

## **RESOLUTION 23-11146**

### **A RESOLUTION OF THE CITY OF BILLINGS, MONTANA PURSUANT TO ARTICLE II. CITY BOUNDARIES, MCA 7-1- 114(1)(a); ANNEXATION PROCEDURES, MCA 7-2-4201 ET SEQ. AND SETTING FORTH AN ANNEXATION POLICY;**

WHEREAS, the City Council adopted the City of Billings Annexation Policy by Resolution on November 22, 2004, further amended it by Resolution on April 10, 2006, May 23, 2011, and on May 23, 2016, and May 8, 2017, and it is amended from time to time.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BILLINGS, MONTANA:

That the City Council now makes and adopts the following amendments to the Annexation Policy, and by its actions also updates the Limits of Annexation Map to align with these Policy changes as shown in Exhibit A attached to this Resolution:

#### **ANNEXATION POLICY Revised, August 14, 2023**

1. Statement of Intent

The City of Billings intends to permit the annexation of land as to provide for orderly growth, adequate provision of municipal services, and benefits to both the annexed territory and existing City properties. This policy is intended solely to provide guidance for the City and the public and shall not create any right or interest of any kind enforceable by any person applying for, contemplating applying for, or opposing any annexation.

2. Policy Statement

The City Council shall consider land annexations that adhere to the provisions specified in Montana Annexation Statutes (7-2-4201 through 7-2-4761, MCA) and the Billings Municipal City Code, Section 26-204 and Sections 20-301 through 305. The Council may approve, deny or conditionally approve petitions or initiatives for annexation based on the following criteria:

- (a) The area must be located within the Zone 1 or Zone 3 as defined herein;
- (b) The City must be able provide adequate city services at a cost acceptable to the City within a time period mutually agreed to by the property owners requesting annexation and the City;
- (c) Existing or proposed public improvements within the area to be annexed must meet City standards;
- (d) All property owners within the area to be annexed must sign a Waiver of Right to Protest the creation of Special Improvement Districts;
- (e) All residential property owners within the area to be annexed must create or join an existing park maintenance district;

- (f) Residential densities planned for development within the area to be annexed must meet an overall average minimum density of primary dwelling units per acre as per the current City of Billings Growth Policy or similar planning documents; and
- (g) The proposed land use within the area to be annexed must conform to the goals of the Adopted City of Billings Growth Policy.

3. Limits of Annexation Map (attached) - The City shall prepare a map showing limits of annexation for three zones. The first zone shall be known as the City Annexation Petition Area (Zone 1). The City will utilize its Five-Year Capital Improvements Plan and other departmental studies and ongoing analysis of the City's ability to provide services when considering amendments to Zone 1. The second zone shall be called the Long Range Urban Planning Area (Zone 2) and shall be reviewed by the City for amendments based on its service master plans and ongoing analysis of its ability to provide services over time. The third zone shall be known as the County Developed Area (Zone 3). These properties are in close proximity or may even be adjacent to city services but have been developed in the County and are not using City Services. These properties may, over time, annex into the City due to environmental concerns, the inability to continue providing on-site services or desire for urban services or redevelopment. In order for a property to be considered for annexation, it shall be located within the City Annexation Petition Area (Zone 1) on the Limits of Annexation Map. Additionally, the Council may consider, without requiring amendments to the Limits of Annexation Map, petitions in Zone 3.

a. Map Amendments

A map amendment may be initiated by City Staff and prepared for Council consideration whenever the Capital Improvements Plan is revised, new improvements have been constructed through private development, or when it would be beneficial for the City to work with new development in extending infrastructure and services. An annexation committee representative of service providing departments shall convene annually to consider property owner requests. The committee, at its discretion, may convene at any time and bring forward City initiated amendments at any time. A map amendment may be initiated by a property owner during the annual solicitation of amendments, in preparation for a future annexation request. Unless a property may be considered under the criteria outlined in subsection 'b' below, a property may not request inclusion in the City Annexation Petition Area unless it has first been included in the Long Range Urban Planning Area.

For any map amendment involving addition of property to the Long Range Urban Planning Area, the property owner must submit a letter requesting inclusion of the property in the Long Range Urban Planning Area. For any map amendment involving the addition of property to Zone 1 of the map, an Urban Planning Study shall be completed by the petitioner who requests the amendment. An Urban Planning Study shall evaluate how a development proposal will impact the following elements:

1. Streets and transportation
2. Traffic circulation and generation
3. Storm sewers and storm water management
4. Wastewater service
5. Sanitation and solid waste management
6. Water service
7. Parks, recreation and public lands

8. Public safety (police, fire and other emergency services)
9. Public schools
10. Projected and estimated population
11. Soils, geology and topography
12. Effects of urbanization on the existing environment
13. Effects on agriculture
14. Existing and potential land use
15. Historic sites
16. Development timetables
17. Capital improvements
18. Methods of funding for public improvements
19. Other considerations

Map amendments will be recommended to City Council by a committee of representatives from City Administration, Public Works Department, Fire Department, Parks Department, Planning Division, Police Department, and MET Transit.

#### Rationale

When proposing amendments to the map, the committee shall consider and document for Council:

1. Distance from existing city services and response times;
2. Capacity and location of existing facilities and future upgrades or construction of new facilities;
3. Cost of city services;
4. Effect on existing residents;
5. Conformance with all adopted plans including the Capital Improvements Plan, the Growth Policy, applicable area plans, parks master plan, the Billings Area Bikeway and Trails Master Plan, the most current Transportation Plan, the most current sewer, water and storm sewer plans, and other applicable adopted planning documents; and
6. Recommended or potential developer contributions to be made in kind or cash to help defray City costs, mitigate impacts, or otherwise provide compensation or financial assistance relating to the proposed annexation.

The Council will then determine at its discretion whether to approve appropriate Limits of Annexation consistent with the adopted Annexation Policy.

- b. Consideration for property outside the Long Range Urban Planning Area (Zone 2) being brought directly into the City Annexation Petition Area (Zone 1).

There may be circumstances when previous development and infrastructure improvements within the City have created situations where the City may choose to consider bringing a property outside of or within the Long Range Urban Planning Area directly into the City Annexation Petition Area. In this instance, the City Council will use all of the following criteria in guiding its decision:

1. An Urban Planning Study as outlined in subsection 'a' above has been completed on the subject property or the City has performed long range service studies that include the property that provide sufficient information as to the ability to adequately serve the property.

2. City water and sewer lines are directly adjacent to the property and are sized appropriately to serve development on the property
3. The property is directly adjacent to the City Limits
4. The City property adjacent already is developed and designed to connect via roads to the property
5. City services providers are able to serve the property while there is the potential for increases in response times for public safety services.

After review of all of these criteria, the City Council may consider adding the property into the City Annexation Petition Area. However, it remains the City Council's discretion as to whether to include any property in any Limits of Annexation area.

#### 4. Annexation Process

The City may choose to annex any property in accordance with the provisions of the following state statutes:

- Annexations of Additions to Municipalities (7-2-4201 et. seq., MCA)
- Annexations of Contiguous Land (7-2-4301 et. seq., MCA)
- Annexations of Contiguous Government Land (7-2-4401 et. seq., MCA)
- Annexations of Wholly Surrounded Land (7-2-4501 et. seq., MCA)
- Annexation by Petition (7-2-4601 et. seq., MCA)
- Annexation with the Provision of Services (7-2-4701 et. seq., MCA)

The City may decide to condition the approval of the annexation in order to meet the criteria listed under the Policy Statement. The City may, in its discretion, consider additional conditions of approval that relate to the development. The conditions of approval must be clearly stated in the resolution of annexation. In the case where the property to be annexed is not developed, the conditions of approval shall include a requirement for; a) a development agreement prior to the issuance of a building permit, or b) a subdivision improvements agreement at the time of final subdivision plat approval. In the event the property to be annexed is already developed and contains public improvements that are not constructed to city standards, the City shall require an annexation agreement. The agreement shall specify which public improvements are to be upgraded and/or installed to city standards, and a time period and mechanism to finance the construction and installation of those improvements. In any case, all public improvements, whether existing or proposed, shall meet city standards.

#### 5. Obligation of Petitioner

Petitions for annexation must comply with the provisions of Annexation by Petition (7-2-4601 et. seq., MCA) and Section 26-204 and Sections 20-301 through 305, BMCC. A fee, to be established by the City Administrator, must be paid at the time the petition is submitted. If the area to be annexed is not developed, petitioners are required to comply with the conditions of approval prior to the issuance of a building permit or at the time of final subdivision plat approval. If the area to be annexed is developed and requires the construction or installation of public improvements, the petitioner must enter into an annexation agreement prior to the City Council acting on the resolution of annexation.

APPROVED AND PASSED by the City Council of the City of Billings, this 14th day of August, 2023.

THE CITY OF BILLINGS:

BY: William A. Cole  
William A. Cole, Mayor



ATTEST:

BY: Denise R. Bohlman  
Denise R. Bohlman, City Clerk

# Exhibit A

