

Annexation Policies

Community Development Department
February 1993

INTRODUCTION

In 1984, a team effort spearheaded by the Department of Community Development, resulted in a set of policies for use in the preannexation and annexation processes by the City of Rockford. Other active participants in this effort were the City's Fire, Legal, Police and Public Works Departments, and the Mayor's Office. Those policies were designed to achieve the following objectives:

- Establish Ultimate City Boundaries. It is within this area that all other policies would be applied to the full extent possible.
- Give top priority to annexing land necessary for the City's economic development and the islands, and making City boundaries less irregular.
- Ensure the ability to expand urban public improvements and services throughout the Ultimate Annexation Area in the years ahead.
- Ensure consistency in the City's treatment of all preannexation and annexation requests and all development proposals within the 1 ½ mile extraterritorial jurisdiction.

Nine years of implementing the adopted policies (MAP 1) has reaped the following results:

- An Annexation Development Group/Committee with representatives from the Mayor's Office, Public Works, Legal, Fire, Police, Finance and Community Development Departments has been formed. This Committee meets bimonthly to review individual annexations, develop future annexation strategies, and review requests of proposed developments.
- Numerous Preannexation Agreements have been negotiated and executed, and all water connections have required annexation or Agreements.
- Boundary Agreements have been signed with Cherry Valley and Machesney Park, and the Boundary Agreement with Loves Park has been extended until 1995.
- Between 1983 and 1992, a total of 5,574 acres or 8.7 square miles were annexed.
- Equalized Assessed Valuation of annexed land has increased from \$36.8 million at the time of annexation to \$88.9 million, and will continue to increase because a large percentage of the annexed areas are still vacant - 65 percent (463 of the 704 acres) of commercially-zoned land is still vacant, for example.

- The areas annexed during 1983 - 1992 yielded a little over \$2 million in property taxes to the City in 1991. In addition, it is estimated that most of the City's sales tax growth from \$9.5 million in 1983 to \$13.8 million in 1991 can be attributed to the annexations. Over 100 sales tax generators are located within the annexed areas, ranging from Wal-Mart, Cheddars and Hampton Inn to Sutherland Lumber and The Greater Rockford Airport.
- Nearly 5,700 new residents live in the area annexed between 1983 and 1992.
- Major progress was made in several of the "1983 - 1988 Priority Annexation Areas".
 - a) The Greater Rockford Airport was annexed (Priority Area "A").
 - b) The East State Street annexations, including the Agreement with the Clock Tower are 95 percent complete (Priority Area "B").
 - c) A large southeast island was annexed through the Superfund Program (Priority Area "G")
 - d) The Forest Hills Road / Riverside Boulevard islands are approximately 75 percent complete, and all properties on Riverside Boulevard between Forest Hills Road and the Toll way will be in the City by April, leaving only the Forest Hills Country Club island remaining (Priority Area "H").
 - e) Annexation of County-owned land on North Main Street brought the west approaches of the Harlem-Elmwood Bridge into the City of Rockford (Priority Area "F").

With these Priority Areas completed or partially complete, a new set of Priority Areas need to be considered.

As evidenced by the previously stated benefits, the 1984 Policies were very effective in generating this development; however, they have become somewhat dated and need to be reevaluated. That is the purpose of the **1993 ANNEXATION POLICIES**.

The following Policies are recommended as the **1993 ANNEXATION POLICIES**, and each Policy is presented in more detail on the following pages:

- Annexation efforts will be focused in the Priority Annexation Areas identified on the following pages.
- Staff will attempt to negotiate Annexation Boundary Agreements with New Milford, Belvidere, the Village of Rockton and other interested villages and municipalities when appropriate.

- A Revised Ultimate Boundary will be established for the City in conjunction with these Revised Policies.
- City Subdivision Regulations will be enforced within the Revised Ultimate Boundary whenever possible to ensure orderly development and annexations.
- All properties will be annexed within the Revised Ultimate Boundary which are contiguous and have an Agreement or are surrounded and less than 60 acres.
- Property owners may be allowed to extend City water service after a Preannexation Agreement has been approved.
- Preannexation Agreements will specify the responsible party (City or Annexee) for paying for public improvements.
- Subsequent public improvements to annexed properties, without Preannexation Agreements, will be developed to City standards at the owner's expense.
- Any Annexation or Preannexation Agreement that includes a City investment in public utilities should have a two-year pay back.
- The City will be allowed to inspect existing multifamily, commercial and industrial structures prior to annexation or the execution of a Preannexation Agreement for applicability of City Codes.
- The City will actively pursue Preannexation Agreements with tax exempt properties within the Revised Ultimate Boundary.
- There will be no annexations between September 1st and December 31st of each year unless it meets the criteria of one of the noted exceptions.
- Property owners will receive written notification of the pending annexation at least one week before the matter comes up before the Codes and Regulations Committee.

PRIORITY ANNEXATION AREAS

POLICY: Annexation efforts will be focused in the Priority Annexation areas identified below.

During the next five years, the City will continue to give top priority to annexing areas that will enhance its economic development, utilize existing investments in public utilities, facilitate orderly development, or simplify its boundaries for service delivery.

(MAP 2). Specifically, the following are designated as Priority Annexation Areas in general order of priority based on the above criteria.

1. **ISLANDS:** Annexation of the (5) Northeast Islands would eliminate duplication of City and County police patrols in the area; simplify the provision of emergency services, snowplowing, street maintenance and garbage collection; and require the residents to pay their way for existing water service.
Annexation of the (5) Southeast Islands would do all the same things plus bring in some valuable commercial properties on 11th Street. Annexing these commercial properties would not only bring in regular sales tax, but also the 1 percent (1%) restaurant and lounge tax. Annexation of all existing islands would increase the City's Assessed Valuation by \$68 million.
2. **EAST STATE STREET:** Annexation of remaining properties on Rockford's side of the Cherry Valley Boundary Agreement which have commercial potential.
3. **ELEVENTH STREET:** Annexation of the east side of 11th Street from the By-Pass to Blackhawk Road would bring additional industrial development into the City. (The west side is already in the City).
4. **NORTH MAIN STREET:** Annexation of the existing sanitary sewer basin (that can be served) would bring a prime economic development area, adjacent to the Harlem-Elmwood Bridge approaches, into the City.
5. **SANITARY SEWER PROJECTS:** Annexation in conjunction with negotiated sanitary sewer projects (Kishwaukee Trunk, Spring Creek and Keith Creek--North Branch) would help assure development on sanitary sewer and City water rather than private wells and septic tanks.
6. **WEST STATE STREET:** Annexation to the west that would match the extension of utilities to Farm & Fleet, would bring a major commercial use into the City, and allow greater City control over development of currently undeveloped land.
7. **BLACKHAWK SANITARY SEWER TRUNK:** Annexation of this area, after an Agreement is negotiated, would assure development on sanitary sewer and City water rather than private wells and septic tanks. Increased residential development, at urban densities, will lead to future commercial development.
8. **HARRISON-SPRINGFIELD ROAD:** City water will be installed during construction of this roadway; therefore, annexation should be mandatory as development occurs.
9. **CHARLES STREET:** Annexation of this urbanized area (both sides of Charles Street), between Alpine and Mulford Roads, would produce the same benefits as annexing an island.

10. **SOUTHWEST AREA:** Annexation of the properties which lie between Cunningham Road, West State Street and Memorial Boulevard would help eliminate the irregular boundaries along the west edge of the City, thus resulting in a smoother delivery of services.

11. **SOUTHEAST UNINCORPORATED AREAS:** Annexation of the unincorporated areas between our City limits and the Cherry Valley Boundary Agreement, north of By-Pass 20 to East State Street, would ultimately result in a smoother delivery of City services.

RATIONALE:

The overall intent of this Policy is to focus the City's efforts towards these Priority Areas. It does not mean that other areas will not be annexed during the same period.

The reasons for the first objective - economic development - are self evident. New nonresidential properties add to the City's tax base, create additional employment opportunities for Rockford residents, and generally add to the City's image as a growing community.

Many of the Priority Areas are already served with City water and District sewer. Some areas even have streets that have been constructed, reconstructed or maintained by the City. These areas already receive or have access to City services and should be in the City.

As public utilities are expanded, annexation is needed to ensure orderly development according to the City's Zoning and Subdivision Ordinances. Annexation also gives the City a greater ability to ensure orderly development beyond its boundaries within the 1 ½ mile extraterritorial area.

Making City boundaries less irregular would make the provision of various services in these areas simpler and more efficient. Our current boundaries lead to confusion in responding to emergency calls; to duplication of services by both the City and County in patrolling fringe areas and islands; and to gaps in what should ideally be continuous services, such as street maintenance and garbage pickup. While there are obviously some short term costs in annexing areas such as the southeast islands, there are also long-term savings to be gained from bringing them into the City rather than leaving them as islands of substandard development.

BOUNDARY AGREEMENTS

POLICY: Staff will attempt to negotiate Annexation Boundary Agreements with New Milford, Belvidere, the Village of Rockton and other interested villages and municipalities when appropriate.

- **NEW MILFORD:** New Milford has been contacted for resolution of a Boundary Agreement. Following the Agreement, annexations would simplify and smooth out service delivery within the established boundary.
- **BELVIDERE:** A Boundary Agreement would allow the Cities of Rockford and Belvidere to plan for orderly annexation and development. The Boundary Agreement will be proposed after the completion of the City's Growth Management Study in December 1993.
- **ROCKTON:** To promote long-term orderly development and annexation on the northwest side, a Boundary Agreement should be negotiated with the Village of Rockton.

RATIONALE:

The proposed Boundary Agreements would pave the way for orderly annexation and development and eliminate potential border wars. The Agreements with Loves Park, Machesney Park and Cherry Valley have encouraged friendly competition for businesses without competing for territory.

ULTIMATE BOUNDARY FOR THE CITY OF ROCKFORD

Policy: A Revised Ultimate Boundary will be established for the City in conjunction with these Revised Policies.

The City establishes a Revised Ultimate Boundary for annexation as outlined on MAP 3. The Boundary contains all the area to which the City can reasonably expect to provide urban services in the foreseeable future and incorporates the existing Boundary Agreements. The Ultimate Boundary is based on the following:

- Agreements with Loves Park, Cherry Valley and Machesney Park, and future Agreements with other villages and municipalities.
- Compliance with the basic goals and policies of the Year 2010 Plan.
- Possible annexations eastward beyond the Boone County line, between Riverside Boulevard and East State Street, are contingent upon the completion of the City's Growth Management Study, negotiations with Belvidere, and the orderly development of City services.

- Staying north of the Kishwaukee River, except the potential expansion of the Greater Rockford Airport.
- Staying east of Meridian Road.
- Following drainage basins on the northwest and southwest sides.

RATIONALE:

Adoption of an Ultimate Boundary (revised 1993) will provide the City with a basis from which to make decisions concerning annexations on its outer perimeter, the extension of water service beyond current City limits, regulation of development within the 1 ½ mile extraterritorial area, and long-range capital improvement planning.

EXTRATERRITORIAL POWERS AND THEIR RELATIONSHIP TO ANNEXATIONS

POLICY: City Subdivision Regulations will be enforced within the 1 ½ mile extraterritorial area and the Revised Ultimate Boundary, whenever possible, to ensure orderly development and annexations.

The City of Rockford will continue to use its extraterritorial powers to ensure that development within 1 ½ miles of the corporate limits of Rockford (the extraterritorial area) is developed with full City-standard improvements as specified in the Subdivision Regulations of the City of Rockford. The only exceptions will be:

- a) Proposed developments on the other side of the existing Boundary Agreements where the City has no jurisdiction.
- b) Proposed developments within the 1 ½ mile area but outside the Ultimate Boundary, where the City Council will determine whether or not City standards will be required.

RATIONALE:

The intent of this Policy is to ensure that developing areas within the extraterritorial limits of Rockford have full City-standard improvements and that these areas be required to annex to Rockford upon being contiguous. These areas will eventually become part of the City. By having them develop to City standards from the start, we will avoid the problems inherent in trying to bring them up to standard at a later date. New development on the fringe has to be viewed as part of the total fabric of the City 15 or 20 years from now, not just as it exists today. Proposed developments, which are within the 1 ½ mile area but outside the Ultimate Boundary, must comply with the City's

Subdivision Regulations unless the City Council determines that the proposed development will not be detrimental to the future expansion of the City.

ANNEXATION OF PREVIOUSLY PLATTED OR DEVELOPED AREAS

POLICY: All properties will be annexed within the Revised Ultimate Boundary which are contiguous and have an Agreement or are surrounded and less than 60 areas.

The City will annex previously platted unincorporated areas located within the Priority Annexation Areas, and developed areas within the Ultimate Boundary based on the following conditions:

- A Preannexation Agreement for water or sewer service already exists between the City and the property owners.
- The area is completely surrounded by the City and less than 60 acres.

Only in the case of a surrounded area of less than 60 acres shall an annexation occur without a Preannexation Agreement between the City of Rockford and the property owners. In this case, the property owners will receive a letter which details the City services that will be received.

RATIONALE:

The intent of this Policy is to ensure that:

- All property owners will have a written understanding with the City of the services to be provided by the City.
- All properties which have agreed to annex to the City upon becoming contiguous do annex.
- Preannexation Agreements are negotiated to ensure orderly development adjacent to and beyond the current City boundaries.

WATER SERVICE

POLICY: Property owners may be allowed to extend City water service after a Preannexation Agreement has been approved.

Upon passage of a Preannexation Agreement, Rockford may allow City water service to be extended to areas outside its boundaries that are within the City's adopted Ultimate Boundary. Such extensions will continue to be paid for by the party seeking the water,

with the amount in excess of their proportionate share in main construction costs being refunded to them following their actual annexation to the City in accordance with existing City practices.

The City will allow connections to existing water mains only with signature of Water Agreements.

RATIONALE:

Adoption and implementation of this Policy will ensure that:

- The City does not extend water beyond the area it ultimately plans to annex.
- Water is not extended without an agreement to annex.
- The City does not sign a Preannexation Agreement for a property without also reaching an agreement on the provision of all local improvements.
- Individual property owners are not allowed to hook up to City Water without first signing an agreement to annex.

PREANNEXATION AGREEMENTS

POLICY: Preannexation Agreements will specify the responsible party (City or Annexe) for paying for public improvements.

In accordance with existing provisions of the City Code, Preannexation Agreements shall reflect the property owner’s primary responsibility for paying for public improvements. To that end, all Preannexation Agreements, whether for developed or undeveloped land, shall include:

- An inventory of all existing public improvements.
- A statement of what public improvements, if any, the City will pay for.
- A statement of what public improvements, if any, the property owner will pay for.
- A timeframe for all specified improvements to be completed.
- The means by which improvements will be financed.

RATIONALE:

Since the developer normally pays for the installation of all public improvements in new developments, this will place all City residents on an equal footing in terms of who pays for improvements. It will also ensure that both sides - the City and the property owners - are aware of the costs of development, and that these costs will be dealt with in a straightforward manner.

ANNEXATION ORDINANCE - STANDARD STATEMENT CONCERNING PAYMENT FOR LOCAL IMPROVEMENTS

POLICY: Subsequent public improvements to annexed properties, without Preannexation Agreements, will be developed to City standards at the owner’s expense.

Include within all Annexation Ordinances a standard “Whereas” statement that reads as follows:

Any public improvement made to any property annexed to the City shall be to City standards, and shall be paid for by the property owners through special assessment or other appropriate means, unless payment is otherwise specified in a Preannexation Agreement.

To ensure that property owners are aware of this Ordinance, all annexees will receive a letter from the City which includes the above statement.

RATIONALE:

The intent of the Policy is to make it clear to property owners who are annexing without a Preannexation Agreement that they are responsible to pay for improvements to City standards. The Policy, as stated above, is very similar to existing Ordinance 1981-185-0, which amended Chapter 26, Streets and Sidewalks, Article I, In General, Section 26-16. Staff recognizes situations where a comprehensive Preannexation Agreement would not exist, especially in the case of single-family residences with existing Water Agreements only, and in cases of forced annexations.

NEGOTIATED AGREEMENTS

POLICY: Any Annexation or Preannexation Agreement that includes a City investment in public utilities should have a two-year pay back.

To ensure orderly development, City investments in public utilities may be necessary. These investments should be effective, as determined by a cost/benefit analysis.

RATIONALE:

Negotiated Preannexation Agreements, which include a public utility investment by the City, will be subject to a two-year pay back as determined by a cost/benefit analysis performed by Planning Division Staff.

BUILDING INSPECTIONS

POLICY: The City will be allowed to inspect existing multi-family, commercial and industrial structures prior to annexation or the execution of a Preannexation Agreement for applicability of City codes.

In all areas being considered for annexation, the City shall be allowed to inspect existing commercial, industrial and multifamily structures. This would not apply to single-family homes and duplexes.

RATIONALE:

The intent of this Policy is to establish a benchmark for future applicability of City Codes, and minimize the possibilities of a serious fire in buildings which could result in a substantial loss of life.

TAX EXEMPT PROPERTIES

POLICY: The City will actively pursue Preannexation Agreements with tax exempt properties within the Revised Ultimate Boundary.

The City will actively encourage the development of Preannexation Agreements with tax exempt properties within the Priority Annexation Areas, including the islands.

RATIONALE:

Within islands, annexation of tax exempt properties can serve to reduce the overall acreage to less than 60 acres. In the fringe areas, their annexation can preclude the creation of new islands or of blockages to orderly annexation.

TIMING OF ANNEXATIONS

POLICY: There will be no annexations between September 1st and December 31st of each year unless it meets the criteria of one of the noted exceptions.

Taking into account several issues, including the timing of the fall elections, the tax cycle, and fairness issues, there will be no annexations between September 1st and December 31st of each year, except in the following circumstances:

- a) When a contiguous property owner voluntarily petitions the City for annexation to receive City zoning, City water, or another City service.
- b) When a property that City Council determines is of strategic importance to the City already has an Agreement to annex and becomes contiguous as a result of an annexation that occurs prior to September 1st.

NOTICE TO ANNEXEES

POLICY: Property owners will receive written notification of the pending annexation at least one week before the matter comes up before the Codes and Regulations Committee.

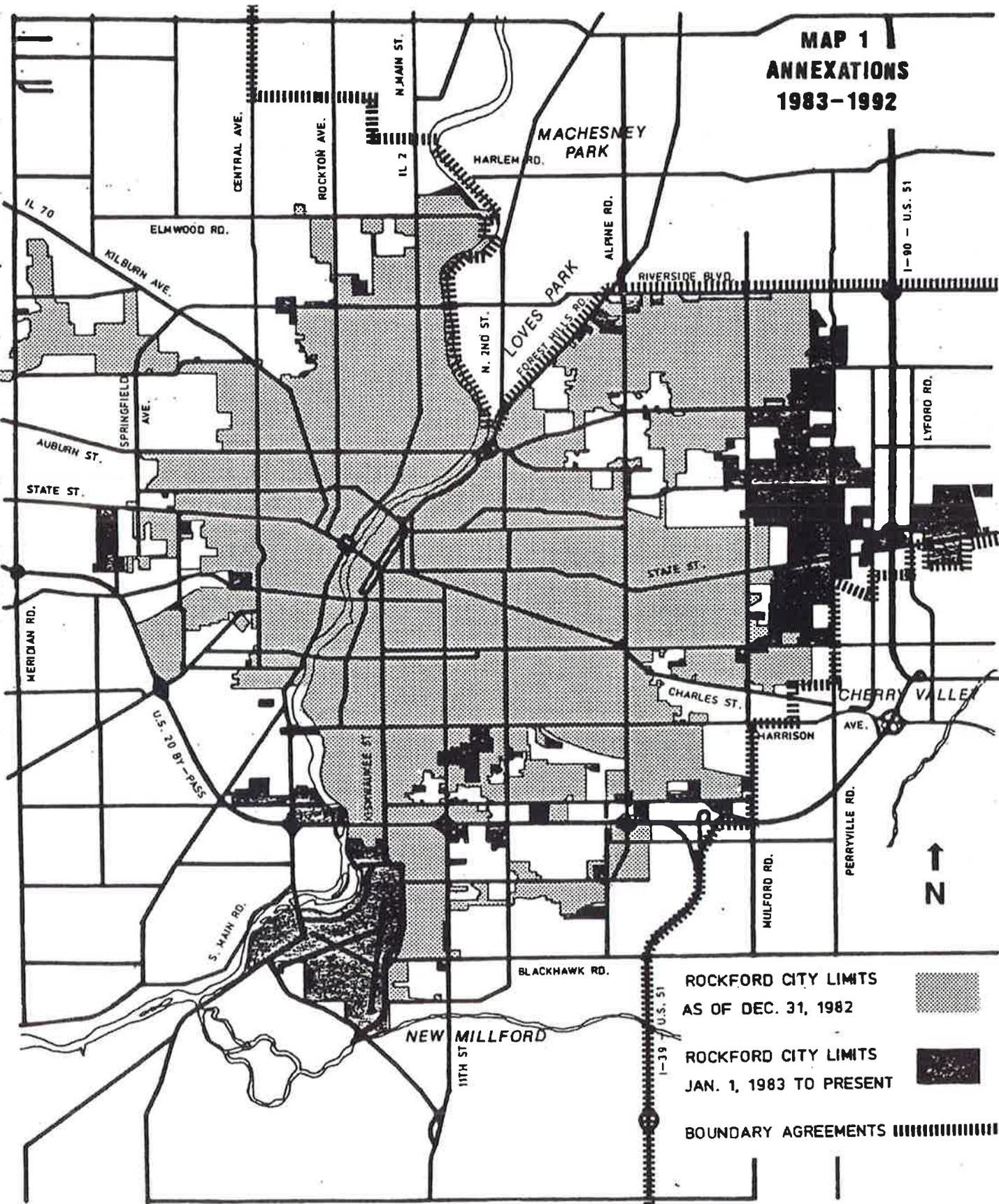
In cases of forced annexations and annexations resulting from execution of old Agreements, current property owners will be notified in writing of the pending annexation at least one week before the matter comes up before the Codes and Regulations Committee. Each letter will include the following:

- a) The actual date that City services will begin.
- b) The date and time of the Codes and Regulations Committee meeting when the annexation will be voted on.
- c) General information concerning City services, garbage collection and City stickers, currently included in the letters.

Spring elections delay the actual annexation of residential properties. Staff will notify property owners of the exact date that they will receive City services in a timely manner. Copies of these letters will also be provided to the Alderman of the Ward involved.

Follow-up letters with more detailed information will be mailed to the property owners the week the Annexation Ordinance is adopted.

**MAP 1
ANNEXATIONS
1983-1992**



ROCKFORD CITY LIMITS
AS OF DEC. 31, 1982

ROCKFORD CITY LIMITS
JAN. 1, 1983 TO PRESENT

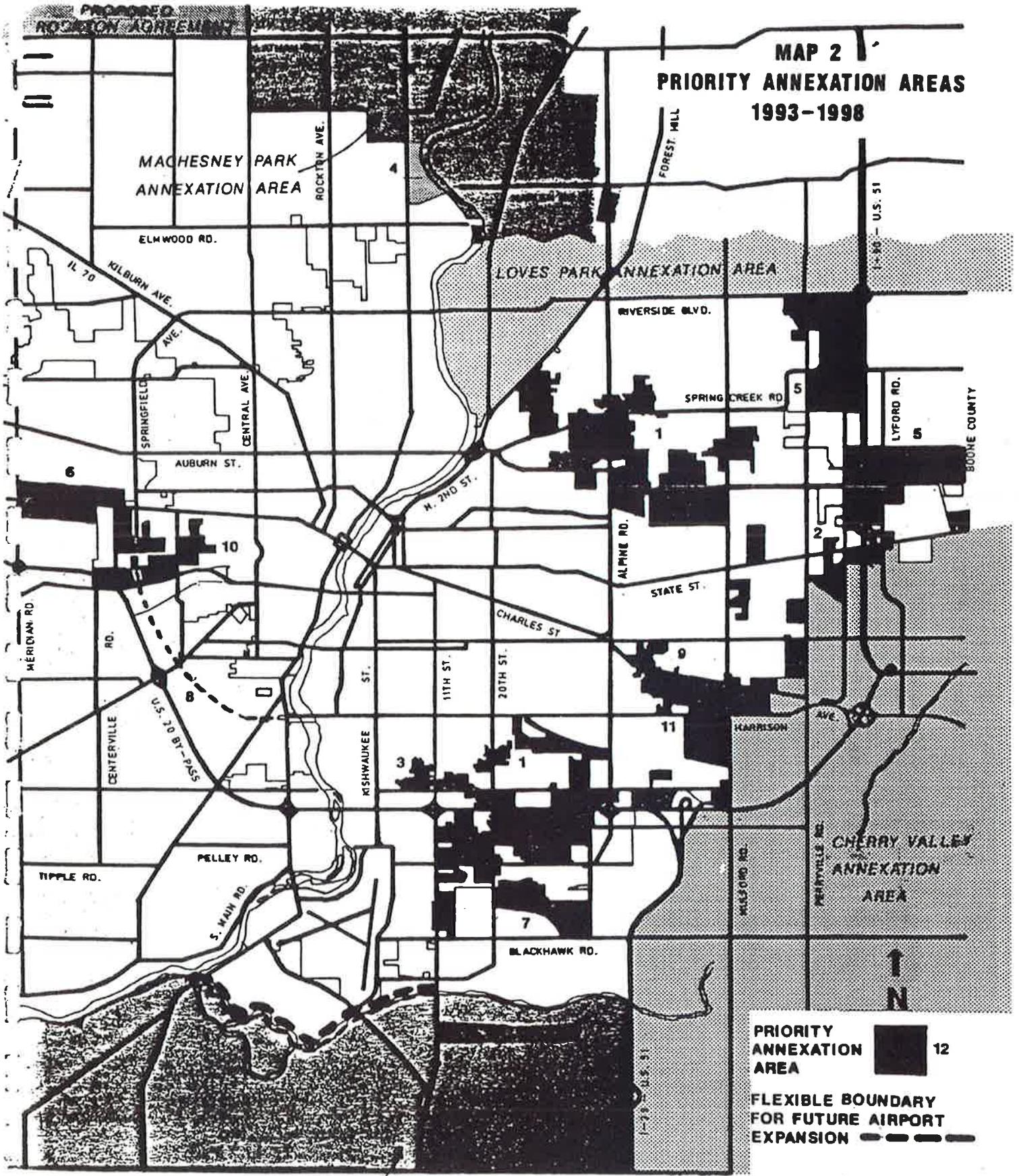
BOUNDARY AGREEMENTS

OGLE COUNTY

BOONE COUNTY

PROPOSED
ROADWAY AGREEMENT

MAP 2 PRIORITY ANNEXATION AREAS 1993-1998



PRIORITY ANNEXATION AREA 12

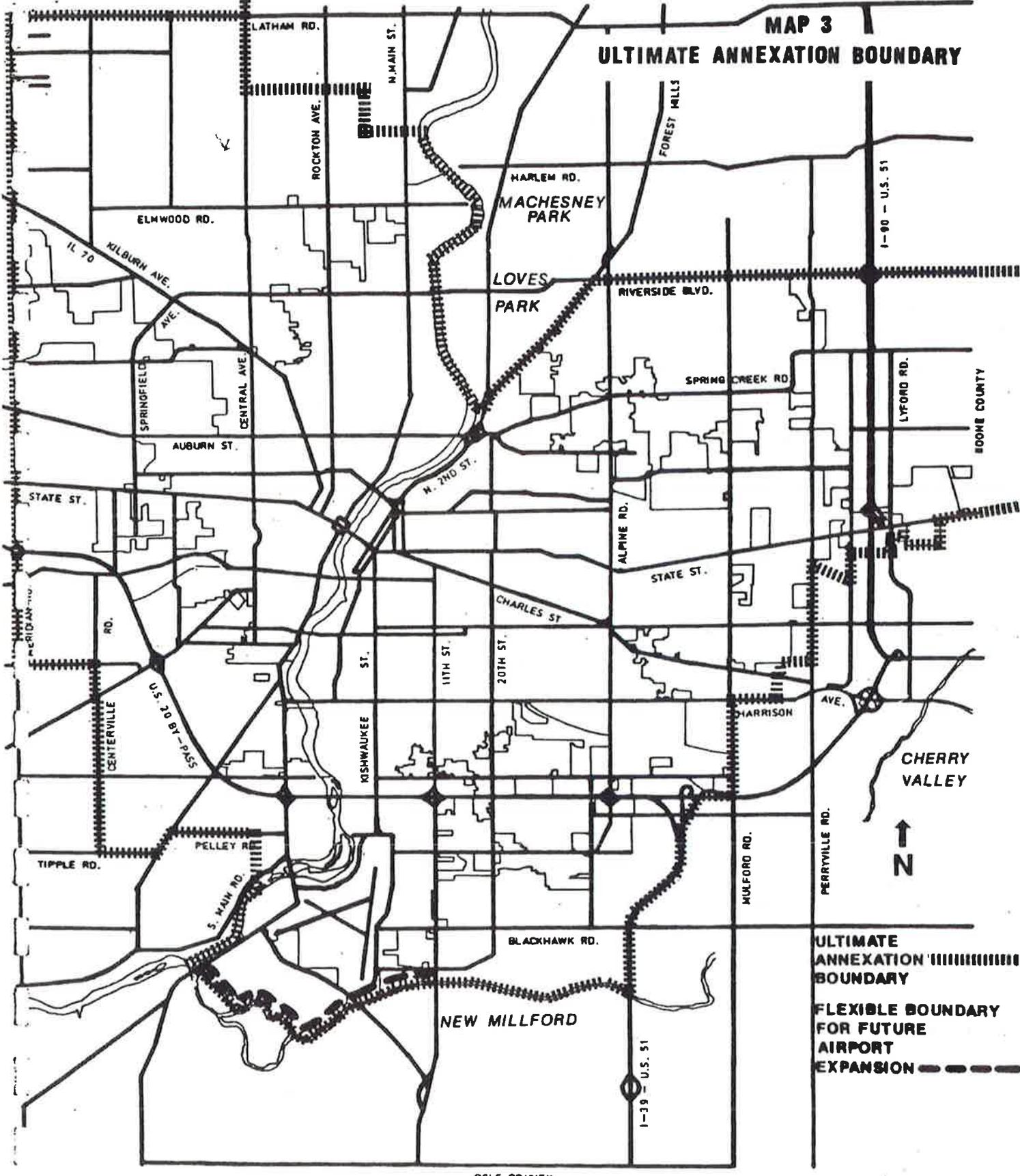
FLEXIBLE BOUNDARY FOR FUTURE AIRPORT EXPANSION



PROPOSED NEW MILLFORD AGREEMENT

OGLE COUNTY

**MAP 3
ULTIMATE ANNEXATION BOUNDARY**



1993