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STATE OF MINNESOTA MUNICIPAL BOARD

Suite 165 Metro Square 7th & Robert Streets St. Paul, Minnesota 55101

November 12, 1986

Secretary of State c/o Donna Scott State Office Building St. Paul, Minnesota 55155

Re: Municipal Board Docket Number: D-215 Seaforth

The subject order of the Minnesota Municipal Board makes no changes in the population of the City of Seaforth.

Official date of the Order is November 12, 1986.

8. Lunly Patricia D. Lundy Assistant Director

PDL:sg

cc: Wallace O. Dahl, Director L.G.A. & A. Division Department of Revenue 2nd Floor Centennial Building

> R. Thomas Gillaspy, Ph.D. State Demographer 200 Capitol Square Building

STATE OF MINNESOTA DEPARTMENT OF STATE FILED NOV 1 4 1986 Joan Ancherent House Socretary of State

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D-215 Seaforth

BEFORE THE MUNICIPAL BOARD

OF THE STATE OF MINNESOTA

Kenneth F. Sette Shirley J. Mihelich John W. Carey

Chair Vice Chair Commissioner

IN THE MATTER OF THE PETITION FOR) THE DETACHMENT OF CERTAIN LAND FROM) THE CITY OF SEAFORTH PURSUANT TO) MINNESOTA STATUTES 414.06)

EINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER

The above-entitled matter came on for hearing before the Minnesota Municipal Board pursuant to Minnesota Statutes 414, as amended, on December 4, 1985, and was continued to March 19, 1986, and from there continued to April 16, 1986 at Seaforth, Minnesota. The hearing was conducted by Terrence A. Merritt, Executive Director, pursuant to Minnesota Statutes 414.01, Subdivision 12. Also in attendance were Kenneth F. Sette, Chair, and Shirley J. Mihelich, Vice Chair of the Minnesota Municipal Board. The petitioners were represented by Lawrence W. Frank, Attorney at Law, and the City of Seaforth was represented by Patrick Oman, Attorney at Law. Testimony was heard and records and exhibits were received.

After due and careful consideration of all evidence together with all records, files and proceedings, the Minnesota Municipal Board hereby makes and files the following Findings of Fact, Conclusions of Law, and Order.

FINDINGS OF FACT

1. On August 22, 1985, a petition for detachment from the City of Seaforth was filed by all of the property owners with the Minnesota Municipal Board. The petition contained all of the information required by statute including a description of the property proposed for detachment which is as follows:

All the tract or parcel of land lying and being in the County of Redwood and State of Minnesota, described as follows, to-wit: North One Half (N 1/2) of the Southeast Quarter (SE 1/4) of Section Thirty (30), Township One Hundred Twelve (112), Range Thirty-seven (37) EXCEPTING THEREFROM, however, the following tracts: The Chicago Northwestern Railway Company, right of way, described as being that part of the Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of said Section Thirty (30), lying North of a line described as Commencing at a point on the east line of the Northeast follows: Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of said Section Thirty (30), One Hundred feet (100') distant southwesterly from the center line of the main tract of the Chicago Northwestern Railway, at right angles, thence in a Northeasterly direction measured parallel with said Railway center line a distance of Three Hundred (300') feet, more or less, to the North line of said Quarter Section and there terminating. And EXCEPTING a certain tract of land described as commencing at a point on the North line of the Southeast Quarter (SE 1/4) of said Section Thirty (30), One Thousand Five Hundred and Ninety (1,590) feet west of the Northeast corner of said Southeast Quarter (SE 1/4) running thence west Three Hundred Seventy-five (375) feet, thence South Two Hundred Seventy-four (274) feet, thence East Three Hundred Seventy-five (375) feet, thence North Two Hundred Seventy-four (274) feet, to the place of beginning, containing approximately 2.36 acres. And EXCEPTING also a certain tract of land described as beginning at a point on the East line of said Section Thirty said point being Five Hundred feet (5001) South of the East Quarter Corner of said Section Thirty (30); thence at right angles in a Westerly direction a distance of four hundred ninety-five and two-tenths (495.21); thence in a Southerly direction, parallel to the east section line, a distance of three hundred twenty-seven (327.01) feet, thence at right angles in an Easterly direction a distance of four hundred ninety-five and two-tenths feet (495.21) to the east line of said Northeast Quarter (NE 1/4) of the Southeast Quarter (SE 1/4) of said Section Thirty (3); thence in a Northerly direction along said east line a distance of three hundred twenty-seven feet (327.01) to the place of beginning, containing 3.72 acres, more or less subject to a Highway Easement across the East Thirty-three feet (33') thereof.

2. Due, timely and adequate legal notice of the hearing was published, served and filed.

3. The area proposed for detachment is situated within the City of

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Seaforth and abuts the municipal boundary.

4. The area proposed for detachment is approximately 73.97 acres in size.

5. The City of Seaforth is approximately 640 acres in size with approximately 50 platted acres and the balance unplatted.

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6. The Town of Sheridan is approximately 22,400 acres in size.

7. County State Aid Highway #7 borders the detachment area's eastern boundary.

8. The City of Seaforth had a population of 132 in 1970 and 90 in 1980.

9. Sheridan Township had a population of 374 in 1970 and 305 in 1980.

10. There is no population in the area proposed for detachment.

11. The area proposed for detachment is presently being farmed with the exception of a portion of the land in a pothole near County Road #7.

12. The area proposed for detachment has an assessed valuation of \$18,576.

13. The Minnesota Municipal Board presently has before it four separate petitions for detachment from the City of Seaforth. The petitions for detachment which are not the subject of this Findings of Fact, Conclusions of Law and Order are Minnesota Municipal Board files D-213, D-214, and D-216, hereinafter referred to as D-213, D-214, and D-216.

All of the detachment petitions are located on the western side of the City of Seaforth bordering the right-of-way of County Road #7. The land in D-213 is the southern-most parcel for detachment, D-214 is the next most southern parcel for detachment, D-215 is the next most southern parcel, and D-216 is the northern-most parcel for detachment.

The southern boundary of D-213 abuts the southern boundary of the City of Seaforth and the northern boundary of D-216 abuts the northern boundary of the City of Seaforth. The western boundary of the City of Seaforth is coterminous with the western boundaries of D-213, D-214, D-215, and D-216.

14. The combined assessed value of the areas proposed for detachment from the City of Seaforth in this proceeding as well as D-213, D-214, and D-216 is \$72,212.

15. Before State, School, Agricultural Credit, the land has a total tax of \$1,686.50, payable in 1986. The city's portion of that money was \$676.17. The total tax for the area under consideration paid by the petitioners to the county, city, school district, and a county-wide levy after credits is \$1,248.

16. The City of Seaforth has an assessed valuation of \$302,256.

17. The Town of Sheridan has an assessed valuation of \$5,230,825.

18. The 1986 mill rate for the City of Seaforth is 36.400.

19. The 1986 mill rate for the Town of Sheridan is 6.490.

20. If the properties proposed for detachment in Minnesota Municipal Board files D-213, D-214, D-215, and D-216 were allowed to be detached, the mill levy for the City of Seaforth would rise approximately 25.77% to generate the same amount of taxes from the remaining property.

21. The City of Seaforth has passed a Rural Service Taxing District in which qualified agricultural land is taxed at the same rate as the Town of Sheridan's mill levy. The Rural Service Taxing District was passed in February, 1986. The area under consideration is presently under the ordinance's jurisdiction.

22. The city has a bonded indebtedness of \$0.

23. The City of Seaforth provides its residents with fire protection through a volunteer fire department located within the city and part-time police protection. The city does not provide any of its residents with

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sanitary sewer, water or storm sewer.

24. If the area proposed for detachment is detached, fire protection for it would be provided by the Town of Sheridan by contract with the City of Belview, approximately 9 miles away from the area under consideration.

25. St. Mary's Catholic cemetery is located abutting the northern boundary of, and surrounded on three sides by the area proposed for detachment. Access to the cemetery is by an east-west county road along the northern boundary of the area proposed for detachment. The northern boundary of the cemetary abuts the area under consideration for detachment in D-216.

26. In the northeastern corner of the area proposed for detachment and on the western side of County Road #7, there is a triangular shaped parcel which is road right-of-way and would remain in the City of Seaforth if the area proposed for detachment were detached.

27. In approximately the center of the eastern boundary of the area proposed for detachment and on the western side of County Road #7, is a building site of approximately 3.72 acres owned by property owners who didn't petition for detachment. If the proposed area was detached, this land would remain within the City of Seaforth.

28. In the City of Seaforth, there are approximately 12 heads of households working, 19 heads of households retired, and 1 head of household who is disabled. Many of the households are on fixed incomes.

29. The City of Seaforth has significant amounts of agricultural land surrounding the platted portion of the city which is presently not proposed for detachment.

CONCLUSIONS OF LAW

1. The Minnesota Municipal Board duly acquired and now has jurisdiction

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of the within proceeding.

2. The detachment of the area proposed for detachment would unreasonably affect the symmetry of the City of Seaforth.

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3. The area proposed for detachment is rural in character.

4. If the detachment of the area under consideration, as well as D-213, D-214, and D-216, are granted, the City of Seaforth cannot continue to carry on the functions of government without undue hardship.

5. An order should be issued by the Minnesota Municipal Board denying the petition for detachment of the area described herein.

ORDER

1. IT IS HEREBY ORDERED: That the petition for the detachment of the property described herein in Findings of Fact 1 be, and the same hereby is denied.

2. IT IS FURTHER ORDERED: That the effective date of this order is November 12, 1986.

Dated this 12th day of November, 1986.

MINNESOTA MUNICIPAL BOARD 165 Metro Square Building St. Paul, Minnesota 55101

Terrence A. Merritt Executive Director D-215 Seaforth

MEMORANDUM

The board appropriately reviewed the impact of all of the proposed detachment petitions before it on the City of Seaforth. The board notes that in total the detachments' loss would result in a 25.77% increase in the local government mill levy for a community whose tax base is agricultural land and households headed primarily by retired or disabled persons. Only 12 households are headed by wage earners. In total the detachments would have crippled the City of Seaforth.

The configuration of the city's boundary left by detaching some of the land while not detaching other land would negatively affect the symmetry of the city's western boundary.

If this detachment and the petitioned detachment in D-216 had been granted, the cemetery would have been an Island of the City of Seaforth within the town. Additionally, the road right-of-way and the 3.72 acre parcel would have been peninsulas. The symmetry of the city would have been very negatively affected had this detachment been granted.

The board notes that the City of Seaforth, with its population of approximately 90, is faced with an increase in its costs while its revenue sources, through local government aids based on population, Federal Revenue Sharing, and market values on developed or agricultural land are decreasing. Nonetheless, the city determined that equity demanded the enactment of a Rural Service Taxing District, which will result in the taxes on qualified agricultural land being set for local government purposes at the levy of the township. Such a rate is equitable. The board is concerned that the Rural Service Taxing District will, given the city's significant amount of agricultural land, result in a decrease in funds with which to operate the city. The board suggests to the residents of the city that they strongly consider a municipal dissolution pursuant to M.S. 412.091. Such a dissolution would allow the city residents to become members of Sheridan Township, thereby enlarging the over-all community's tax base and hopefully alleviating some of the pressure on the present city taxpayers.

The City of Seaforth was created for a specific need. It now may have outlived its original reason for existence. The city should look long and hard at whether it may now be appropriate to join the Town of Sheridan so that two communities can be merged into one stronger community for the benefit of all of the area residents. MM I - 12 - 86

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