

# CREDIT RIVER TOWNSHIP

## Governance Alternatives Preliminary Findings

Prepared by  
Resource Strategies Corporation

**Annual Township Meeting  
March 9, 2010**

### **Preliminary Consultant Findings:**

1. Credit River Township has been evaluating governance issues for several years.
2. Preliminary reports, such as engineering studies, comprehensive planning, and fiscal studies, are prudent steps in analyzing governance alternatives and are relevant in the Township's ongoing deliberations.
3. The potential for future public sewer and water systems in a portion of the community is real but does not appear imminent.
4. Incorporation is not necessary to construct and operate public sewer and water systems.
5. There are currently two townships in the 7-county Metro Area that own and operate public sewer and water systems (White Bear [11,750 pop.] and Empire [2300 pop.]).
6. Credit River is one of only four communities in the 7-county Metro Area designated "Rural Residential" by the Metropolitan Council (also Ham Lake, and portions of Andover and Inver Grove Heights).
7. Rural Residential communities have existing patterns of rural development with relatively high rural development densities and more challenging opportunities (political and financial) for transitioning to urban communities.
8. Credit River Township has maintained professional relationships with neighboring communities.
9. There does not appear to be a significant threat for annexation.
10. Incorporation does not prevent annexation. Minnesota Statutes allow cities to annex land from other cities, not just land from townships.
11. There are few powers/entitlements that cities enjoy that townships do not:
  - ◆ Complete land use and zoning authority (some townships may already have authority)
  - ◆ Municipal State Aid (MSA) highway funding eligibility (if population is at least 5000)
  - ◆ Tax Increment Financing
12. There are six townships (out of approximately 1787) in Minnesota with a current population over 5000, including Credit River.
13. The last five townships in the 7-county Metro Area to incorporate did so with populations approaching 5000:

- ◆ Oak Grove (1993)
- ◆ Grant (1996)
- ◆ Columbus (2006)
- ◆ Scandia (2006)
- ◆ Nowthen (2008)

14. Of the recently incorporated cities, only Columbus currently owns and operates public sewer and water systems, which were initiated by the Town of Columbus several years prior to incorporation.

15. Often, community rationale for incorporating includes:

- ◆ Preserving community identity (history, character, name)
- ◆ Expanding local authority (land use controls, economic development)
- ◆ Protecting existing assets (tax capacity, land owners, and borders)
- ◆ Expanding financial aid (MSA funding, local government aid, licensing & other revenues)

**Next Steps in Analysis, Alternatives, Recommendations, and Decisions on Governance:**

1. Meet with Supervisors to review Analysis and discuss major policy questions, including:

- ◆ Is the community willing to manage the establishment and operations of a public sewer and water system, while maintaining the majority of the community as “permanently” rural? {This question should be answered regardless of whether a city form of government will be pursued or whether a township form of government will be maintained}
- ◆ Will a portion of the financial costs and feasibility of any new public sewer and water systems be spread throughout the entire community or will such costs be limited to the potential public sewer and water district? {Columbus, a newly incorporated city with public utilities, and Empire, a township with public utilities, do not spread any of the capital or operating costs of its sewer and water district outside of the utility district}

2. Meet with Supervisors to discuss pros and cons of Governance Alternatives:

- ◆ Incorporate and manage ongoing issues
- ◆ Remain a township and manage ongoing issues - enter into Joint Powers Agreements or Orderly Annexation Agreements with adjacent community(ies) to maintain jurisdictional boundaries
- ◆ Negotiate Orderly Annexation Agreements with adjacent community(ies) to allow phased annexation of a portion of the community with potential urbanization
- ◆ Creation of a new public sewer and water system or extension of utilities from adjacent community (require more detailed feasibility studies for ultimate conclusions)

3. Public Information and Outreach:

- ◆ Release relevant findings and conclusions in Township Newsletter and area newspapers
- ◆ Conduct Town Meeting(s) on Governance Findings and Conclusions
- ◆ Conduct neighborhood meetings in areas where any imminent annexation or public infrastructure improvements are anticipated

4. Board Decision on Governance Preference