

**CITY OF PRINCETON
EVIDENTIARY TESTIMONY
OPPOSING BALDWIN TOWNSHIP INCORPORATION**

The City of Princeton respectfully submits the following and attached to Administrative Law Judge Palmer-Denig pertaining to Case I-75, Docket Number OAH 71-0330-39760, Incorporation of Baldwin Township, Sherburne County.

INTRODUCTION

The City of Princeton does not believe Baldwin Township has met the standards for incorporation as outlined in Minnesota Statute §414.02.

Although Baldwin Township is one of the largest townships in the State in population, it has been and continues to be developed in a rural manner with a minimum 2.5-acre lot sizes and no public utility infrastructure. The Town Board stated on record at their public meeting and in the local media they do not want nor anticipate this type of rural development pattern to change. In fact, multiple Township Supervisors have stated they don't want to see anything about the Township change with incorporation with one Supervisor stating at the December 2023 Public Information Meeting regarding incorporation: *"I have affectionately said throughout this whole time, Mike gets mad when I say it, but when we incorporate I'd like to call it the City of Baldwin Township. And I say that because we are rural in character and by God let's keep it that way. . ."*

Historically, Baldwin Township representatives have regularly objected to annexations, in contradiction to landowner wishes and sustainable development practices. In doing so, they have actively worked to restrict landowner rights and abilities to develop their property solely because they didn't want to see growth. Therefore, the entirety of Baldwin Township is not currently nor will it become urban or suburban in character as outlined in Minnesota Statute 414.02 subd. 3(b)(1). The City is aware of recent issues the Town Board has had with administering elections, providing assessing services, and managing its planning, zoning, and permitting activities.

Alternatively, if Baldwin Township is deemed to have met the incorporation standards, the property abutting the City that is readily able to be served with city sewer, water and all other city services, should be excluded from the incorporation and ordered to be annexed to the City of Princeton.

Approximately 9,740 acres of land in Baldwin Township abutting the South, Southwest, and Southeast boundaries of the City of Princeton are readily able to be served with public sewer and water, provided with expanded police services, road maintenance and improvements, expanded parks and recreation amenities, and extensive and competent administrative services by the City of Princeton efficiently, cost effectively, and expeditiously (Exhibit 101). This will allow the affected landowners to develop their

property as they choose in the most environmentally sustainable and economical means possible. The City has an existing a rural taxing ordinance providing properties without access to City sewer and water to be charged similar tax rates as the abutting townships. The ordinance could be amended to apply to the 9,740 acres requested for annexation under this order.

FINDINGS

Present population and number of households, past population and projected population growth for the subject area:

Although Baldwin Township is one of the State's larger townships it has not experienced exponential growth over the past years, with a modest 24 new housing permits issued in all of 2023. Town Board Members have stated they do not wish to see greater population growth and in fact, want the Township to retain its rural nature and development pattern. Town Board Supervisor Bryan Lawrence stated at their January 5, 2024 public meeting *"If done properly it should work this way, I'm not going to promise it's done properly right, you shouldn't notice a difference other than our name change. . . I mean you ask any board member here that as we go through this incorporation that as a resident you wouldn't notice anything other than a name change. That's the hope the desire when we come out on the other side of this decision here."*

Town Board Supervisor Jay Swanson was also quoted in the Star News stating *"I have affectionately said this the whole time, once we incorporate, I'd like to call it the 'City of Baldwin Township.' I say that because we are rural in character, and by God, let's keep it that way. I don't want to see the dense development like we see in other cities if we can help it. If we stay a Township, the cities that grow in, that's what they're going to have to do in order to make it affordable for them and the people in the town."*

Quantity of land within the subject area; the natural terrain including recognizable physical features, general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs:

Drinking Water

Baldwin Township and the City of Princeton are comprised of sensitive geologic features and soils which make groundwater vulnerable to surface and subsurface groundwater contamination as depicted in Princeton's Wellhead Protection Plan (Exhibit 102). If Baldwin Township is allowed to incorporate and provide for smaller lot rural subdivisions without establishing a municipal wastewater collection and treatment system, there is the potential for the City of Princeton's drinking water to be adversely impacted.

The City of Princeton has two primary public drinking water wells in the southeast portion of the City near Baldwin Township, with the City's current Drinking Water Supply Management Area (DWSMA) indicating an area of high and very high vulnerability within the northern Baldwin Township area (Exhibit 103). The high vulnerability areas are a serious

concern to the City of Princeton, especially given this is an area of commercial/industrial development for Baldwin Township. The Township has stated they will remain rural and the investment for the collection/distribution system is not effective for rural development. A community septic system and well for the commercial/industrial area is within the high and very high vulnerability area of the DWSMA.

Wetlands

If Baldwin Township incorporates, per Minnesota Rule 7090, they will become an MS4 City and therefore must adhere to the requirements of the MS4 permit through the Minnesota Pollution Control Agency (Exhibit 104). Public entities that own or operate an MS4 permit are required to develop and implement a stormwater pollution prevention program (SWPPP) to reduce the discharge of pollutants from their stormwater system. Compliance with the MS4 program, which includes completion of an annual report, creates additional requirements and significant costs for the township once it is incorporated.

Present pattern of physical development, planning and intended land uses in the subject area including residential, industrial, commercial, agricultural, and institutional land uses and the impact of the proposed action on those uses:

As shown on their zoning map, Baldwin Township is comprised of almost all general rural residential development with only small areas, abutting the City of Princeton developed or designated as commercial and industrial (Exhibit 105). Baldwin Township's Comprehensive Plan land use section identifies approximately 181 acres total as commercial or industrial, this comprises less than one percent of the total Township land area (Exhibits 106 and 107). This again shows the Township is not, nor is it about to become urban or suburban in nature.

The City of Princeton's 2020 Comprehensive Plan land use map shows the approximately 9,740 acres as developable in an urban fashion and serviceable by sewer and water (Exhibit 108). Landowners, developers, and potential property purchasers have made property purchases and development decisions in reliance on this Comprehensive Plan and the ability to annex into the City at the time they choose to develop.

The present transportation network and potential transportation issues, including proposed highway development:

Baldwin Township stated in the December 28, 2023 Star News article that one of the main reasons to pursue incorporation was because it would *"create a significant increase in State Aid money, with up to \$735,000 granted yearly to the Township, which can be used for street reconstruction projects."*

While the Township does exceed 5,000 in population thus making it eligible to become a State Aid City, the City cannot determine a way in which the Township would be eligible for \$735,000. In fact, it would appear the total would likely be much less than that amount. While still a significant amount, there are additional restrictions on where and how a large portion of the monies can be used for street maintenance and reconstruction.

Land use controls and planning presently being utilized in the subject area, including comprehensive plans, policies of the Metropolitan Council (not applicable here); and whether there are inconsistencies between proposed development and existing land use controls:

Baldwin currently administers its own planning, zoning, and building code. As stated above, the Township wishes to remain rural in nature which is demonstrated by their current Comprehensive Plan land use map, zoning map, and Town Board Supervisor public statements.

Contrarily, by incorporating, Baldwin Township would halt future planned and orderly growth of the City of Princeton along its south, southwest, and southeast boundaries as depicted in Princeton's Comprehensive Plan future land use map, future sewer service map, and future water service map (Exhibits 109 and 110), thereby rendering the return on its current and future public investment in water distribution, sanitary sewer distribution, and wastewater treatment unable to become fully realized while Princeton residents bear the full burden of those investments.

Existing levels of governmental services being provided to the subject area, including water and sewer service, fire rating and protection, law enforcement, street improvements and maintenance services, and recreational facilities and the impact of the proposed action on the delivery of services:

Baldwin Township does not provide sewer, water, or police service, nor does it plan to do so. Town Board Supervisors have said publicly that police service would remain unchanged at no cost which the City of Princeton does not believe is correct. It is unclear in statute what level of service the Sheriff's Department may provide at the current level of tax collection before it may require additional compensation for services. It is Princeton's understanding that as of the time of this submittal, Baldwin has contacted Sherburne County Sheriff's Department about possible additional costs for current levels of patrol through the Township and the Department is researching the statutory requirements. As a sample comparison, the nearby city of Zimmerman contracts with Sherburne County for police service at an annual cost of approximately \$750,000. The Sherburne County Sheriff's office is in discussions with Clearwater regarding the services it provides and compensation levels.

With regards to administration services including budget, assessing, elections, and building permitting, Baldwin Township has not proven they can administer these functions in a manner that complies with statutory requirements. As shown in a letter from County Attorney Kathleen Heany, the Township ran afoul of election regulations by hand counting ballots during the last election (Exhibit 111). Also, as shown in the Township's 2022 Audit there were three areas of the Audit with modified opinions (Exhibit 112, pages 45-54). These activities only become more complicated and there are more, similar administrative duties required, should Baldwin become a city.

Finally, as stated previously, for the area that can be serviced by the City of Princeton, the City has the appropriate and proven administrative, public safety, infrastructure management, parks and recreation systems, and administration facilities in place to professionally, legally, efficiently, and effectively serve without creating or duplicating systems.

Existing or potential environmental problems and whether the proposed action is likely to improve or resolve these problems:

As stated earlier, Sherburne County consists of primarily sandy soils which are not conducive to small lot rural developments on private septic systems and there is concern regarding the City of Princeton's DWSMA in the northern portion of the Township.

Unless Baldwin establishes a wastewater treatment facility and sewer collection system, the potential environmental problem individual septic treatment systems create will increase, not be improved or resolved.

Fiscal impact on the subject area and adjacent units of government, including present bonded indebtedness; local tax rates of the County, school district and other governmental units, including, where applicable, the net tax capacity of platted and unplatted lands in the division of homestead and nonhomestead property; and other tax and governmental aid issues:

Based on the information publicly shared and available, it does not appear Baldwin Township has fully considered the costs of incorporation, especially as they relate to public safety services and administrative functions required of cities that are not required of townships. As stated above, using the City of Zimmerman, with a lesser population and geographic size, as a comparison, the cost to enter into a contract for police service through Sherburne County would likely be at least \$750,000. This in addition to prosecution services, additional administration expenses for areas such as finance, elections, and MS4 stormwater administration, significantly increases the costs of doing business that would be passed on to the Baldwin Township residents which it is important to note, have been told publicly that incorporation will save them money, not cost money.

Baldwin's incorporation would cause significant financial harm to Princeton residents by eliminating all future growth of Princeton to the south. There are approximately 9,740 acres that were calculated to be served by the City's wastewater treatment plant (WWTP). Princeton's wastewater treatment plant was expanded in 2014/15 to ensure it was able to treat the wastewater from the entire City as well as all of the properties in the sewer service area identified in Exhibit 101. The plant has an overall design capacity of 1.635 million gallons per day of average flow, and the plant is currently running at approximately twenty-five percent capacity, or 420,000 gallons per day. The City financed the project by issuing GO Sewer Revenue Bonds totaling \$15,118,000 which will be fully paid in 2053.

If the City is unable to expand its boundaries in the future sewer service area, the financial burden of the entire wastewater treatment facility expansion will be borne by current City residents and businesses, and the full, efficient use of the facility will not be attainable.

Relationship and effect of the proposed action on affected and adjacent school districts and communities:

As shown in the enclosed Princeton Comprehensive Plan future land use map, the incorporation of Baldwin Township halts all city development that was planned adjacent to the City's southern boundaries. This would render the City's currently built WWTP capacity unobtainable; and restrict the City's ability to grow its commercial, industrial, and residential tax base. Most importantly, allowing Baldwin Township to incorporate in its entirety would provide for low density rural development in a significant portion of Sherburne County that could be developed in an urban density which is more environmentally sound, efficient, cost effective, and generates greater tax base for the County, School District, and City.

Whether delivery of services to the subject area can be adequately and economically delivered by the existing government:

The City of Princeton is positioned to more adequately and economically deliver all public services including police, fire, administration, road maintenance, park and recreation as well as new sanitary sewer and water services to approximately 9,740 acres of the north portion of Baldwin Township.

It would be inefficient and a waste of taxpayer dollars to not provide for the annexation of the acreage because the wastewater treatment facility could not be used to its built capacity. The new Baldwin city properties would have to pay for police services which could be immediately provided by the existing Princeton Police Department. They would also receive less public works and administration service by Baldwin than they would from Princeton because Princeton has the existing capacity, staffing, equipment and expertise to fully provide services immediately.

Analysis of whether necessary governmental services can best be provided through the proposed action or another type of boundary adjustment:

As stated above, for the 9,740 acres that lie within Princeton's future sewer service district, all necessary governmental services, including city sewer and water, cannot only be provided, but can be provided more efficiently, expediently, and professionally by the City of Princeton.

The remainder of Baldwin Township is not proposed to be developed beyond its rural development and therefore the existing government structure adequately serves those properties. Baldwin Township has not proven they have the capacity to provide the additional professional services, such as election and financial services, a municipality requires in an appropriate manner as evidenced by their current election and audit.

Baldwin Township has not researched or publicly acknowledged there will be an additional cost to provide public safety services to its residents.

Degree of contiguity of the boundaries of the subject area and adjacent units of local government:

Baldwin Township surrounds the south, southeast and southwest boundaries of the City of Princeton in an uneven pattern. By allowing incorporation of Baldwin Township without the provision to allow the area within the future sewer service area of Princeton, the boundary would be uneven and difficult for first responders, police, staff, and the public, to know which jurisdiction they were in. Providing for the annexation of the future sewer service area to Princeton would provide for square boundaries that followed established transportation or section lines.

SUMMARY AND CONCLUSION

- 1) The city of Princeton does not believe it is in the best interest of the residents of Baldwin Township or the residents of the City of Princeton for Baldwin to incorporate for the following reasons:
 - Baldwin is not urban or suburban in nature now nor does it intend to be so. In fact, Baldwin Township Supervisors have stated they do not want to see the rural nature of the Township change.
 - The Baldwin Town Board has not fully considered or at a minimum, fully disclosed to its constituents, the true costs of incorporation including police and prosecutorial services, increased administrative requirements, and the costs of becoming an MS4 city.
 - Baldwin has shown that it does not have the administrative capacity to perform the additional duties that would be required of it as a municipality as evidenced by the most recent election and the 2022 audit findings.
- 2) However, if incorporation is found appropriate, the City of Princeton respectfully requests the approximately 9,740 acres identified in the future land use map and the sanitary sewer service area be annexed to the City of Princeton and not incorporated into Baldwin, as it:
 - Allows for the most efficient and environmentally sound urban style development providing the most density and tax base for the county, school district, and city;
 - Allows affected landowners to develop their property at a density and type that is most environmentally and financially beneficial to them at the time they choose while providing a rural tax rate in the interim;
 - Allows for the full utilization of the City's wastewater treatment facility thus making full benefit of the already expended taxpayer dollars;

- Allows the City of Princeton to grow in the area it has planned to grow for many years;
- Ensures the protection of the City's drinking water supply;
- Provides for the most cost effective and comprehensive police service in the annexation area due to the City's ability to immediately serve the area;
- Provides for better road maintenance services due to the City's existing public works staffing and equipment capacity;
- Allows the City to provide park and recreation amenities to the annexed area which is a service the Township does not provide; and
- Ensures the properties receive the most professional and thorough administrative services available.