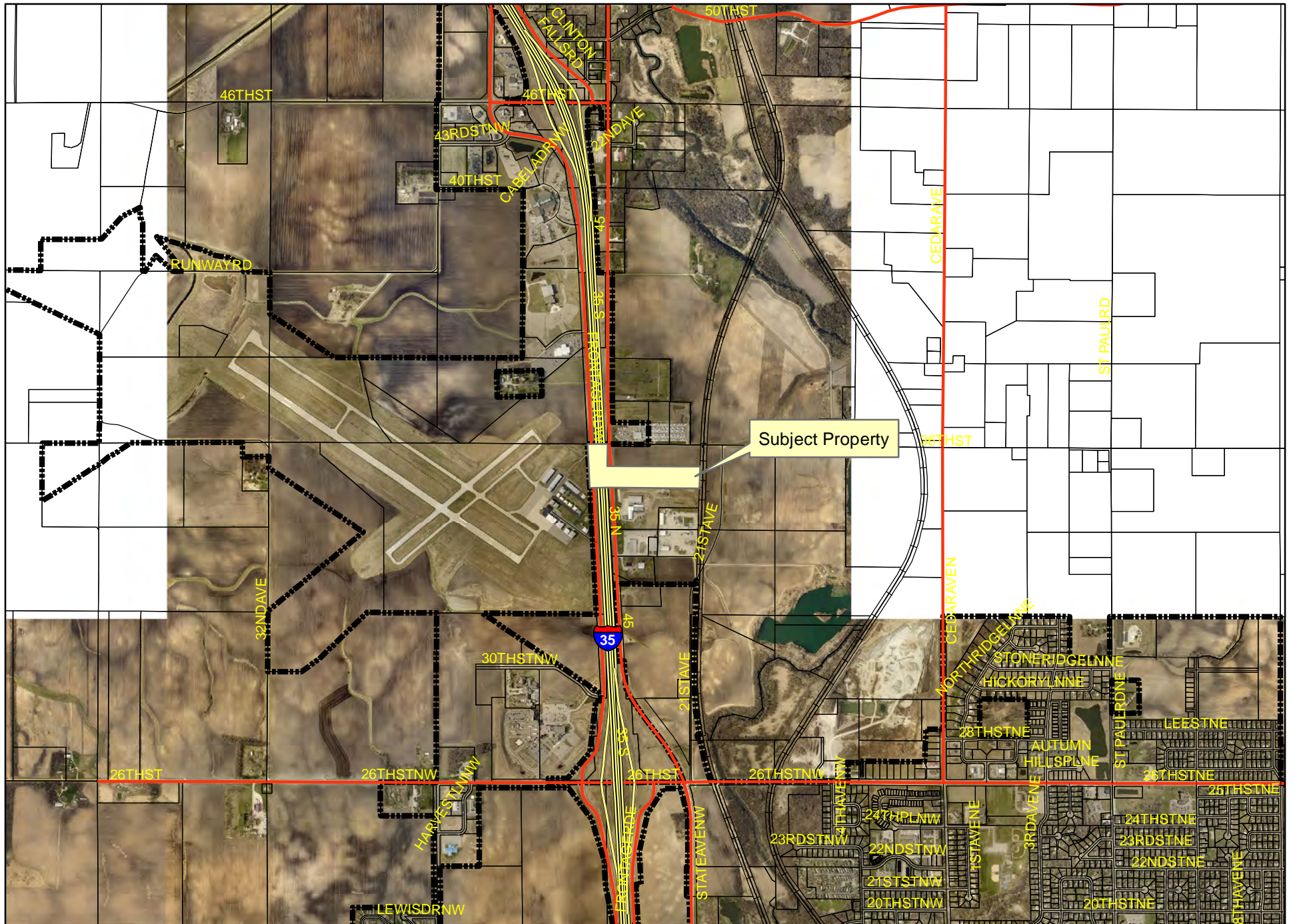
Aye___; No ; Absent ____

Approved and signed this ____day of _____, 2018.

Thomas A. Kuntz, Mayor

ATTEST:

Kris M. Busse, City Administrator/City Clerk



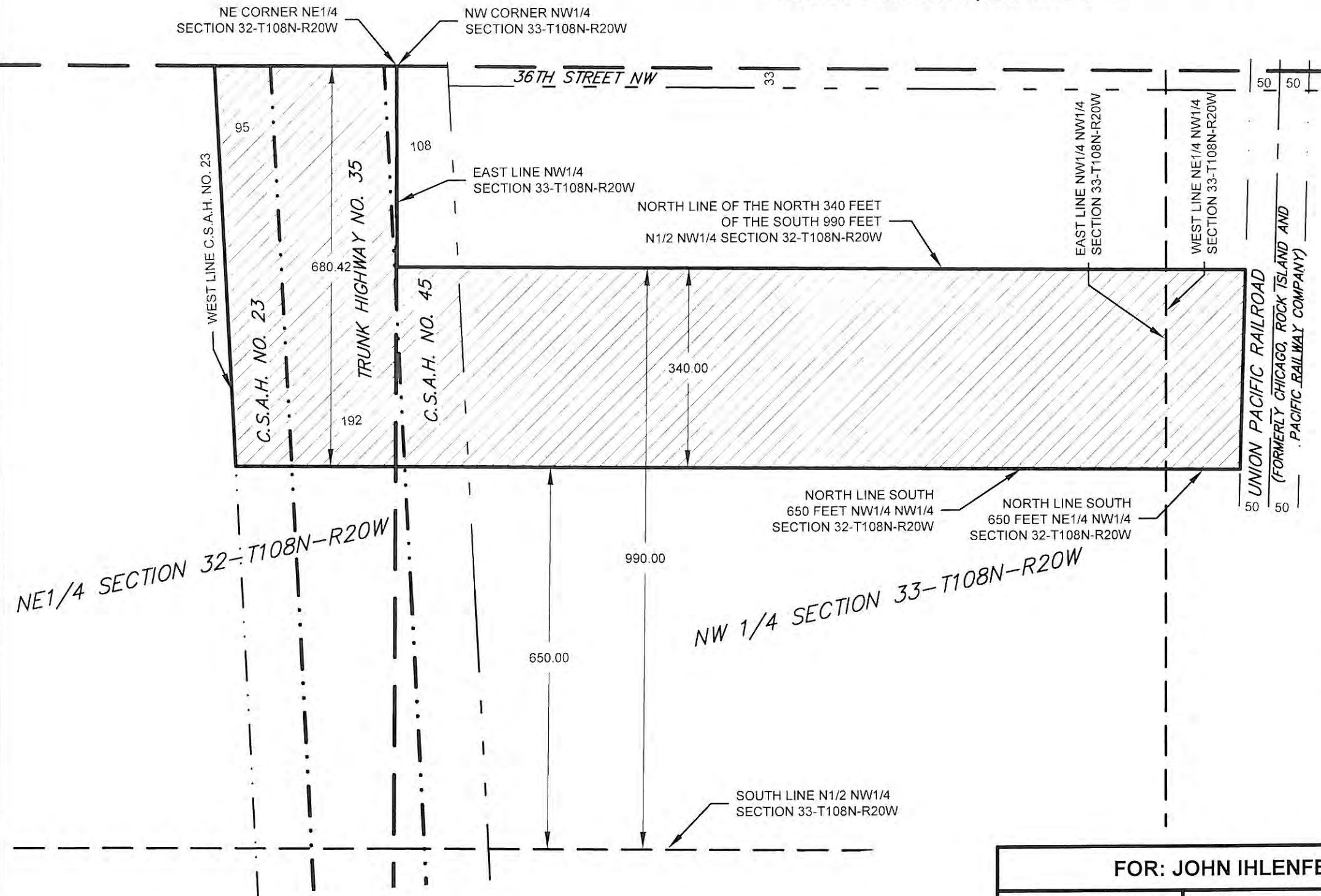
Proposed Annexation

1 inch = 2,000 feet

Date: 3/28/2018

ANNEXATION DRAWING

PART OF NE1/4 SECTION 32-T108N-R20W & NW1/4 SECTION 33-T108N-R20W
STEELE COUNTY, MINNESOTA



SCALE: 1" = 200'

PREPARED LEGAL DESCRIPTION

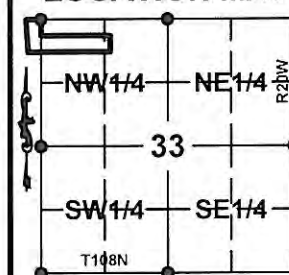
The North 340.00 feet of the South 990.00 feet of the N1/2 NW1/4 of Section 33-T108N-R20W, Steele County, Minnesota which is West of the Union Pacific Railroad (formerly known as the Chicago, Rock, Island and Pacific Railway Company) right of way;

AND

the North 680.42 feet of the NE1/4 of said Section 32 which is East of the west right of way line of C.S.A.H. No. 23.

FOR: JOHN IHLENFELD

LOCATION MAP



Scale: 1" = 4000'

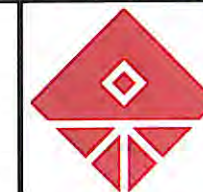
Date: 03/26/2018 Revised date:-
Drawn by: SAT Survey:-
Field Book:- Page 1 of 1
Coord-System: MNDOT CO. NAD83 (11)
Job No: 17-1172 File: 1048

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I hereby certify that this survey, plan, or report was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota.

Scott A. Tuchtenhagen
Date: 3/26/17

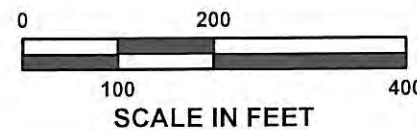
L.S. No. 52646



JONES HAUGH SMITH
Engineers + Surveyors

515 South Washington Ave.
Albert Lea, MN 56007
507-373-4876

415 West North Street
Owatonna, MN 55060
507-451-4598



Greg W. Kruschke

From: Greg W. Kruschke
Sent: Monday, April 16, 2018 4:49 PM
To: [REDACTED]@gmail.com
Subject: Annexation Recommendations

John,

The following are the recommendations that will be made to the City Council regarding your annexation request.

- 1) Recommending that the billboard be removed in its entirety, including any poles and foundations before the building permit is issued. It should be noted that the billboard will become non-conforming upon annexation.
- 2) The annexation fee for Sanitary Sewer and Water mains is a total \$16,969.40 for this parcel.
 - a. Total cost with interest is \$19,399.56. Present day water cost is \$22.67 per foot. At 340 feet this price is \$7,707.80 for the annexed portion of this parcel. Using the cheaper present day cost, assuming that is what you would choose, that cost (\$7,707.80) is included in the total above.
 - b. Present day sewer cost is figured at \$27.24 per foot. This is 50% of the cost as the other side is Interstate. Figuring the width of the parcel at 340' x \$27.24 is a sewer fee of \$9,261.60.
 - c. Total Sanitary Sewer and Water annexation fee of \$16,969.40 will be charged to annex the property.
- 3) The property will be required to be platted upon annexation. You have already applied for this.

The above will be presented to the City Council as the Staff Recommendation for this annexation at the public hearing on May 1st.

The following is the proposed timeline for your requests moving forward:

- a) Annexation Hearing – 1st Reading at City Council May 1st
- b) Preliminary Plat Hearing at Planning Commission – May 8th
- c) Annexation 2nd Reading at Council – May 15th
- d) Preliminary Plat approval at Council – May 15th
- e) City to Submit to State of MN – May 17th
- f) Property owner to submit final plat – May 18th
- g) Planning Commission approval on Final Plat – June 12th
- h) City Council approval on Final Plat – June 19th
- i) Plat to be recorded after June 20th
- j) Permits can be issued after plat is recorded assuming items have all been submitted and approved

Feel free to contact me with any further questions.

Greg Kruschke, AICP
Community Development Manager
City of Owatonna