

BEFORE THE MUNICIPAL COMMISSION
OF THE STATE OF MINNESOTA

Robert W. Johnson	Chairman
Arthur R. Swan	Vice Chairman
Robert J. Ford	Member
Robert Gambrino	Ex-Officio Member
Keith Maurer	Ex-Officio Member

IN THE MATTER OF THE PETITION OF THE)	
CITY OF ST. CLOUD, MINNESOTA, FOR THE)	
ANNEXATION OF CERTAIN LANDS PURSUANT)	<u>AMENDED ORDER</u>
TO MINNESOTA STATUTES 414)	

A petition for an amendment to the order issued on December 15, 1969, in the above-captioned matter was filed pursuant to rule 14 of the Rules of Practice with the Minnesota Municipal Commission on December 22, 1969. Pursuant to that petition and reconsideration by the Commission the December 15, 1969 order is amended in part to read:

IT IS FURTHER ORDERED: That the annexation herein ordered be effective when the time for appeal of this order has expired, or, in addition to that, if an appeal is taken from this order, that the effective date of the order be when the district court to which the appeal is taken has made its decision on the appeal. Nothing herein shall preclude the district court to which the appeal is taken from determining on its own what the effective date of the order shall be.

IT IS FURTHER ORDERED: That the ad valorem real estate taxes which are due and payable as of the effective date of this order shall be the property of the City of St. Cloud, but such taxes levied for the retirement of the bonded indebtedness of the township shall be paid to the

township until such time as the same is paid. All other property and obligations of the township shall remain the property and obligations of said township. However, all real estate taxes on the property herein ordered annexed which are delinquent prior to the effective date of this order shall be payable to the township.

Dated this 31st day of December, 1969

MINNESOTA MUNICIPAL COMMISSION
610 Capitol Square Building
St. Paul, Minnesota 55101



Bruce Rasmussen
Secretary

M E M O R A N D U M

To understand fully the instant proceeding it will be helpful to summarize the major aspects of the procedural history of the Town of St. Cloud (Town) - City of St. Cloud (City) - Village of Waite Park controversy.

Commencing on December 10, 1963, the Commission, under the purview of M.S. 414.05, held a series of hearings to "determine whether all or a part of the township area will best be served by incorporation, annexation, or to remain as a township." Hearings on this question were held from time to time, with the last hearing being held on September 9, 1969. This proceeding is known as the Section 5 proceeding.

The instant proceeding, known as the Crossroads annexation proceeding, came on for hearing on January 25, 1968, and was continued from time to time with the last hearing being held on September 9, 1969.

On November 22, 1968, the Commission received a petition of certain landowners to the Village of Waite Park for annexation of a tract which included land within the Crossroads annexation. Waite Park was notified of this fact by the Commission and advised that, pursuant to M.S. 1967, Section 414.02, Subd. 2, it could take no action unless otherwise provided by commission order, until final disposition was made of the Crossroads annexation. This proceeding is known as the Waite Park annexation.

In addition to the formal hearings, the Commission held under its auspices, and participated in under the auspices of others, informal meetings designed to arrive at a mutually acceptable solution to what was commonly understood to be a significant problem; that is, the problem of coping with the urbanization of part of the Town area. The Town felt that orderly annexation of the residential developments presently within its boundaries was required to provide much needed

urban services. It wanted assurance that these services would be provided within a reasonable time. The City seemed willing to take on these responsibilities, provided that it obtained the tax advantage of the Crossroads area.

These discussions resulted in proposed legislation and the proceedings were continued, by mutual consent, to allow the legislation proposal to be pursued. The proposed legislation was enacted as Laws of Minnesota 1969, Chapter 1146, Section 11, and will be codified as Minnesota Statutes, Section 414.032, known as the orderly annexation procedure.

The orderly annexation procedure provides that a city and a town may by joint resolution designate an area as in need of orderly annexation. Upon such designation the Commission may, after formal hearing under the adversarial system, order all or a part of the designated area annexed upon finding that it "is now or is about to become urban or suburban in nature and that the annexing municipality is capable of providing the services required by the area within a reasonable time." Municipal taxes in the annexed area are allowed to be increased over a three to five year period in recognition that such time will be required for the annexed area to be benefited from the full range of urban services. The effect of an orderly annexation is that the municipality knows that it will ultimately include the designated area and can plan accordingly, and that the residents of the designated area will be assured of receiving services within a reasonable time after annexation and of being taxed for services in proportion to the delivery thereof.

A joint resolution under the orderly annexation procedure has been passed by the City and Town of St. Cloud, and the Commission has taken jurisdiction over the designated area. A hearing will be conducted on this matter on January 16, 1969.

The Crossroads property herein annexed will benefit immediately

from the full range of City services, and would therefore seem inappropriate for orderly annexation. Sewer and water are already provided by the City under contract. The contract will, of course, terminate upon the annexation. Sewer and water are not presently provided by the City to any of the parcels within the area designated under the joint resolution, and it will take some time for these services to be made available.

While granting of the Crossroads annexation creates some apparent boundary irregularities, these will be rationalized under the orderly annexation proceeding. The irregularities within the area designated under the joint resolution are tracts where the owner and the City have annexation agreements which will be effective when the tracts become eligible for annexation.

By our Order of December 11, 1969, we have instructed the Village of Waite Park to proceed under the Waite Park annexation petition. This petition was signed by a majority of the property owners and there is no overriding reason not to effectuate their desires. The authority of the Commission to proceed on pending matters independently of the time of filing allows this action.

All of the motions made by the various parties have been considered by the Commission in its deliberations, and have been ruled on consistent with this order.

We believe that these three Commission actions, i.e., our approval of the Crossroads annexation, our order allowing Waite Park to proceed under the petition of November 22nd, and accepting jurisdiction over the designated area of the joint resolution of December 1, 1969, when taken together, constitute a substantial solution to the problems of urbanization in the Town. We are therefore by separate order terminating the Section 5 proceeding.