#### D-292 Lino Lakes/A-5094 Centerville

#### BEFORE THE MUNICIPAL BOARD

OF THE STATE OF MINNESOTA

)

Robert J. Ferderer John W. Carey Dorothy E. Kobs

Chair Vice Chair Commissioner

IN THE MATTER OF THE PETITION FOR ) THE DETACHMENT OF CERTAIN LAND FROM THE CITY OF LINO LAKES AND ANNEXATION TO THE CITY OF CENTERVILLE PURSUANT TO MINNESOTA ) STATUTES 414

FINDINGS OF FACT CONCLUSIONS OF LAW AND ORDER AND MEMORANDUM OPINION

The above-entitled matter came on for hearing before the Minnesota Municipal Board pursuant to Minnesota Statutes 414, as amended, on June 30, 1993, and was continued to July 1, 1993 at Centerville, 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, then Chair, and Robert J. Ferderer, then Vice Chair. The petitioners and the City of Centerville appeared by and through Gregory J. Hellings, Attorney at Law, and the City of Lino Lakes appeared by and through William S. Radzwill and Andrew J. MacArthur, Attorneys at Law.

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 March 16, 1993, a petition for concurrent detachment and

annexation by all of the property owners was filed with the Minnesota Municipal Board. The petition contained all of the information required by statute, including a description of the area proposed for concurrent detachment and annexation, which is as follows:

The East one-half of the Southwest Quarter of Section 24, Township 31, Range 22, Anoka County, Minnesota lying West of the Westerly right-of-way line of Interstate Highway No. 35E.

The total area of which is lll.ll Ac.

MORE PARTICULARLY DESCRIBED AS:

## Parcel A and Parcel B

The East one-half of the Southwest Quarter of Section 24, Township 31, Range 22, subject to easements of record.

The acreage of this property is 60.61 Ac.

Parcel C

That part of the Southeast Quarter of the Northwest Quarter of Section 24, Township 31, Range 22, Anoka County, Minnesota, described as follows to wit: commencing at the Southwest corner of said Southeast Quarter of the Northwest Quarter of Section 24; thence running along the south line of said Southeast Quarter of Northwest Quarter a distance of 275.00 feet; thence running north, parallel with the west line of said Southeast Quarter of Northwest Quarter a distance of 375.00 feet; thence west, parallel with the south line of said Southeast Quarter of the Northwest Quarter a distance of 275.00 feet to the west line of said Southeast Quarter a distance of 275.00 feet to the west line of said Southeast Quarter of the Northwest Quarter; thence running south along the west line of said Southeast Quarter of the Northwest Quarter a distance of 275.00 feet to the Northwest Quarter a distance of 375.00 feet to the point of beginning.

The acreage of this property is 2.37 Ac.

### Parcel D

The Southeast Quarter of the Northwest Quarter of Section 24, Township 31, Range 22, except that part taken by the Minnesota Highway Department for highway right-of-way and except the West 275.00 feet of the South 375.00 feet of the Southeast Quarter of the Northwest Quarter of said section, containing 22.12 acres, more or less, and subject to the rights of the town road along the west line of the said Southeast Quarter of the Northwest Quarter of said section, according to the government survey thereof.

The acreage of this property is 22.12 Ac.

Parcel E

That part of the Northeast Quarter of the Northwest Quarter of Section 24, Township 31, Range 22, Anoka County, Minnesota, described as follows:

Commencing at the northeast corner of said Northeast Quarter of Northwest Quarter; thence on an assumed bearing of South 89 degrees 51 minutes 17 seconds West along the north line of said. Northeast Quarter of Northwest Quarter 170.50 feet to the point of beginning; thence South 10 degrees 55 minutes 34 seconds West 263.89 feet; thence southerly along a nontangential curve, concave to the west having a central angle of 11 degrees 44 minutes 30 seconds, a radius of 1057.92 feet and an arc distance of 216.80 feet, the chord of said curve bears South 16 degrees 36 minutes 43 seconds West; thence South 22 degrees 28 minutes 58 seconds West and not tangent to last described curve 856.53 feet; thence South 89 degrees 17 minutes 02 seconds West 719.63 feet to the west line of said Northeast Quarter of Northwest Quarter; thence North 0 degrees 32 minutes 11 seconds East along said west line 1264.07 feet to the northwest corner of said Northeast Quarter of Northwest Quarter; thence North 89 degrees 51 minutes 17 seconds East along said north line of Northeast Quarter of Northwest Quarter 1147.18 feet to the point of beginning.

together with all hereditaments and appurtenances belonging thereto, subject to the following exceptions; easements, restrictions and reservations of record if any.

The acreage of this parcel is 26.00 Ac.

Parcel F

That part of the Northeast Quarter of the Southwest Quarter of Section 24, Township 31, Range 33 lying Northerly of the Easterly extension of the North line of South 662.45 feet of Northwest Quarter of said Quarter and lying Westerly of following described line: Beginning at a point on North line of said Northeast Quarter 16.5 feet Easterly of Northwest corner thereof, then Southerly to Southwest Corner of said Quarter Quarter and there terminating, subject to easement of Rural Electric Coop.

#### Parcel G

That part of Northeast Quarter of Southwest Quarter of Section 24, Township 31, Range 22 lying South of Easterly extension of North line of South 662.45 feet of Northwest Quarter of said Quarter and lying Westerly of following described line: Beginning at a point on North line of said Northeast Quarter 16.5 feet Easterly of Northwest corner thereof, then Southerly to Southwest corner of said Quarter Quarter and there terminating, subject to easement of Rural Electric Co-op.

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

3. The area proposed for concurrent detachment and annexation, hereinafter referred to as "the subject area," is presently within the City of Lino Lakes, hereinafter referred to as "Lino Lakes," and abuts the City of Centerville, hereinafter referred to as "Centerville." The perimeter of the subject area is approximately 40% bordered by Centerville.

4. Lino Lakes is approximately 21,447 acres in size.

5. Centerville is approximately 1,560 acres is size.

6. The subject area is approximately 111.11 acres in size.

7. Lino Lakes had a population of approximately 3,692 in 1970, approximately 4,966 in 1980, approximately 8,807 in 1990, and a estimated population of 10,450 in 1992. It is projected by the Metropolitan Council that it will have a population of approximately 14,600 by the year 2000 and approximately 19,600 by the year 2010.

Centerville had a population of approximately 534 in 1970, approximately 734 in 1980, and approximately 1,819 in 1992. The Metropolitan Council projects Centerville's population to be approximately 3,050 by the year 2000.

The subject area had a population of approximately 4 in 1980, and approximately 2 in 1992.

8. The subject area has County Ditch 47, also known as Clearwater Creek, located in its southern area.

There is approximately 30 acres of land within the subject area that are located within the floodplain.

9. The soils in the subject area range from loam to fine sandy loam with a high seasonal watertable. The soils are more specifically described as follows: Webster Loam, Dundas Loam, Cathro Muck, Blomford Loamy Fine Sand, Loamy Wet Land, Glencoe Loam, Nessel Fine Sandy Loam, and Isanti Fine Sandy Loam.

All the soils in the subject area except for the Nessel Fine Sandy Loam create severe limitations to development due to high water table, poorly drained soils and potential frost action. The limitations within the soil are not an absolute prevention for development of the subject area, but they may need corrective measures to overcome the hazards on limitations.

The subject area has generally flat topography with elevations gradually sloping upward towards Interstate Highway 35E, hereinafter referred to as "I-35E," which is located immediately east of the subject area.

10. Lino Lakes has approximately 10,829.75 acres designated for rural land use, of which approximately 3,136.29 acres are undevelopable; approximately 3,101.31 acres designated for residential use, of which

-5-

approximately 730.03 acres are undevelopable; approximately 506.45 acres designated for commercial use, of which approximately 97.64 acres are undevelopable; approximately 497.19 acres designated for industrial use, of which approximately 31.38 acres are undevelopable; approximately 299.33 acres designated for public and semi-public use, of which approximately 29.15 acres are undevelopable; and approximately 6,212.978 acres of land consisting of lakes, rivers, parks and freeways all of which are undevelopable.

Centerville has approximately 946.4 acres in residential use, approximately 215 acres in institutional use, approximately 84 acres in commercial use, approximately 136.5 acres in industrial use, and approximately 178.1 acres in water surface and Anoka County Park land.

Presently, the primary use of the subject area is undeveloped or agricultural in nature. The majority of the land is presently zoned general business with a small part of the southern portion zoned industrial.

11. Centerville has approximately 13.44 miles of highways, streets, and roads.

Lino Lakes has approximately 67.26 miles of roads. There are no gravel roads within Lino Lakes.

Pursuant to Minnesota State Aid Funding, hereinafter referred to as "MSA," for cities with population of over 5,000, Lino Lakes can designate one mile of road as an MSA road for every 20 miles of city roads. The subject area abuts County State Aid Highway 14, hereinafter referred to as "CSAH 14," which bisects the northernmost parcel of 30.56 acres of the subject area from the remaining portion of the subject

-6-

area south of CSAH 14.

A road heading south from CSAH 14 providing access to the industrial park is on the western boundary of the subject area, and is presently called Twentieth Street. This road continues southward and provides access to the residential property in the subject area.

The subject area is immediately west of I-35E. There is a diamond interchange between I-35E and CSAH 14 allowing entrance and exit from I-35E in both a northerly and a southerly direction. This intersection is one of the few remaining undeveloped freeway intersections in the metropolitan area. The entire I-35E/CSAH 14 intersection is in Lino Lakes.

The eastern boundary of Lino Lakes is less than a half mile east of the I-35E/CSAH 14 intersection.

12. Centerville has a zoning ordinance, subdivision regulations, an official map, capital improvements program and budget, a fire code, a floodplain ordinance and a sanitary ordinance.

Lino Lakes has a zoning ordinance, subdivision regulations, an official map, capital improvements program and budget, a fire code, a shoreland ordinance, floodplain ordinance and a sanitary ordinance.

Both Lino Lakes and Centerville have a comprehensive plan. The Metropolitan Council, hereinafter referred to as "Council," completed its review of the 1980 comprehensive plan for Centerville on October 21, 1981. The Council completed its review of an update of Centerville's comprehensive plan on October 20, 1989.

The Council completed its review of the 1981 Lino Lakes comprehensive plan on August 27, 1981. The Council completed its review

-7-

of a comprehensive plan update on March 25, 1987. The Council completed its review of an update of Lino Lakes' comprehensive sewer policy plan on March 22, 1990. On April 11, 1991, the Council completed its review of an amendment to the land use plan to delete the 2.5 acre lot planning area in the rural service area. In Lino Lakes 1990 Land Use Plan amendment of 1990 Goal #8 was listed as actively pursuing commercial development adjacent to Lino Lakes' two diamond interchanges, which includes I-35E/CSAH 14. Additional goals focused on developing commercial and industrial land adjacent to the freeway interchanges in a sequential manner and to expand the I-35E industrial corridor.

The Metropolitan Council gives a lower priority to a metropolitan system investment that serves additional residential land beyond regional forecasts than for a system investment that serves unanticipated economic development.

The Council neither favors, nor opposes the proposed concurrent detachment and annexation of the subject area, since it does not have any regional issues, but is not supported by both cities.

13. Current zoning of the subject area is general business and light industrial. The anticipated zoning if the subject area remains in Lino Lakes would be its present zoning.

Both communities anticipate the same type of development and land use designation for the subject area.

Centerville and Lino Lakes have building codes and inspection programs. Centerville contracts for its building inspection.

14. Centerville provides its residents with water, sanitary sewer and wastewater treatment, storm sewer, solid waste collection and

-8-

disposal, fire protection, (through the Centennial Fire District, a department formed by a joint powers agreement with Lino Lakes, Centerville, and the City of Circle Pines), police protection, through a contract with the City of Circle Pines, street improvements and maintenance, administrative services, recreational facilities and curbside recycling. The Centerville public works department consists of approximately two part time employees.

Centerville provides the subject area with storm sewer, solid waste collection and disposal, fire protection, street maintenance, and curbside recycling.

Centerville is willing to provide all of the services to the subject area which it presently provides to the other properties within Centerville.

15. Lino Lakes provides its residents with water, sanitary sewer and wastewater treatment, storm sewer, solid waste collection and disposal, fire protection, police protection with a staff of ten full time officers, street improvements and maintenance, administrative services, recreational facilities and curbside recycling. The Lino Lakes public works department has fourteen full time employees.

Lino Lakes generally provides all of those services to the subject area with the exception of water, sanitary sewer and wastewater treatment.

16. A portion of the subject area is designated in Green Acres.

17. Presently the sole residential unit in the subject area is on a private septic system for sanitary sewer service.

18. Sanitary sewer service provision to the subject area will

-9-

flow to the Metropolitan Waste Control Commission, hereinafter referred to as "MWCC," force main south of the subject area. This service flow route is the same whether sewer service is provided by Lino Lakes or Centerville.

19. Lino Lakes has plans to provide the subject area with both sanitary sewer and water. Presently, water is approximately 11,000 feet away from the logical extension of water service within Lino Lakes to the subject area.

Centerville is planning to develop and construct a new well and tower to improve its overall water service. Centerville may not have sufficient present capacity to provide complete industrial fire flow to the subject area if it was presently completely developed as planned.

20. There have been no formal requests by the property owners to Lino Lakes for provision of municipal services to the subject area.

The property owners had no specific plans for development of the subject area. The planner for Centerville outlined a possible development for the subject area, which was generally consistent with development of the subject area in either Centerville or Lino Lakes.

21. Development for the subject area would be the same whether the land is in Lino Lakes or Centerville.

22. Extension of municipal sewer and water to the subject area by Lino Lakes is estimated to cost approximately \$800,000.

23. MWCC projected a 1990 sewer flow of 64 - 76 million gallons per year for Lino Lakes, and a year 2000 flow of 80 - 96 million gallons per year. The actual flow for Lino Lakes in 1990 was approximately 66

-10-

million gallons. There is presently additional sewer flow capacity to accommodate future growth.

24. The northern portion of the subject area is within the Lino Lakes designated area of Metropolitan Urban Service Area, hereinafter referred to as "MUSA." Some of the southern portion of the subject area had been within the MUSA line and was removed around 1990.

The petitioners paid no assessments for interceptors or trunk service lines at the time their land had been included within the MUSA.

Presently, Lino Lakes has sufficient land within MUSA designation, that if the property owners in the subject area submit a request for additional MUSA extension to their property, Lino Lakes may be able to accommodate such a request through a trade of land to move MUSA capacity to the subject area.

25. The Metropolitan Council forecasted a 1990 sewer flow of 45 -46 million gallons per year for Centerville. MWCC estimates current flow average approximately 62 million gallons per year.

Centerville is connected to the regional sanitary system by MWCC ten inch force main which flows to the Forest Lake interceptor. This force main has sufficient capacity to accommodate future Centerville growth.

Centerville does not have large excess MUSA capacity on land within Centerville, to trade, and provide MUSA to the subject area.

26. Lino Lakes has recently hired an Economic Development Coordinator. The Lino Lakes Economic Development Committee has developed a strategic plan for economic development in Lino Lakes. The interstate intersections, both I-35E in the eastern portion of Lino

-11-

Lakes and I-35W in the western part of Lino Lakes, are considered important components of the development strategy.

27. Lino Lakes will receive from the County of Anoka, hereinafter referred to as "County," a payment of approximately \$1,200,000 for repayment of advanced state aid funds for development of a road in the western portion of Lino Lakes.

This money will be available for road development throughout Lino Lakes including the subject area.

28. Development of the subject area will require sanitary sewer to avoid pollution of the adjacent wetlands. Presently, there are no known environmental problems in the subject area.

29. Lino Lakes had a 1992 payable estimated market value of approximately \$284,371,300 with an unadjusted assessed value of approximately \$4,867,812. The City's tax rate was 26.822; it's tax rate for the County was 32.99, its tax rate for the School District was 67.857; and its tax rate for the Special Taxing District was 4,420. It had a total bonded indebtedness of approximately \$12,714,205.

Centerville had a payable 1992 estimated market value of approximately \$48,743,800 with an unadjusted assessed value of approximately \$712,303 in 1993. The City's tax rate was 30.192; it's tax rate for the County was 32.618, its tax rate for the School District was 60.651; and its tax rate for the Special Taxing District was 7.59. It had a total bonded indebtedness of approximately \$2,615,000.

The subject area had a 1993 estimated market value of approximately \$319,030 with an unadjusted assessed value of approximately \$201,400.

-12-

30. Centerville and Lino Lakes have fire ratings of five and nine within each community.

## CONCLUSIONS OF LAW

1. The Minnesota Municipal Board duly acquired and now has jurisdiction of the within proceeding.

2. Concurrent detachment and annexation of the subject area is not in the best interest of the City of Lino Lakes or that portion of Lino Lakes constituting the subject area.

3. Lino Lakes provides or can provide the subject area with the necessary governmental services.

4. An order should be issued by the Minnesota Municipal Board denying the request for concurrent detachment and annexation of the subject area.

# <u>ORDER</u>

1. IT IS HEREBY ORDERED: That the petition for the concurrent detachment and annexation of the area described in Findings of Fact 1 is hereby denied.

2. IT IS FURTHER ORDERED: That the effective date of this order is April 19, 1994.

Dated this 20th day of April, 1994.

MINNESOTA MUNICIPAL BOARD 475 McColl Building St. Paul, MN 55101

Ment

Terrence A. Merritt Executive Director D-292 Lino Lakes/A-5094 Centerville

### MEMORANDUM

In denying the concurrent detachment and annexation of the petitioned area, the Board notes two important issues: (1) the petitioners never brought forward to the City of Lino Lakes a request for services to facilitate a concrete plan. Testimony from at least one petitioner indicated that anything that would sell was acceptable, including an asphalt plant. (2) The City of Lino Lakes has indicated a willingness to work with the developers. It now has an economic development director on staff full time. If Lino Lake's words are not backed up by actions, the Board is more than willing to take a second look at this proposed concurrent detachment and annexation at a future time. However, to deny Lino Lakes an opportunity to work with the land owners would not be appropriate in this situation.

The subject area is a gateway to both Centerville and Lino Lakes. Testimony indicated a willingness on the part of both cities to work together. It is time to put that rhetoric into action. The entire community will be enhanced by a gateway that draws people to the area. Conversely, a poorly developed area will equally drive people away from an area that has the amenities to be both inviting and enjoyable.

The Board urges Lino Lakes and Centerville to work together not only on the development of the subject area, but on other areas where cooperation and combination can result in savings for the citizens of the whole community: 74M 4-70-94