

CITY OF MONTICELLO

Ordinance No. 2025-05

TITLE: Monticello City Annexation Policy Plan

PURPOSE: To Adopt an Annexation Policy Plan for the City of Monticello according to Utah Code §10-2-8.

WHEREAS, the State of Utah has enacted legislation that requires communities to develop and adopt Annexation Policy Plans before annexing unincorporated lands into their incorporated boundaries; and

WHEREAS, Monticello City desires to plan for the future expansion of its boundaries in a manner that is consistent with its General Plan and in coordination with San Juan County; and

WHEREAS, Monticello City wishes to direct and manage growth in ways that will preserve the future quality of life now enjoyed in Monticello City; and

WHEREAS, Monticello City is willing to consider annexation of surrounding lands that are within its designated annexation areas to receive municipal services; and

WHEREAS, The Planning Commission and City Council have held duly noticed public hearings according to Utah Law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF MONTICELLO CITY AS FOLLOWS:

ANNEXATION POLICY PLAN

City of Monticello, Utah

The annexation policy plan was prepared in accordance with the provisions of Utah Code Title 10, Chapter 2, Part 8, Annexation, as of the date of approval of this plan. The plan addresses the criteria and relevant matters required by Utah code and was prepared following the procedures specified in state code.

A. Requests For Annexation

- (1) The City will receive annexation proposals only through submission of an annexation petition. (UT 10-2-802(2) and 10-2-803(1)).
- (2) Petitions for annexation must follow the requirements at UT 10-2-803. Failure to meet the requirements at UT 10-2-803 will result in the City's refusal to consider the annexation proposal.
- (3) Petitions that conform to UT 10-2-803 will be accepted or denied by the City in accord with UT 10-2-805 and this Annexation Policy Plan.
- (4) The city may annex an unincorporated area without an annexation petition if the action meets the requirements at UT 10-2-812.

B. Expansion Area Defined

- (1) As part of its on-going effort to plan and prepare for responsible growth, the City of Monticello has identified undeveloped territory in San Juan County that is adjacent to present City boundaries that could, at some time in the future, be a part of the City. (UT 10-2-801(7))
- (2) The area proposed for future annexation is not bordered by any other municipality and no urban development is found within 1/2 mile of the city boundary. (UT 10-2-803(2)(iii))
- (3) The expansion area is more than 5,000 feet from the centerline of the nearest airport runway. (UT 10-2-804(7)(b))
- (4) The expansion area is depicted on the attached map, Monticello City Expansion Area, which is herewith made a part of the Annexation Policy Plan. (UT 10-2-803(2)(a)(i))

C. Criteria for Evaluating Area Proposed for Annexation

- (1) Areas to be annexed must fall within the area designated for future expansion on the Monticello City Expansion Area map. If the proposed area for annexation is outside of the current expansion area, the City shall deny the proposal. (UT 10-2-812(1)(B))
- (2) Areas to be annexed must be compatible with the City's character, which is currently mixed residential, commercial, industrial, and agricultural. The City envisions many opportunities for growth and will consider annexation proposals broadly. (UT 10-2-803(2)(A))
- (3) An area proposed for annexation must be a contiguous area. (UT 10-2-804(1))
- (4) Areas to be annexed must be contiguous to the corporate limits of the City of Monticello at the time of the submission of an annexation request. (UT 10-2-804(2)(b))
- (5) Areas to be annexed shall not leave or create an unincorporated island or unincorporated peninsula, unless San Juan County and the City have otherwise agreed. If an unincorporated island or peninsula existed before annexation, the city may consider the proposed annexation if it will reduce the size of the unincorporated island or

peninsula. The city may consider annexation of an unincorporated island or unincorporated peninsula when criteria at 10-2-804(2)(c) or 10-2-812 of Utah Code are met.

(6) Annexation cannot include only part of a parcel of real property and exclude part of the same parcel unless the parcel owner has signed the annexation petition. Boundaries of areas proposed for annexation shall follow boundaries of existing parcels and special districts, to the extent practicable and feasible. (UT 10-2-804(5)(a)).

(7) Areas to be annexed cannot include areas or parts of areas that were previously proposed for annexation and not denied, rejected, or granted. (UT 10-2-806(4))

(8) The City shall not annex territory for the sole purpose of acquiring revenue. (UT 10-2-804(6))

(9) The City shall exclude from the annexed area rural real property when the owner of the rural real property has not signed the petition for annexation or has not given written consent to include the rural real property under his or her ownership. (UT 10-2-811(10)(b))

D. Criteria for Evaluating Extension of City Services

(1) For the City to provide culinary water to the area proposed for annexation, an existing City water line must be located near enough to the proposed area that water service can be reasonably extended without exceeding the City's capacity to treat water. If no existing water line is available, the City will consider whether the proposed area is within the City's plan for expansion of the water system. If the proposed area is not within the City's plan for culinary water expansion, the City may deny the annexation request. (UT 10-2-803(3)(c))

(2) For the City to provide sewer service to the area proposed for annexation, an existing City sewer line must be located near enough to the proposed area that sewer service can be reasonably extended without exceeding the treatment plant capacity. If no existing sewer line is available, the City will consider whether the proposed area is within the City's plan for expansion of the sewer system. If the area is not within the City's plan for sewer system expansion or the proposed annexation would exceed treatment plant capacity, the City may deny the annexation request. (UT 10-2-803(3)(c))

(3) The proponent of the annexation proposal will work with the City's electrical provider if electrical service is needed within the area proposed for annexation. (UT 10-2-803(3)(c))

E. Consideration of Anticipated Consequences

(1) The City will include in its deliberations the projected population growth or loss in the City over the next 20 years. In conjunction with the City's general plan, the City will consider the need for land suitable for residential, commercial, and industrial development over the next 20 years. (UT 10-2-803(3)(b))

(2) The City will estimate the tax consequences to property owners of accepting the annexation proposal on (a) the residents within the current City boundary, and (b) residents within the area proposed for annexation. (10-2-803(2)(E))

(3) The City will consider the current and projected costs of infrastructure, City services, and public facilities necessary for (a) full development of the area currently within the corporate boundary, and (b) expanding the infrastructure, services, and facilities into the area proposed for annexation. (UT 10-2-803(3)(c))

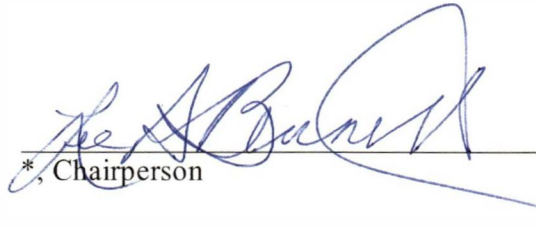
(4) If the area proposed for annexation includes land to be used for agricultural, wildlife management, or recreational purposes, the City will explain why it would allow these uses within the corporate boundary. (UT 10-2-803(3)(E))

F. Interests of Affected Entities

City of Monticello Annexation Policy Plan

- (1) The affected entities pertaining to annexation proposals are San Juan County, San Juan School District, San Juan Water Conservancy District, San Juan Transportation District, and any properties adjacent to or included within the annexation proposal.
- (2) For each annexation proposal the petitioner shall file a notice of intent to file a petition with the city recorder and all affected entities. (UT 10-2-806(2))
- (3) For each annexation proposal San Juan County shall fulfill its role under Utah State Code Title 10 Chapter 2 Part 806.
- (4) Failure of either the petitioner or San Juan County to follow the requirements of Utah State Code Title 10 Chapter 2 Part 8 shall result in the City's refusal to accept a petition.

APPROVED by Monticello City Planning Commission and forwarded to the Monticello City Council this 15th day of July, 2025.


*, Chairperson

ADOPTED by Monticello City Council on this 23rd day of September, 2025,
with without modification.


*, Mayor

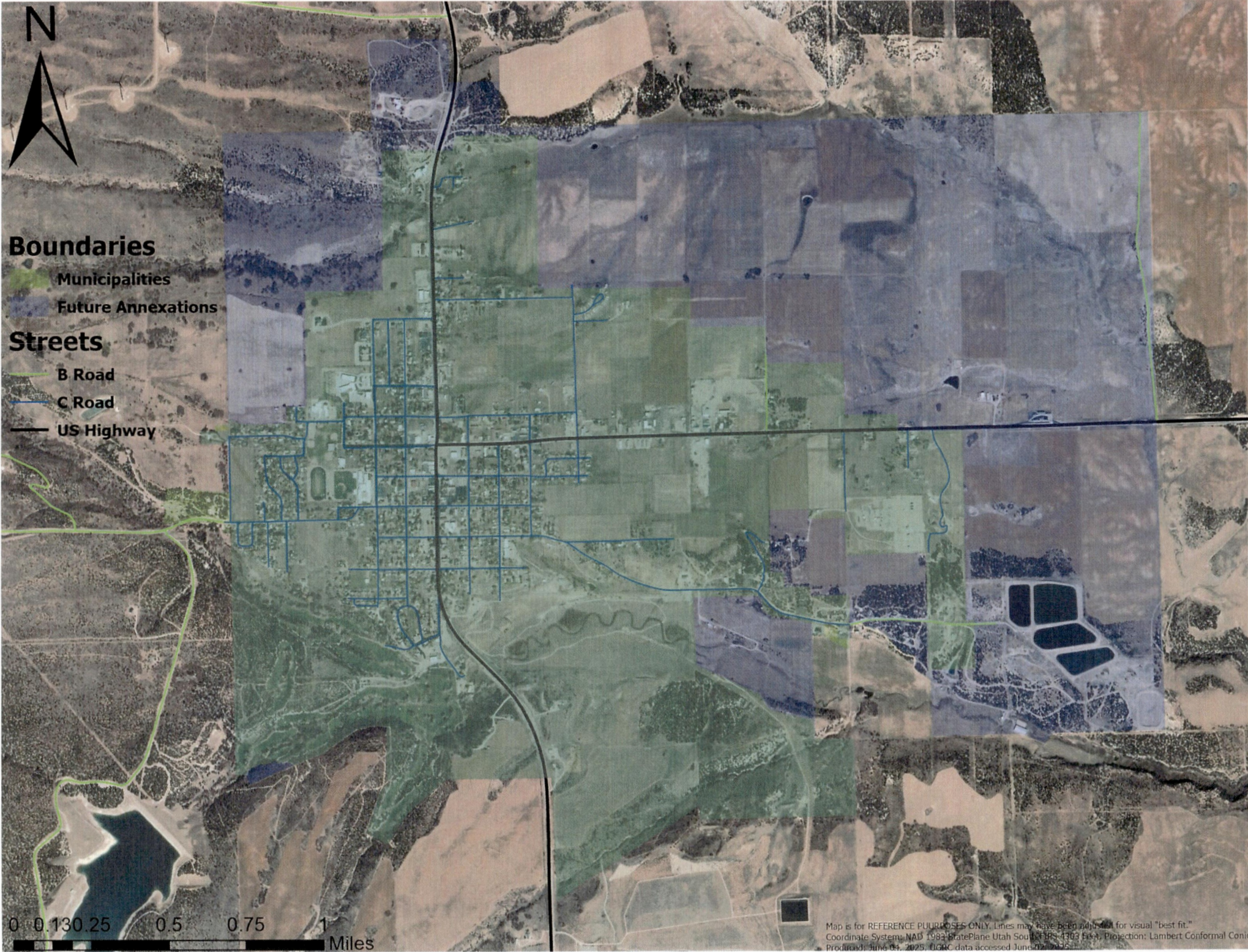
Walter Chamberlain, Mayor Pro Tem

ATTEST:


*, City Recorder

Deputy Recorder
Jasmine Nielson







April 3, 2025

Property Tax Evaluation for Proposed Annexation Expansion Area & Proposed Utility Expansion Funding

As of March 4, 2025 tax records, it is expected that if all properties within the proposed annexation area were to be annexed into the City, we would see an increase of \$1,315.74 in property tax revenue. These numbers are not considering any zone changes or changes from the current uses. This number is lower because the surrounding area is mostly greenbelt properties that are currently in agricultural operations. These funds would aid the City in providing some of the services already available to those within the annexation expansion area. However, more funds would be needed to expand utilities to those locations.

Since property tax would not be a source of significant funding to expand utilities, it would be up to the City to obtain the funding needed to expand the utilities. Slow expansion would be paid for by each utility themselves, or from the city reserves. In the case of a quicker expansion the City would need to request funding through various sources including, but not limited to, Utah Division of Drinking Water, Utah Division of Water Quality, Utah Community Impact Board, San Juan County Water Conservancy District, San Juan County Transportation District, USDA, Utah Inland Port, and other federal or state sources. Based on current long-term debt the city could take on loans through the means above or private loans to pay for the expansion of the service area, with a preference given to grants and lower interest rate options. These options will only be explored if the burden of funding the utilities rests with the City, any utility expansion with a development would be at the cost of the developer.

For the current properties within Monticello City limits there would be no change in property tax. The only changes with property tax would be for new city-wide projects that would have been covered by property taxes regardless of any annexations into the city.

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