LAW OFFICES OF

FLUEGEL, ANDERSON, MCLAUGHLIN & BRUTLAG, Chartered

Michael M. Fluegel (1947-2013)
Warrenn C. Anderson
David C. McLaughlin
Paul Brutlag*‡
Robert V. Dalager
Amy J. Doll*
Matthew R. Fluegel
Jason G. Lina
Lynnae L.G. Lina
* also admitted in North Dakota
* also admitted District of Columbia

215 ATLANTIC AVENUE P.O. BOX 527 MORRIS, MN 56267

PHONE: (320) 589-4151 FAX: (320) 589-4154 Ortonville Location: 25 Second Street NW Suite 102 Ortonville, MN 56278 Phone: (320) 839-2549 Fax: (320) 839-2540

Wheaton Location 1112 First Avenue North Professional Building Wheaton, MN 56296 Phone: (320) 563-1414

June 9, 2014

Office of Administrative Hearings Municipal Boundary Adjustment Unit Attn: Ms. Star Holman

P. O. Box 64620

St. Paul, MN 55164-0620

VIA EMAIL ONLY

REC'D BY

JUN 1 0 2014

RE:

Petition for Detachment by Land Owners

Our File No: 113-4025

Dear Ms. Holman:

Our office submitted a Petition for Detachment dated 06/03/2014 and we wanted to clarify/update two things.

Our response in No. 1 listed five (5) property owners. There are in fact only four (4) property owners involved with this Detachment. You will see in Question No. 2 we listed 'All property owners have signed this petition' which is true, all 4 have signed and submitted the 06/03/2014 Petition.

Our response in No. 7 references Exhibit A-Map of the City Limits and properties requesting Detachment. Please substitute the attached Updated Exhibit A Map clarifying the properties requesting Detachment. You will note in Petition explanation in No. 7 we have correctly listed the real estate legal descriptions but the map needed to be clarified. Per your telephone conference with my office you noted the MN DOT has a different City Limit outline for Milan. Upon investigation with the Chippewa County Offices and the City of Milan they confirmed this is their correct City Limit boundaries.

Thank you.

Very truly yours,

FLUEGEL, ANDERSON, McLAUGHLIN

& BRUTLAG, CHARTERED

Amy J. Doll

adoll@westernmnlaw.com

AJD/af/encls

cc: VIA US MAIL

Clerk of the City of Milan Clerk of Kragero Township Chippewa County Recorder George Kleven

Mark Kleven
Luther Opjorden

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
)ss
COUNTY OF STEVENS)

Amollia E. Fluegel of the City of Morris, County of Stevens, in the State of Minnesota, being duly sworn, says that on the 10TH day of June, 2014, she served the annexed: **ADDENDUM/CLARIFICATION OF PETITION FOR DETACHMENT AND REVISED EXHIBIT A** on the following named individuals by mailing to them a copy thereof, enclosed in an envelope, postage prepaid, and by depositing same with the post office at Morris, Minnesota, directed as follows:

cc:

Clerk of the City of Milan, P.O. Box 162, Milan, MN 56262

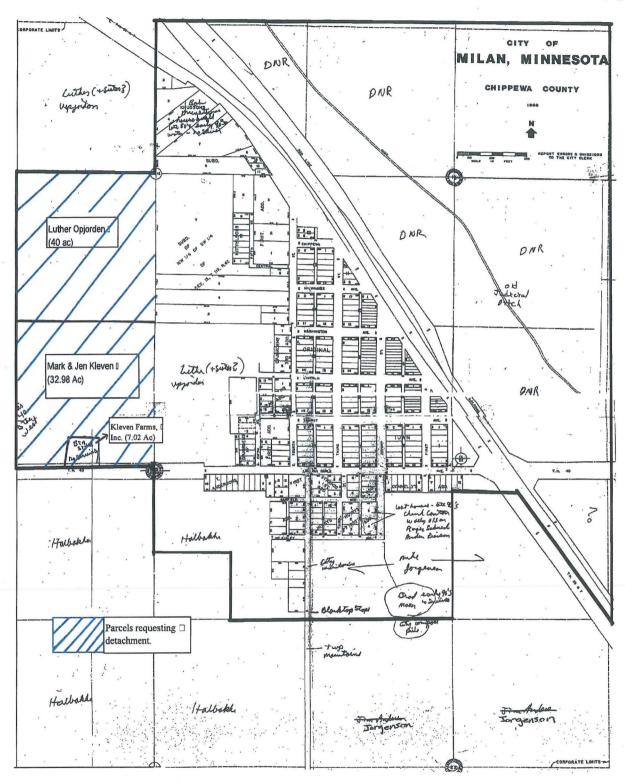
Clerk of Kragero Township, 122 Lac Qui Parle Ave. Milan, MN 56262 Chippewa County Recorder, 629 N 11th St # 4, Montevideo, MN 56265

Amollia E. Fluegel

Subscribed and sworn to before me this 10TH day of June, 2014.

Notary Public

CINDY M. YEAGER
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015



UPDATED EXHIBIT A

PROPERTY OWNER PETITION FOR DETACHMENT OF PROPERTY FROM A CITY

IN THE MATTER OF THE PETITION FOR DETACHMENT OF CERTAIN LAND FROM THE CITY OF MILAN, MINNESOTA PURSUANT TO MINNESOTA STATUTES § 414.06

June 3.	2014										

TO: Office of Administrative Hearings Municipal Boundary Adjustment Unit P. O. Box 64620 St. Paul, MN 55164-0620

Pursuant to the 2012 amendment to Minn. Stat. \S 414.06, the petitioner(s) shall also provide a copy of this petition to:

- 1) the city from which the land may be detached;
- 2) all property owners who have not signed this petition;
- 3) the clerk of the town to which the property may be attached if granted;
- 4) the clerk of any other abutting town or city; and
- 5) the county recorder in the county in which the land is located.

PETITIONERS STATE: The number of petitioners required by Minnesota Statutes § 414.06, Subd. 1, to commence this proceeding is: all of the property owners if the area is less than 40 acres; or 75% or more of the property owners in number if the area is more than 40 acres.

It is hereby requested by:

all of the property owners, the area is less than 40 acres; or

X 75% or more of the property owners, the area is more than 40 acres;
to detach certain properties described herein from the City of Milan and make a part of the Township of Kragero North.

- 1. There are **five (5)** property owners in the area proposed for detachment.
- 2. **All** property owners have signed this petition. (If the land is owned by both the husband and wife, <u>both</u> must sign the petition to represent all owners.)
- 3. The property is situated within the City of Milan, abuts the municipal boundary, and is located in the County of Chippewa.

 The petitioned area abuts on the city's N S E <u>W</u> (circle one) boundary.
- 4. The property proposed for detachment is rural in character and not developed for urban residential, commercial, or industrial purposes. The area proposed for detachment described below in Paragraph Seven (hereinafter referred to as the "Subject Area") below is zoned ""A-O" Agricultural Open Space" and is used exclusively for

agricultural purposes. See Chapter Three: The Built Environment – Milan's Current Land Use, City of Milan Comprehensive Plan 2013 (hereinafter referred to as the "Plan").

5. The reason detachment is requested is:

The Subject Area is used exclusively for private agricultural purposes and serves no City purpose. There are no residents living in the Subject Area. The only buildings or structures within the Subject Area include a grain bin site privately owned and located on property owned by Kleven Farms, Inc.

There are no public services offered and no public utilities provided to the Subject Area. The Subject Area contains no street lights or sidewalks and there are no plowing services provided by the City. The Milan Fire Department responds to fire emergency calls from both the City and the surrounding Township. Since there are no fire hydrants located within the Subject Area, the Milan Fire Department would respond to a fire emergency within the Subject Area in the same manner as any other call from within a Township property. Law enforcement is provided by Chippewa County rather than the City; although the City does employ a "night watchman." This individual has never provided services to the Subject Area and has no reason to do so. Many years ago, the City did provide water services to the Subject Area when a house existed on the property owned by Kleven Farms, Inc. The house was later removed from the property and does not exist today. When the City put in new water lines some years ago, the water stopped at or before the Subject Area. There is no water services provided to the Subject Area.

The property does not include any public improvements, other than the Milan Beach Trail, which runs along a right of way granted by a highway easement along Highway 40 and the southern line of the Kleven properties. See the enclosed photographs (Exhibits B1, B2 and B3). The fact that the Milan Beach Trail runs along one of the parcels is not sufficient grounds to oppose detachment.

In its response to Petitioner's request for detachment, the City stated that it "has expended substantial sums to benefit this property in the form of a storm water project and tiling." These projects do not benefit the Subject Area. The storm sewer project was completed in 2012-2013 and it does not reach the Subject Area. Tiling was done to repair an existing tile on property owned by Luther Opjorden, but this is not property that is contained within the Subject Area that we are requesting to be detached from the City. This is property that is located within the City that will remain in the City.

Moreover, detachment of the Subject Area would not unreasonably affect the symmetry of the detaching municipality, and, in fact, would enhance it by creating a straight line along the western boundary of the City. See Exhibit A.

The Subject Area is not needed for reasonably anticipated future development. It is our understanding that the City's last expansion occurred nearly twenty years ago

and included the construction of a few homes within the residential area of the City. The Subject Area is used exclusively for agricultural purposes and is classified as Area 5 in the City's Plan. The City's Plan expressly provides that "Area 5 represents…land zoned as agricultural within the City…Milan should encourage future development within its <u>other</u> zoning districts in an effort to promote orderly and efficient growth and prevent the loss of prime agricultural land…" See Chapter Six of the City's Plan – Implementation, Milan's Future Land Use. There is ample land available within the other zoning districts for any future expansion of the City and detachment of the Subject Area would not affect any anticipated development.

If detachment of the Subject Area is approved, there is no doubt the City will be able to continue to carry on the functions of government without undue hardship. According to the 2012 Audit, the City actually has a large cash surplus. In 2012 the income to the City of Milan was \$543,103, expenditures were \$187,324 thus an excess fund balance of \$418,662 which is a 223% unrestricted fund balance. The City's 223% unrestricted fund balance far exceeds the Office of the Minnesota State Auditor's recommended 35-50% unrestricted fund balance.

It is our understanding that other agricultural property has been detached from the City and allowed to be taxed at a lower rate by the Township, including property owned by the Halbakken and Burns/Jorgenson families, which abuts the City's western and southern boundaries. The property owned by Burns/Jorgenson along the southern boundary of the City provides public access to the City's dumping grounds and yet it was still voluntarily detached. We respectfully request that the Subject Area be detached from the City and allowed to be taxed by the Township in the same manner.

6. Summarize what efforts were taken prior to filing this petition to resolve the issues:

Petitioners sent a letter to the City of Milan on January 31, 2014 requesting detachment of the above-described property. The City denied their request without providing sufficient grounds for opposing the detachment.

7. The number of acres in the property proposed for detachment is 80 acres described as follows:

Luther Opjorden Property [approximately 40 acres] Tax ID#60-816-4100

The Northeast Quarter of the Southeast Quarter (NE1/4-SE1/4) of Section 16, Township 119, Range 42, Chippewa County, State of Minnesota.

Mark A. and Jennifer A. Kleven Property [approximately 32.98 acres] Tax ID#60-816-4400

The Southeast Quarter of the Southeast Quarter (SE1/4-SE1/4) of Section 16, Township 119, Range 42, Chippewa County, State of Minnesota,

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL: commencing at the southeast corner of said Section Sixteen (16); thence North 90 degrees 00 minutes 00 seconds West, assumed bearing along the south line of said Section, a distance of 568.00 feet to the point of beginning of the tract to be described; thence continuing North 90 degrees 00 minutes 00 seconds west, along said south line, a distance of 538.00 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet; thence South 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet to the point of beginning.

Kleven Farms, Inc. Property [approximately 7.02 acres] Tax ID#60-816-4401

That part of the Southeast Quarter of the Southeast Quarter (SE1/4-SE1/4) of Section Sixteen (16) Township One Hundred Nineteen (119) North, Range Forty-two (42) West, Chippewa County, Minnesota described as follows:

Commencing at the southeast corner of said Section Sixteen (16); thence North 90 degrees 00 minutes 00 seconds West, assumed bearing along the south line of said Section, a distance of 568.00 feet to the point of beginning of the tract to be described; thence continuing North 90 degrees 00 minutes 00 seconds west, along said south line, a distance of 538.00 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet; thence North 90 degrees 00 minutes 00 seconds East a distance of 538.00 feet; thence South 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet to the point of beginning.

See attached Exhibit A depicting these legal descriptions.

- 8. The number and character of buildings on said property is: The only buildings or structures in the Subject Area include a grain bin site located on the property of Kleven Farms, Inc. The bin site is privately owned and strictly used for agricultural purposes.
- 9. The number of residents in the area proposed for detachment is: **None.** (The number of residents is not necessarily the same as number of owners.)
- 10. Public improvements on said property are: None.

[Signature page to follow]

	1	2 1
Date:	June	3,2014

Luther T. Opjorden, Property Owner

Mark A. Kleven, Property Owner

Jennifer A. Kleven, Property Owner

KLEVEN FARMS, INC.

By

George Kleven, President of Kleven

Farms, Inc., Property Owner

Municipal Boundary Adjustment Unit Contacts

Star Holman star.holman@state.mn.us 651-361-7909

Katie Lin <u>katie.lin@state.mn.us</u> 651-361-7911

(August 2012)

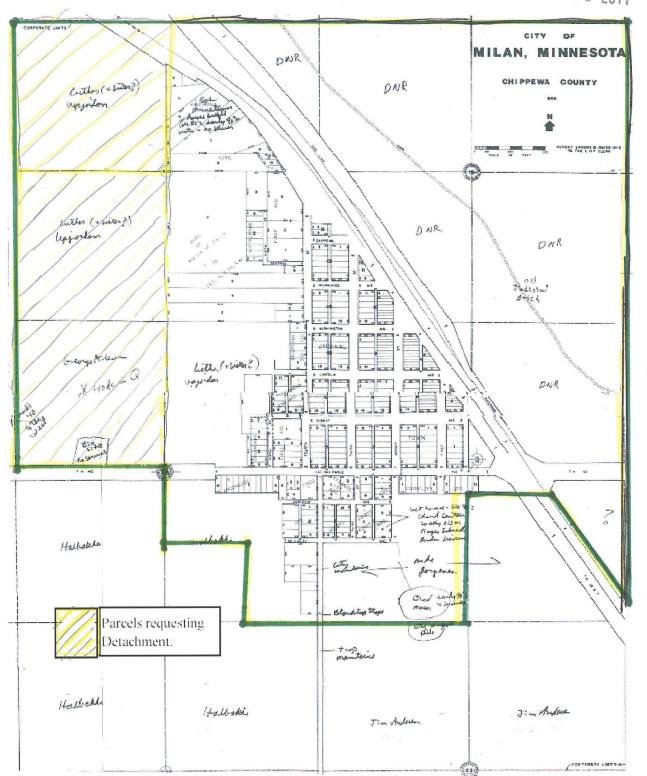
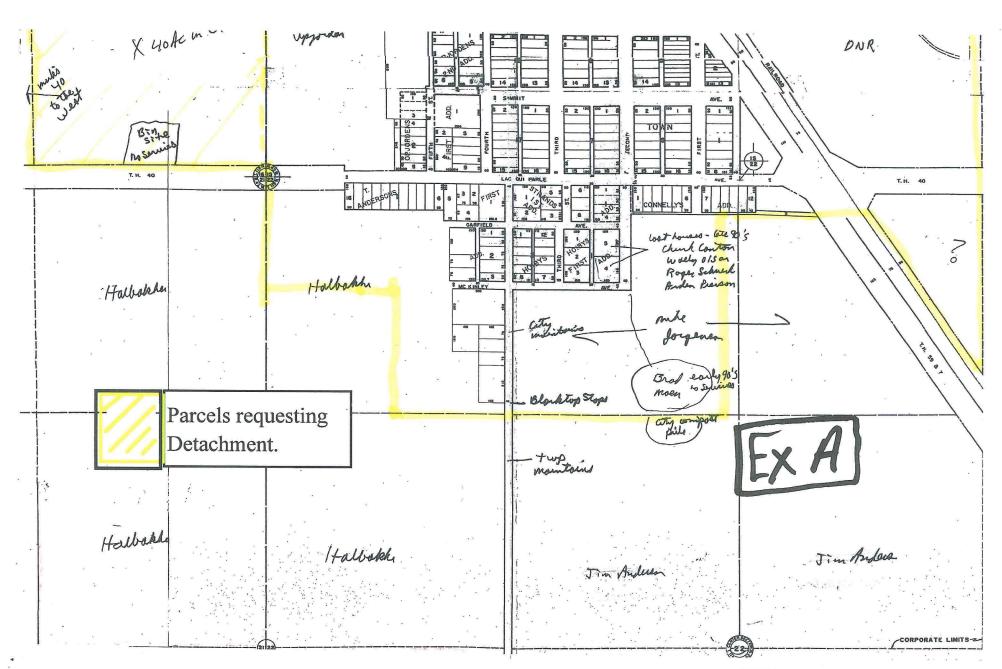


EXHIBIT A



REC'D BY JUN 0 5 2014

LAW OFFICES OF

FLUEGEL, ANDERSON, McLaughlin & Brutlag, Chartered

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Wheaton Location 1112 First Avenue North Professional Building Wheaton, MN 56296 Phone: (320) 563-1414

January 31, 2014

REC'D BY

JUN 05 2014

Milan City Clerk City Council Members P.O. Box 162 Milan, MN 56262

Re: Detachment of Agricultural Property from the City of Milan

Dear City Council Members:

Our office represents George Kleven, Kleven Farms, Inc., Mark A. and Jennifer A. Kleven and Luther T. and Martha J. Opjorden. Pursuant to Minn. Stat. § 414.06 (2013), we are requesting Detachment of property situated within the City of Milan (hereinafter referred to as "City"), located in County of Chippewa, and abutting the City's western boundary, described as follows:

Luther T. Opjorden and Martha J. Opjorden Property Tax ID# 06-116-1200

The Southeast Quarter of the Northeast Quarter (SE1/4-NE1/4), Section Sixteen (16), Township One Hundred Nineteen (119), Range Forty-two (42), Chippewa County, State of Minnesota, subject to and less those tracts described in the Final Certificates dated November 17, 1933, and recorded in Book "R" of Miscellaneous, page 261; dated October 25, 1937, and recorded in Book "U" of Miscellaneous, page 103; dated March 7, 1966, and recorded in Book 42 of Miscellaneous, page 283, and subject to easements of record to Ottertail Power Company.

Luther Opjorden Property Tax ID#60-816-4100

The Northeast Quarter of the Southeast Quarter (NE1/4-SE1/4) of Section 16, Township 119, Range 42, Chippewa County, State of Minnesota.

EXHIBIT Sopposes

Mark A. and Jennifer A. Kleven Property Tax ID#60-816-4400

The Southeast Quarter of the Southeast Quarter (SE1/4-SE1/4) of Section 16, Township 119, Range 42, Chippewa County, State of Minnesota, EXCEPTING THEREFROM THE FOLLOWING DESCRIBED PARCEL: commencing at the southeast corner of said Section Sixteen (16); thence North 90 degrees 00 minutes 00 seconds West, assumed bearing along the south line of said Section, a distance of 568.00 feet to the point of beginning of the tract to be described; thence continuing North 90 degrees 00 minutes 00 seconds west, along said south line, a distance of 538.00 feet; thence North 90 degrees 00 minutes 00 seconds East a distance of 568.00 feet; thence North 90 degrees 00 minutes 00 seconds East a distance of 538.00 feet; thence South 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet to the point of beginning.

Kleven Farms, Inc. Property Property: Tax ID#60-816-4401

That part of the Southeast Quarter of the Southeast Quarter (SE1/4-SE1/4) of Section Sixteen (16) Township One Hundred Nineteen (119) North, Range Forty-two (42) West, Chippewa County, Minnesota described as follows:

Commencing at the southeast corner of said Section Sixteen (16); thence North 90 degrees 00 minutes 00 seconds West, assumed bearing along the south line of said Section, a distance of 568.00 feet to the point of beginning of the tract to be described; thence continuing North 90 degrees 00 minutes 00 seconds west, along said south line, a distance of 538.00 feet; thence North 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet; thence North 90 degrees 00 minutes 00 seconds East a distance of 538.00 feet; thence South 00 degrees 00 minutes 00 seconds East a distance of 568.00 feet to the point of beginning.

See attached Exhibit A depicting these legals.

We are requesting Detachment because it is our understanding that other agricultural property has been Detached from the City and allowed to be taxed at a lower rate by the Township, including property owned by the Halbakken and Burns/Jorgenson families, which abuts the City's western and southern boundaries. The above-described parcels should be taxed by the Township in the same manner.

The area proposed for Detachment is rural in character and not developed for urban residential, commercial or industrial purposes. The real property described above is zoned ""A-O" Agricultural – Open Space" and is used exclusively for agricultural purposes. See Chapter Three: The Built Environment – Milan's Current Land Use, City of Milan Comprehensive Plan 2013 (hereinafter referred to as the "Plan") enclosed for your reference.

Milan City Council January 31, 2014 Page 3

These parcels serve no City purpose and receive no public services. The only buildings or structures on these parcels include a grain bin site located on the property owned by Kleven Farms, Inc. There are no residents living in the area proposed for Detachment. The property described above does not include any public improvements, other than the Milan Beach Trail, which runs along a right of way granted by a highway easement along Highway 40 and the southern line of the Kleven properties. See the enclosed photographs (Exhibits B1, B2 and B3). The fact that the Milan Beach Trail runs along one of the parcels is not sufficient grounds to oppose Detachment. Property owned by Burns/Jorgenson along the southern boundary of the City provides public access to the City's dumping grounds and it was still voluntarily Detached.

Moreover, Detachment of these parcels would not unreasonably affect the symmetry of the detaching municipality, and in fact, would enhance it by creating a straight line along the western boundary of the City. See Exhibit A.

The area proposed for Detachment is not needed for reasonably anticipated future development. To our knowledge, the City's last expansion included a few homes built in the late 1990's within the residential area of the City. The area proposed for Detachment herein is Area 5 and used exclusively for agricultural purposes. The City's Plan expressly provides that "Area 5 represents…land zoned as agricultural within the City…Milan should encourage future development within its other zoning districts in an effort to promote orderly and efficient growth and prevent the loss of prime agricultural land…" See the enclosed Plan, Chapter Six – Implementation, Milan's Future Land Use. There is ample land available within the other zoning districts for any future expansion of the City and Detachment would not affect any anticipated development.

If Detachment of these parcels is approved, there is no doubt the City will be able to continue to carry on the functions of government without undue hardship. The State's recommended surplus cash reserve for a municipality is between 10-35% of the budget. According to the 2012 Audit, the City actually has a 220% surplus with an annual budget of \$180,000.00 and a fund balance of \$418,000.00.

We request that the above-described parcels be Detached from the City and allowed to be taxed as other Township agricultural property.

Should you have comments or questions do not hesitate to contact the undersigned.

Milan City Council January 31, 2014 Page 4

Very truly yours,

FLUEGEL, ANDERSON, MCLAUGHLIN & BRUTLAG, CHARTERED

Warrenn C. Anderson

warrenn@hometownsolutions.net

WCA/ja/encls

cc: Luther Upjordan

Mark & Jennifer Kleven

George Kleven Jodi Asmus, Esq.

REC'D BY JUN 0 5 2014



Looking East from Hwy 40 B1



Looking West from Hwy 40 B2



From west edge of Milan <---- Bike Trail