

BEFORE THE MUNICIPAL COMMISSION
OF THE STATE OF MINNESOTA

26370

Robert W. Johnson
Thomas J. Simmons
Gerald J. Isaacs
William E. Soderberg
Edgar Hass

Chairman
Vice Chairman
Member
Ex-Officio Member
Ex-Officio Member

IN THE MATTER OF THE JOINT RESOLUTION)
BETWEEN THE CITY OF ISANTI AND THE)
TOWN OF ISANTI FOR THE ORDERLY)
ANNEXATION OF CERTAIN LAND TO THE)
CITY OF ISANTI)

FINDINGS OF FACT,
CONCLUSIONS OF LAW,
AND ORDER

The above entitled matter came on for hearing before the Minnesota Municipal Commission pursuant to Minnesota Statutes 414, as amended, on September 26, 1973 at Isanti Community Center, Isanti, Minnesota. The City of Isanti appeared by and through Mr. Robert Parker. Mr. David Johnson appeared on behalf of objecting property owners. The hearing was conducted by Howard L. Kaibel, Executive Secretary of the Minnesota Municipal Commission pursuant to Minnesota Statutes 414.01, Subdivision 12. Also in attendance were County Commissioners William E. Soderberg and Edgar Hass, Ex-Officio Members of the Commission. Testimony was heard and records and exhibits were received.

After due and careful consideration of all evidence, together with all records, files and proceedings, and being fully advised in the premises, the Minnesota Municipal Commission hereby makes and files the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. That due, timely and adequate legal notice of the hearing was published, served and filed.
2. That the following described portion of the area proposed for annexation is extensively developed for residential purposes and will experience further development in the near future:

Beginning at the point where the north right of way of Main Street intersects the western boundary of the City of Isanti; thence west along said right of way to the point of intersection with the west right of way of County Road 23; thence south along the west right of way of County Road 23 to the point of intersection with the south right of way of South Brookview Lane; thence east along the south right of way of South Brookview Lane and continuing as if extended to the point of intersection with the west boundary of the City of Isanti; thence north along the said western boundary to the point of beginning, all in Section Thirty (30), Township Thirty-Five (35), Range Twenty-three (23) West, Isanti Township, Isanti County, Minnesota.

3. That the City of Isanti does now provide to the above described area the following municipal services:

- a. Sanitary Sewers
- b. Fire Protection
- c. Police protection on an occasional courtesy basis.

4. That the City of Isanti is capable of providing the above described area with the following municipal services within three years:

- a. Improved fire protection.
- b. Full time police protection.
- c. Road improvement and maintenance.
- d. Park and Recreation services.
- e. Planning and zoning.

5. That excepting the above described area, the remainder of the area proposed for annexation is largely vacant or agricultural property which is not in need of municipal services.

CONCLUSIONS OF LAW

1. That the Minnesota Municipal Commission duly acquired and now has jurisdiction over the within proceeding.
2. That the boundaries of the area proposed for annexation should be altered to include only the above described area which is or is about to become urban or suburban in character.

3. That the City of Isanti is capable of providing the services required by the above described area within a reasonable time.

ORDER

IT IS HEREBY ORDERED: That the following described property lying in the Township of Isanti, County of Isanti, State of Minnesota, be and the same hereby is annexed to the City of Isanti the same as if it had originally been made a part thereof:

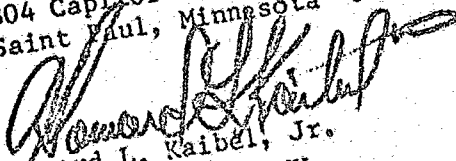
Beginning at the point where the north right of way of Main Street intersects the western boundary of the City of Isanti; thence west along said right of way to the point of intersection with the west right of way of County Road 23; thence south along the west right of way of County Road 23 to the point of intersection with the south right of way of South Brookview Lane; thence east along the south right of way of South Brookview Lane and continuing as if extended to the point of intersection with the west boundary of the City of Isanti; thence north along the said western boundary to the point of beginning, all in Section Thirty (30), Township Thirty-five (35), Range Twenty-three (23) West, Isanti Township, Isanti County, Minnesota.

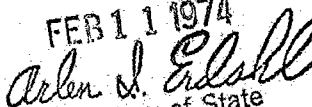
IT IS FURTHER ORDERED: That the mill levy of the City of Isanti on the property herein ordered annexed shall be increased in substantially equal proportion over a period of three (3) years to equality with the mill levy of the property already within the City.

IT IS FURTHER ORDERED: That the Commission retains jurisdiction for the limited purpose of adjusting population upon suitable affidavit or other evidence.

Dated this 7TH day of FEBRUARY, 1974

MINNESOTA MUNICIPAL COMMISSION
304 Capitol Square Building
Saint Paul, Minnesota 55101


Howard L. Kaibel, Jr.
Executive Secretary

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STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
FEB 11 1974

Arlen J. Edsall
Secretary of State

MEMORANDUM

Today's decision involves one of the first contested "orderly annexation" proceedings and thus merits some discussion of the background and rationale.

The history of this annexation proceeding actually began with another annexation on the other side of town more than a year ago. The township filed an objection to that annexation and it was ultimately dismissed because of a technical deficiency in the petition. While that proceeding was pending, the City Council and Township Board of Supervisors met a number of times and decided to use orderly annexation as a means of solving future boundary adjustment problems. They adopted a joint agreement designating the area involved in today's proceeding as being in need of orderly annexation.

Orderly Annexation is a relatively new section of the statute which permits cities and townships to provide jointly for the gradual adjustment of boundaries over the years as urban development occurs and can be served. The city and township passed a joint resolution designating an area outside city boundaries as being "in need of orderly annexation" which allows the city to plan for serving the area when and if development occurs. Thereafter, either the city or the township may initiate annexations of part of the area. The Municipal Commission holds a limited hearing to determine whether the proposed area is or is about to become urban or suburban in character and whether the city is capable of providing full municipal services to the proposed area. If part of a designated area is annexed to the city, the taxes are increased gradually over a three to five year period from the town mill rate to the city mill rate.

Orderly annexation allows the city and township to avoid endless recurring annexation battles involving expensive and bitter hearings before the commission. It allows the commission to adjust boundaries gradually and more precisely.

It provides residents and property owners with notice that boundaries will be adjusted if and when urban development occurs. It provides farmers and others who do not wish to develop their property with some assurance that they will not be annexed and will not be subject to city taxes and assessments. It has become the basic vehicle for boundary adjustment, replacing the older system of incessant contested hearings. The commission once held two or three of these hearings a week and has now conducted only one in better than a year.

In Isanti, the city and township designated an orderly annexation area of several square miles surrounding the current city limits. The city has requested that the commission annex close to 200 acres of this designated area lying west of the city. Most of the proposed area is undeveloped farm land and is not in need of municipal services.

The statute gives the commission the authority to "alter the boundaries of the proposed annexation by increasing or decreasing the area so as to include that property within the designated area which is in need of municipal services or will be in need of municipal services within a reasonable time." (Minnesota Statutes 414.032, Subdivision 3).

Pursuant to that authority, we have changed the boundaries so as to annex only approximately 10% of the area proposed by the city for immediate annexation. It is our judgment that the remainder of the area proposed is not in need of municipal services. That is a conservative judgment, but because this is an orderly annexation proceeding it should work no hardship on the city. We retain jurisdiction under the orderly annexation agreement to annex any of the remaining area if plans arise for further development.

The area that is annexed by today's order is extensively developed and is manifestly urban or suburban in character or about to become so. The city already provides some municipal services to the area and the record clearly

establishes that they are capable of extending the remaining services within three years.

The record discloses that the tax difference between township and city mill rates is approximately \$15 on a \$20,000 home. Under today's orderly annexation order the increase will be spread over a three year period in equal increases of approximately \$5 per year. Our experience shows that this property tax difference is often more than made up by decreased fire insurance premiums, differential sewer rates, etc. The record discloses several benefits in terms of improved municipal services accruing from this minor increase in local property taxes.

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STATE OF MINNESOTA
DEPARTMENT OF STATE
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Arlen J. Erdahl
Secretary of State