



Town of Shelby



# Proposed City of La Crosse/Town of Shelby Cooperative Boundary Agreement

## EXECUTIVE SUMMARY

October 19, 2017

### Why are the City and Town pursuing this agreement?

The City and Town are closely intertwined. We share a school district, a local economy, and a complex boundary. Annexations of Town land into the city, and proposals for housing developments in the Town have resulted in conflict over the years. The purpose of this agreement is to build trust and predictability for the City, the Town and property owners.

### How has this agreement been drafted?

Regional discussions about the benefits of boundary agreements started in 2014. A Working Group of elected officials and staff for the City and Town started meeting in 2015 and have been meeting every 1-2 months in 2016 and 2017. There are been periodic updates and consultation with the Town Plan Commission and Board and City Plan Commission and Council, and consultation with the City and Town attorneys. City and Town officials shared an initial draft agreement with the public in December 2016, including a public information meeting on December 12 attended by about 70 people. The process has been facilitated by planning consultant MSA Professional Services, Inc., on behalf of the La Crosse Area Planning Committee.

### How long would this agreement last?

The agreement is proposed to last 20 years, and would extend automatically for 5-year extensions if neither party actively withdraws.

### What if either party wishes to alter the terms of this agreement after adoption?

The agreement allows for amendments at any time if both parties agree to the amendment. Any perceived violations of the agreement can be resolved through processes described in the agreement, including legal action and remedies.

### What will the City and Town gain by approving this agreement?

#### Both the City and the Town will gain:

- Property tax revenue growth due to new residential development
- Economic development in the southern part of the County, supported by an increased workforce and customer base
- Support for the School District of La Crosse due to growth in enrollment and property tax revenue
- Avoidance of conflict and lawsuits, saving time and money
- Further collaboration for fire, police, and other municipal services
- Active collaboration and mutual support in pursuit of a joint City-Town library district so that the Town's tax dollars go to a library that Town residents use

#### The Town will also gain:

- A Town Growth Area where subdivisions will be approved by the City without annexation
- Extension of City sewer and water service without annexation, without rate surcharges, and with discounted connection fees
- Use of all City services, such as recreational facility fees, at "resident" rates
- Ownership of the Shelby Youth Baseball Hillview Complex Parking Lot, transferred from the City
- 10 years of tax revenue from annexed lands based on improved values

#### The City will also gain:

- Revenue sharing to offset City costs resulting from Town resident use of City infrastructure
- Area reserved for city growth, including lands scheduled for attachment in 15 years
- Improved planning for growth areas
- Consistent development standards for Town development

**WHAT ARE THE PROPOSED TERMS OF THE AGREEMENT?**

**The proposed agreement would designate seven policy areas in the Town (see the map).**

**Area 1 – Development Requires Annexation, Attachment in 15 Years**

- a) Urban development will require annexation or attachment to the City
- b) This agreement does not compel the sale or development of land. Landowners decide if and when to sell or pursue development.
- c) All lands in this Area will be attached to the City 15 years after the Agreement is approved by both parties, including any developments that exercise the delayed-annexation option (see “e” below)
- d) No land divisions or rezonings while still in the Town, except with City approval. The City agrees to approve a limited number of lot splits, per the following criteria:
  - i. 1 split per 35 acres (minimum size to be eligible), while this boundary agreement remains in force. Once a split has occurred after adoption of this agreement, the 35 acres of land from which it was split can no longer be further divided or counted toward a split without annexation.
  - ii. For landowners with larger parcels and/or a series of contiguous parcels each at least 35 acres, additional splits would be allowed and could be clustered anywhere within the contiguous acreage rather than tied to the “parent” parcel. Individual parcels larger than 70 acres could have 2 splits, 125 acres could have three splits, etc.
  - iii. The resulting splits should be of minimum necessary size to create a residential lot with private, on-site well and septic. Additional acreage that is not developable due to slope or wetland characteristics would not count against this limit.
  - iv. The resulting splits must be shown to not impede the future development of the remaining lands. Neither the City nor the Town will approve any land division that would impede the practical extension of streets and/or utilities into developable lands.
- e) A “Delayed Attachment” option for owners seeking development, allowing development to City standards that would stay in the Town and pay Town tax rates until all lands in this Area 1 are attached to the City (which will occur 15 years after this agreement is approved).
- f) This agreement will result in the annexation or attachment of existing homes. Annexed or attached properties with private on-site wastewater treatment systems and/or wells that are compliant with the La Crosse County Sanitation Code will be allowed to continue using those private systems, even if City services are readily available, until those systems require replacement to comply with County code, or until 20 years have elapsed from the time of annexation, whichever comes first.
- g) City/Town collaboration on neighborhood or corridor planning efforts
- h) Hunting is allowed in annexed lands, per City ordinances

**Area 1A – Development Requires Annexation, No Required Attachment if Not Developed**

- a) Same as Area 1, with the following changes:
  - i. Any lands not developed will stay in the Town.
  - ii. The “Delayed Attachment” option would allow developed property to stay in the Town and pay Town tax rates for up to 15 years. This option is only available for a period of 15 years from approval of this agreement, and any properties that develop with this option within those 15 years will be attached to the City at that time.
  - iii. New Town islands may be created as a result of annexations or attachments during the term of this agreement, and would be allowed to remain as Town islands until the original agreement period expires, and then would be attached to the City. There will be no extraordinary efforts in the platting process to protect the connectivity of a potential town island with a “string” of Town jurisdiction.
  - iv. When land is developed, all portions of a subdivided parcel must be annexed, either immediately or by delayed attachment, including any existing farmstead or homestead.

## Proposed La Crosse/Shelby Cooperative Boundary Agreement – Executive Summary

### Area 2 – Town Growth

- a) No annexations or attachments permitted
- b) Development permitted if consistent with agreed standards:
  - i. 66-foot road right-of-way
  - ii. Maximum cul-de-sac length of 500 feet, or turnarounds provided every 500 feet
  - iii. Safe zones for walking and biking on all new streets
  - iv. If unsewered, easements that would allow for future retrofit of sewer
  - v. Curb and gutter and storm sewer NOT required
  - vi. Street trees NOT required
- c) City will approve plats that meet the standards in this agreement within 45 days of complete submittal
- d) City will allow extension of City sewer and water service, per the following terms:
  - i. The capital costs of new infrastructure will be assessed to the area served
  - ii. Where existing infrastructure has already been upsized for future growth (e.g. the 14/61 corridor), standardized deferred assessments will be charged to the area served
  - iii. The City will charge a standardized, one-time fee for connection to the City sewer and/or water system, discounted 10% for new Town of Shelby customers

### Area 2A - Town Growth, Sewer Required

- a) Same as Area 2, but development will be permitted only with City sewer and water service

### Area 3 - Town Islands

- a) Annexation by voluntary petition (or by ordinance, if the parcel is City-owned)
- b) No new sewer or water extensions except with annexation
- c) No Town objection to annexation petitions
- d) City may offer incentives to encourage voluntary annexation, or may buy a parcel from a willing seller to facilitate annexation and redevelopment. If the City buys a parcel five or fewer years prior to annexation, it will still provide 5 years of revenue sharing payments based on the most recent Town tax revenue for that parcel.
- e) Commitment to collaborate on any neighborhood or corridor planning in and around these areas

### Area 4 - Bluffland Transition

- a) Could remain in the Town or annex to the City
- b) No Town objection to annexation petitions
- c) Annexation required for development of lands below the bluff
- d) Conservation lands can be in City or in Town
- e) Hunting is allowed in annexed lands, per City ordinances

### Area 5 - Rural Preservation

- a) No City sewer or water service will be extended to this area
- b) This area will continue to be subject to the City's plat review authority; any plats creating 5 or more parcels will be reviewed on a case-by-case basis

**The Agreement would also establish revenue sharing payments and several other mutual commitments.**

Revenue Sharing

- a) The City will provide to the Town 10 years of tax revenue whenever property is annexed prior to urban development. The revenue will be shared each year based on the value of the annexed land in that year (including the value of any improvements), at a rate equal to 50% of the Town tax rate.
- b) The Town will provide to the City 50% of its tax revenue for any “delayed attachment” development in Area 1 or Area 1A while it remains in the Town, or for a period of 10 years, whichever is shorter.
- c) The Town will provide to the City, in perpetuity, a fee per every household. This fee would begin at \$30 per household in 2020 and then increase \$1 per year until it reaches \$34 per household in 2024. It will be adjusted each year thereafter to reflect the number of households, and also adjusted for inflation each year. The number of households will be based on Town tax parcel records as of January 1 of each year.

Other Commitments

- a) All City departments and services, such as the Parks Department, will charge “resident” rates for Shelby users
- b) The Shelby Youth Baseball Hillview Complex Parking Lot will be transferred to the Town
- c) The City and Town will amend/update their respective comprehensive plans for consistency with this agreement
- d) The City and Town agree to work together to renew Sewer Service Agreements for Shelby Sanitary District #1 and Shelby Sanitary District #2, and to create any new sewer or water districts as needed, consistent with the terms of this plan
- e) The City and Town will each support and actively pursue a joint City-Town Library District, or comparable arrangement, and redirection of Town property tax payments for library services to the City or new joint district
- f) The City and Town will meet periodically to review police and fire service needs and patterns, and to pursue additional agreements as possible to meet those needs efficiently and equitably