

## Policy Proposals for Consideration

### Joint Legislative Commission on Municipal Annexation

January 22, 2009

#### I. Procedure Issues

- A.. Direct the Local Government Commission to provide oversight of the municipal annexation process by, for example: (1) assessing the fiscal feasibility of all proposed annexations, and by (2) prohibiting further annexation by cities that do not provide services as provided in their annexation plan.
- B. Insure notice to those affected by a proposed annexation by requiring more detailed notice, by certified mail.

#### II. Water and Sewer Related Issues

- A. If water and sewer are financed by assessments, require that assessments be phased-in in increments over 4-5 years, and then provide a 20 year repayment period after complete phase in.
- B. Providing water and sewer would be automatic - property owners would not be required to request the provision of water and sewer. Cost of providing the service to the property line is to be paid for by the municipality.

#### III. Qualification of Annexation Area/ Annexing Municipality

- A. Annex areas that are "urban in nature" For example: (1) change the density requirement to 2.5 persons per acre; and change the "use and subdivision" standard to 65% of lots used for urban purposes (raise from 60%) and at least 60% of the remaining lots be no more than two acres (down from 3 acres)
- B. Define "meaningful services" to be: providing 3 of the 5 following services: water, sewer, police protection, fire protection, solid waste
- C. Prohibit involuntary annexation into an area already served by a central water and sewer system unless there is 50% agreement of property owners.
- D. Curtail use of "shoe-string" annexations
- E. Prohibit splitting neighborhoods and subdivisions along individual lot property lines – either annex all or none of a subdivision.

#### IV. Distressed areas/Doughnut holes

- A. It is proposed that Part 1 (Extension by Petition or Voluntary Annexation) and Part 4 (Extension of Noncontiguous Areas or Satellite Annexation) of

Article 4A of Chapter 160A of the General Statutes be amended to facilitate the annexation of low-income areas. Presently, a petition from 100 percent of the property owners in the area proposed for annexation is required. The amendment would allow annexation to occur upon submission of a petition from 75 percent of the resident households in the area proposed for annexation, provided 50 percent or more of the households in the area to be annexed have incomes that are 200 percent or less than the most recently published United States Census Bureau poverty thresholds.

For example, according to the most recently published U.S. Census Bureau figures (2007), the poverty threshold for a family of two adults and two children is \$21,027.

**V. Tax-related Issues**

- A. The Local Government Commission should have the authority to abate all taxes if all services not in place within 5 years after the annexation effective date.
- B. Specify sales tax distribution between the City and County following an annexation - - 50-50.
- C. Phase in property taxes based on level of services provided.

**VI. Other**

- A. Require counties and cities to develop joint land use plans, if both are engaged in any land use planning.
- B. Prohibit new or changed municipal zoning regulations for any annexed farms that qualify for the present use value for taxation purposes for so long as the farm qualifies for present use value.

**VII. Moratorium**

- A. Enact a moratorium until the current annexation laws are revised.

**VIII. Vote**

- A. Allow a vote of only the citizens within the area targeted for annexation for or against the proposed annexation.