

STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS

FOR THE MUNICIPAL BOUNDARY ADJUSTMENTS UNIT

In the Matter of the Consolidated  
Petitions of the City of Chisago City  
and the City of Stacy for Annexation of  
Unincorporated Property in the  
Township of Wyoming Pursuant to  
Minnesota Statutes, Section 414.031

**FINDINGS OF FACT,  
CONCLUSIONS, AND ORDER**

The above-entitled matter initially came on for hearing before Christine M. Scottillo, Executive Director, Municipal Boundary Adjustments, on February 23, 2006, at Wyoming City Hall, 26885 Forest Boulevard, Wyoming, MN, pursuant to the consolidated petitions of Chisago City and Stacy for annexation of parts of Wyoming Township. The hearing was continued to an evidentiary hearing.

The matter came on for an evidentiary hearing before Administrative Law Judge Steve M. Mihalchick at 9:00 a.m. on March 24, 2008, at Wyoming City Hall, City Council Chambers, 26885 Forest Boulevard, Wyoming, Minnesota. The hearing continued on six subsequent days and ended on April 1, 2008. Public testimony was heard on the evening of March 26, 2008; about 41 people signed the Hearing Register, and 23 persons offered comments on the record. The Administrative Law Judge toured the Township and cities on his own several times during the same period.

The parties were allowed time to submit written memoranda based upon a written transcript of the hearing. The hard copy of the transcript was received by all parties on April 23, 2008. On May 23, 2008, the parties submitted written memoranda and proposed findings of fact, conclusions of law, and order. The final written reply memoranda were received on June 11, 2008, and the record closed on that date. By agreement and based upon an extension to the briefing schedule, the parties extended the due date of the Administrative Law Judge's report to July 31, 2008.

During the pendency of post-trial submissions, the City of Wyoming, Wyoming Township, and the City of Stacy compromised and agreed upon an area to be annexed by Stacy ("the Stacy Stipulation"). The City of Chisago City concurred in the stipulation. Notice of the Stacy Stipulation was published and an additional public hearing was held on June 30, 2008, to allow comment on the Stipulation. There were no objections to the Stipulation.

Christopher M. Hood and Robert T. Scott of the firm Flaherty & Hood, P.A., 525 Park Street, Suite 470, St. Paul, MN 55103, appeared representing Petitioner City of Chisago City ("Chisago City").

George C. Hoff and Shelley M. Ryan of Hoff, Barry & Kozar, P.A., 160 Flagship Corporate Center, 775 Prairie Center Drive, Eden Prairie, MN 55344, appeared representing Petitioner City of Stacy ("Stacy").

Tim Sime and John C. Kolb of Rinke-Noonan, Suite 300, US Bank Plaza P.O. Box 1497, St. Cloud, MN 56303, appeared on behalf of Respondents City of Wyoming and Wyoming Township ("the Wyomings").

### **STATEMENT OF THE ISSUES**

1. Whether the Petition by the City of Chisago City to Annex Certain Portions of Wyoming Township should be granted or denied based upon the factors set out in Minn. Stat. § 414.031. .

2. Which city, Chisago City or Wyoming, can best serve all or a portion of the proposed Chisago City annexation area following annexation?

3. Which city, Chisago City or Wyoming, would best protect the public health, safety, and welfare of all or a portion of the proposed annexation area following annexation?

The Administrative Law Judge concludes that the Petition of Chisago City for Annexation of certain portions of Wyoming Township should be granted only as to Sections 35 and 36. The Petition of the City of Stacy, as amended by the Stipulation of the parties, should be granted. The Administrative Law Judge further concludes that the Orderly Annexation of Wyoming Township by the City of Wyoming pursuant to the Joint Resolution between the City of Wyoming and Wyoming Township under Minn. Stat. § 414.031 should proceed before the Office of Administrative Hearings Municipal Boundary Adjustments Unit.

Based on the evidence in the hearing record, the Administrative Law Judge makes the following:

### **FINDINGS OF FACT**

#### **Historical and Procedural Background**

1. Chisago City, the City of Wyoming, and Wyoming Township are all located in southern Chisago County, approximately 35 miles from the Minneapolis-St. Paul area.<sup>1</sup>

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<sup>1</sup> Ex. 15 at 1; T. (v1) 30.

2. At some point in the past, Wyoming Township was a six by six mile square with the City of Wyoming lying entirely within the southwestern part of the Township. Chisago City occupied portions of Sections 1 and 12 at the Township's northeast corner, but lay mainly to the east of the Township. The City of Stacy was and is north of the Township adjacent to the western end of the Townships northern border.<sup>2</sup>

3. Wyoming Township is bounded to the north by Lent Township and the City of Stacy, to the east by Chisago Lakes Township and Chisago City, to the south by Forest Lake, which is in Washington County, and to the west by Linwood Township and the City of Columbus, which are in Anoka County.<sup>3</sup>

4. In 2003, the City of Wyoming and Wyoming Township adopted a joint resolution for orderly annexation of a 611 acre site that straddles County Road 84 in Sections 9, 10, 15, and 16, that was formerly the City of Wyoming's wastewater treatment facility. The site was sold to Polaris Industries, which built a new research and development facility that it now operates there. The Polaris site is an detached island within the Township located about two miles northeast of the original City of Wyoming boundaries. Polaris restricts public access to the site to protect its research activities. Therefore, the public is not allowed to use County Road 84 through the Polaris site. However, emergency vehicles may do so.

5. On January 24, 2005, approximately 5,000 acres in the northeastern portion of Wyoming Township were ordered to be annexed to Chisago City. All of Sections 1, 2, 11, 12, 13, 14, 23, 24, 25, and 26 are now part of Chisago City.<sup>4</sup>

6. In the Prior Annexation, Chisago initially sought to annex 11,000 acres of Wyoming Township. During the pendency of those proceedings, Chisago reduced the portion of Wyoming Township sought to be annexed to 5,000 acres. That was done pursuant to an informal agreement, reached at a meeting between the Mayor, a council member, and the Administrator of each city, that the future growth boundary between Chisago City and Wyoming would be the border between Sections 2 and 3, 10 and 11, 14 and 15, 22 and 23, and 27 and 26, not including Highway 8.<sup>5</sup>

7. Based upon the "informal agreement" and a history of cooperation between them, the City of Wyoming and Wyoming Township (the Wyomings) initiated a process of joint planning which led to the development of the Orderly

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<sup>2</sup> Ex. 32.

<sup>3</sup> Ex. 2.

<sup>4</sup> OAH Findings of Fact, Conclusions of Law, and Order for Annexation, January 24, 2005, OAH Docket No. 3-2900-16083-2.

<sup>5</sup> Ex. 1088.

Annexation Agreement.<sup>6</sup> (The combined area to be formed under the Agreement is sometimes referred to in this report as "the combined Wyoming.")

8. That process of joint planning included the development of a Joint Plan and Analysis for the combining of the two entities into a single form of municipal government. The Joint Plan and Analysis included considerations of population and growth, the availability and character of land mass, the contiguity of the respective communities, considerations for joint planning and land use development, care, maintenance and extension of a transportation network, the provision of government services, including police, fire, sewer, water, street maintenance, public works, park services, and land use and regulatory controls, the fiscal impact on the respective entities, including a plan for combining budgets and fiscal obligations, and analysis of the overall impact of such a combination on the welfare of the general area.<sup>7</sup>

9. The joint planning process included components of public participation.<sup>8</sup>

10. Since the initiation of these proceedings, planning has continued between the Wyomings to include the ongoing development of a Comprehensive Plan, planning for the providing of water and waste water services throughout the proposed new community, planning for transportation improvements to enhance connectivity of various areas within the new community, and planning and continued cooperation on the providing of park and other service amenities between the two communities.<sup>9</sup>

11. Chisago City had planned for further expansion into Wyoming Township since 2002.<sup>10</sup> On July 26, 2005, after hearing about the Wyomings' merger discussions, the Chisago City Council adopted a resolution formally requesting to be included in the Wyomings' merger discussions.<sup>11</sup>

12. On September 29, 2005, Chisago City Mayor Chris DuBose wrote to City of Wyoming Mayor Sheldon Anderson and Wyoming Town Board Chair Roger Elmore formally requesting that the Wyomings include Chisago City in any merger discussions they were holding. Wyoming Township refused the request and the City of Wyoming did not respond.<sup>12</sup>

13. On December 1, 2005, the Chisago City Council held a meeting at which they discussed Chisago City's options in light of the Wyomings' merger discussions. Both Mayor Anderson and Town Board Chair Elmore were invited

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<sup>6</sup> T. (v5) 24-28; Ex. 402.

<sup>7</sup> Ex. 1109.

<sup>8</sup> Ex. 1107; Ex. 1106; T. (v5) 29-31.

<sup>9</sup> T. (v5) 63-65.

<sup>10</sup> Ex. 19; T. (v1) 40-41, 144-46.

<sup>11</sup> Ex. 6; T. (v1) 44.

<sup>12</sup> Exs. 8-9; T. (v1) 45-46.

to and attended the meeting. Both refused a request from the Chisago City Council that Chisago City be included in the Wyoming's merger discussions.<sup>13</sup>

14. On December 7, 2005, the City of Wyoming and Wyoming Township filed a Joint Resolution as to Orderly Annexation by and between the City of Wyoming and the Township of Wyoming (Joint Resolution of the Wyomings) with the Minnesota Office of Administrative Hearings, Municipal Boundary Adjustments Unit (OAH-MBAU) seeking annexation of all of Wyoming Township into the City of Wyoming pursuant to Minn. Stat. § 414.0325.<sup>14</sup>

15. On December 20, 2005, Chisago City Mayor DuBose sent a letter to certain residents of Wyoming Township inviting them to submit petitions to be annexed to Chisago City.<sup>15</sup> Between December 13, 2005, and January 24, 2006, 26 owners of property located within Chisago City's proposed annexation area, encompassing 1,157.04 acres of land, or 27.2 percent of the total proposed annexation area, signed petitions for annexation into the City of Chisago City.<sup>16</sup>

16. The City of Wyoming also sought petitions from owners of property located within Wyoming Township. It obtained petitions seeking annexation to the City of Wyoming encompassing 406.60 acres of land, or approximately 9.6 percent of the area proposed for annexation by Chisago City.<sup>17</sup> These property owners are concentrated in three areas: along County Road 36 immediately north of the Polaris Industries facility; south of County Road 84 and north of County Road 22, just east of the Polaris Industries facility; and in a development immediately south of the westernmost portion of Chisago City's southerly border.<sup>18</sup>

17. On January 3, 2006, Chisago City filed a petition with the OAH-MBAU seeking annexation of approximately 3,300 acres of property located in Wyoming Township to the City of Chisago City. The area originally proposed for annexation by Chisago City was legally described as follows:

All of the East-half of Sections 3, 15, 22, and 27, in Township 33 North, Range 21 West, Chisago County, Minnesota.

And also all of that part of Section 10 in Township 33 North, Range 21 West, Chisago County, Minnesota, except the City of Wyoming, Chisago County, Minnesota.

And also all of the East-half, all of the Southwest Quarter, and all of the Northwest Quarter located south and east of U.S. Highway 8,

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<sup>13</sup> Ex. 1087; T. (v1) 47-49.

<sup>14</sup> Ex. 1108.

<sup>15</sup> Ex. 1084; T. (v1) 50.

<sup>16</sup> Exs. 39-40, 52.

<sup>17</sup> Exs. 40, 52, 1112.

<sup>18</sup> Ex. 40.

all in Section 34, in Township 33 North, Range 21 West, Chisago County, Minnesota.

And also all of Sections 35 and 36, in Township 33 North, Range 21 West, Chisago County, Minnesota.<sup>19</sup>

18. The property originally sought to be annexed by Chisago City is unincorporated and abuts Chisago City on the Chisago City's westerly and southerly boundaries, and such property is presently entirely within Wyoming Township.<sup>20</sup>

19. On January 5, 2006, the City of Stacy filed a petition with the OAH-MBAU seeking annexation of approximately 776 acres of property located in Wyoming Township. The area originally proposed for annexation by Stacy was legally described as follows:

All of that Northwest Quarter, the Northeast Quarter, the Southeast Quarter and that part of the Southwest Quarter lying east of the easterly Right of Way Line of Interstate Highway No. 35, all in Section 5, Township 3 North, Range 21 West, Chisago County, Minnesota.

Together with:

All of the Northeast Quarter, that part of the Northwest Quarter lying east of the easterly Right of Way Line of Interstate Highway No. 35 and that part of the Southwest Quarter lying within the plat of Miller Estates First Addition, a plat that is on file and of record in the office of the County Recorder, Chisago County, Minnesota, all in Section 8, Township 33 North, Range 21 West, Chisago County, Minnesota.<sup>21</sup>

20. The property sought to be annexed by Stacy is unincorporated, abuts Stacy's southerly boundary, is entirely within Wyoming Township, and has been designated for orderly annexation into the City of Wyoming.<sup>22</sup>

21. On January 20, 2006, the OAH-MBAU issued a Memorandum denying the Wyomings' petition for orderly annexation and consolidating the petitions of Chisago City and Stacy for hearing, in order to provide "all three cities the opportunity to make their respective cases for annexation as they have petitioned."<sup>23</sup>

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<sup>19</sup> Ex. 10.

<sup>20</sup> Ex. 3.

<sup>21</sup> Ex. 503.

<sup>22</sup> Ex. 3.

<sup>23</sup> OAH-MBAU Order, January 20, 2006.

22. On February 1, 2006, OAH-MBAU issued an Order setting the consolidated annexation petitions of Chisago City and Stacy for public hearing on February 23, 2006, at 10:00 a.m., at the Chisago County Government Center. Notice of the hearing was published in the Chisago County Press. The hearing was opened on February 23, 2006, and was continued to an indefinite date.<sup>24</sup>

23. On February 21, 2006, the City of Wyoming and Wyoming Township filed a Petition for an Alternative Writ of Mandamus with the Ramsey County District Court, seeking an order of that Court directing the OAH-MBAU to order the annexation of Wyoming Township into the City of Wyoming.<sup>25</sup>

24. On March 2, 2006, OAH-MBAU issued an Order consolidating the annexation petitions of Chisago City and Stacy, and staying the orderly annexation petition of the Wyomings pending the resolution of the consolidated petitions of Chisago City and Stacy.<sup>26</sup>

25. By Order dated March 16, 2006, the OAH-MBAU assigned the consolidated annexation petitions of Chisago City and Stacy to Administrative Law Judge Steve M. Mihalchick for hearing.<sup>27</sup> A prehearing conference was held on April 1, 2006.

26. By letter dated June 22, 2006, following the agreement of the parties, the ALJ extended the one-year time period for issuance of a final order in this matter set by Minn. Stat. § 414.07, subd. 1, to a fixed additional time of nine months following the date of a final determination by the Ramsey County District Court, and the completion of any appeals thereof to the Court of Appeals or Supreme Court, regarding the petition for mandamus by the Wyomings.<sup>28</sup>

27. By Order dated August 1, 2006, the Ramsey County District Court denied the Wyomings' Petition for an Alternative Writ of Mandamus in its entirety.<sup>29</sup>

28. On August 22, 2006, the Wyomings filed a Notice of Appeal to the Minnesota Court of Appeals of the Ramsey County District Court's Order denying the Wyomings' Petition for an Alternative Writ of Mandamus.<sup>30</sup>

29. On July 24, 2007, the Minnesota Court of Appeals issued its opinion in its Case No. A06-1594, affirming the Ramsey County District Court's denial of the Wyomings' Petition for a Writ of Mandamus.<sup>31</sup>

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<sup>24</sup> OAH-MBAU Order, February 1, 2006.

<sup>25</sup> Petition for Writ of Mandamus, Ramsey County District Court File No. C5-06-1917, February 21, 2006.

<sup>26</sup> OAH-MBAU Order, March 2, 2006.

<sup>27</sup> OAH-MBAU Order, March 16, 2006.

<sup>28</sup> ALJ letter to parties, June 22, 2006.

<sup>29</sup> Ramsey County District Court Order, Court File No. C5-06-1917, August 1, 2006.

<sup>30</sup> Notice of Appeal, Ramsey County District Court File No. C5-06-1917, August 22, 2006.

30. On August 23, 2007, the Wyomings submitted to the Minnesota Supreme Court a Petition for Review of the Court of Appeals' decision affirming the District Court's denial of the Wyomings' Petition for a Writ of Mandamus.<sup>32</sup>

31. By its Order dated September 26, 2007, the Supreme Court denied the Wyomings' Petition for Review of the Court of Appeals' decision affirming the District Court's denial of the Wyomings' Petition for a Writ of Mandamus.<sup>33</sup>

32. A second prehearing conference was conducted by the Administrative Law Judge on October 7, 2007. By Order of October 24, 2007, the ALJ set the consolidated annexation petitions of Chisago City and Stacy for hearing beginning March 24, 2008.<sup>34</sup>

33. On December 17, 2007, Chisago City filed an amended petition with the OAH-MBAU seeking to increase the area in Wyoming Township it sought to annex by approximately 960 acres to approximately 4,260 total acres of property located in the Township. The December 17, 2007, petition sought to increase the property within Wyoming Township for annexation by Chisago City to include additional property legally described as:

All of the West-half of Section 3 in Township 33 North, Range 21 West, Chisago County, Minnesota.

And also all of Section 4 in Township 33 North, Range 21 West, Chisago County, Minnesota.<sup>35</sup>

34. The additional property abuts Chisago City's original proposed annexation area on its westerly boundary, and is also unincorporated, presently entirely within Wyoming Township, and has been designated for orderly annexation into the City of Wyoming.<sup>36</sup>

35. By Order dated January 7, 2008, the Administrative Law Judge granted Chisago City's motion to amend its petition and confirmed that the total area that Chisago City now seeks to annex in this proceeding, pursuant to its amended petition, is legally described as follows:

All of the East-half of Sections 15, 22, and 27, in Township 33 North, Range 21 West, Chisago County, Minnesota.

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<sup>31</sup> Opinion of the Minnesota Court of Appeals, Case No. A06-1594, July 24, 2007.

<sup>32</sup> Petition for Writ of Certiorari to Minnesota Supreme Court, Case No. A06-1594, August 23, 2007.

<sup>33</sup> Order of the Minnesota Supreme Court Denying Petition for Writ of Certiorari, Case No. A06-1594, September 26, 2007.

<sup>34</sup> OAH-MBAU Order, October 24, 2007.

<sup>35</sup> Ex. 13.

<sup>36</sup> Ex. 3.



And also all of that part of Section 10 in Township 33 North, Range 21 West, Chisago County, Minnesota, except the City of Wyoming, Chisago County, Minnesota.

And also all of the East-half, all of the Southwest Quarter, and all of the Northwest Quarter located south and east of U.S. Highway 8, all in Section 34, in Township 33 North, Range 21 West, Chisago County, Minnesota.

And also all of Sections 3, 4, 35 and 36, in Township 33 North, Range 21 West, Chisago County, Minnesota.<sup>37</sup>

36. On or about February 14, 2008, the parties stipulated to allow the City of Wyoming to annex a portion of Wyoming Township south of the City of Wyoming's boundaries, and further stipulated that:

The parties agree that Wyoming Township is now appropriate for annexation by one or a combination of the three cities and expect that it will not remain a township after completion of this litigation.<sup>38</sup>

37. A Notice of Reconvened Hearing in this matter was issued by the Office of Administrative Hearings on February 15, 2008, and published by Chisago City in the Chisago County Press on March 13, 2008, and March 20, 2008. As stated above, the evidentiary hearing was conducted from March 24 to April 1, 2008, and a public hearing was held on the evening of March 26, 2008.

38. In a Stipulation dated May 19, 2008, the Cities of Stacy and Wyoming and Wyoming Township entered into a settlement resolving all issues in contention between them. Chisago City has consented to the Stipulation. The parties have agreed that the following legally described land within Wyoming Township will be annexed by the City of Stacy:

Section 5 and Section 6, all in Township 33 North, Range 21 West, Chisago County, Minnesota.

39. Notice of the Stipulation regarding the amended Stacy annexation area was published on June 18 and 25, 2008, in the ECM Post Review and an additional public hearing was held on June 30, 2008, to allow comment on the Stipulation. There were no objections made at the hearing, nor were there any written objections filed with the Administrative Law Judge.

40. The amended Stacy annexation area contains Interstate Highway 35 and Forest Blvd (also known as Highway 61 or County Road 30 at various points), and County Road 36, which runs east from Forest Blvd. A large part of it

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<sup>37</sup> OAH Order, January 7, 2008.

<sup>38</sup> Stipulation for Partial Relief of Stay and to Permit Annexation by Order of the Director, dated February 14, 2008.

is in the Carlos Avery Wildlife Management Area. The remaining areas of it have been developed or are suitable for development. The amended Stacy annexation area is appropriate for annexation by Stacy.

**Factors for Annexation, Minn. Stat. § 414.031, subd. 4(a)**

41. Minn. Stat. § 414.031, subd. 4(a), (2005), provides:

Subd. 4. **Relevant factors, order.** (a) In arriving at a decision, the director shall consider the following sources and factors:

(1) recordings and public documents from joint informational meetings under section 414.0333 relevant to other factors listed in this subdivision;

(2) present population and number of households, past population and projected population growth of the annexing municipality and subject area and adjacent units of local government;

(3) quantity of land within the subject area and adjacent units of local government; and natural terrain including recognizable physical features, general topography, major watersheds, soil conditions and such natural features as rivers, lakes and major bluffs;

(4) degree of contiguity of the boundaries between the annexing municipality and the subject area;

(5) present pattern of physical development, planning, and intended land uses in the subject area and the annexing municipality including residential, industrial, commercial, agricultural and institutional land uses and the impact of the proposed action on those land uses;

(6) the present transportation network and potential transportation issues, including proposed highway development;

(7) land use controls and planning presently being utilized in the annexing municipality and the subject area, including comprehensive plans for development in the area and plans and policies of the Metropolitan Council, and whether there are inconsistencies between proposed development and existing land use controls and the reasons therefore;

(8) existing levels of governmental services being provided in the annexing municipality and the subject area, including water and sewer service, fire rating and protection, law enforcement, street improvements and maintenance, administrative services, and

recreational facilities and the impact of the proposed action on the delivery of said services;

(9) the implementation of previous annexation agreements and orders;

(10) existing or potential environmental problems and whether the proposed action is likely to improve or resolve these problems;

(11) plans and programs by the annexing municipality for providing needed and enhanced governmental services to the subject area in a cost-effective and feasible manner within a reasonable time from the date of the annexation;

(12) an analysis of the fiscal impact on the annexing municipality, the subject area, and adjacent units of local government, including net tax capacity and the present bonded indebtedness, and the local tax rates of the county, school district, and township;

(13) relationship and effect of the proposed action on affected and adjacent school districts and communities;

(14) adequacy of town government to deliver services to the subject area;

(15) analysis of whether necessary governmental services can best be provided through the proposed action or another type of boundary adjustment; and

(16) if only a part of a township is annexed, the ability of the remainder of the township to continue or the feasibility of it being incorporated separately or being annexed to another municipality.

The factors that are applicable here are discussed in the following findings.

### **Population and Households**

42. In 2006, the population of Wyoming Township was 3,562; the population of Chisago City was 4,307, and the population of the City of Wyoming was 3,760.<sup>39</sup>

43. Between 1970 and 2000, Chisago City grew by 1,554 people or 146 percent, while Wyoming Township grew by 3,117 people or 247 percent.

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<sup>39</sup> Ex. 1; T. 28; Ex. 44 at 41; T. (v1) 100-101.

During that same time period, the City of Wyoming grew by 2,353 people or 339 percent.<sup>40</sup>

44. In 2008, the estimated population for Chisago City is 4,408, the estimated population for the City of Wyoming is 3,768, and the estimated population of Wyoming Township is 3,586.<sup>41</sup>

45. The 2008 estimated population for the area proposed to be annexed by Chisago City is 957.<sup>42</sup> The 2008 estimated population for the area proposed to be annexed by the City of Wyoming pursuant to the Wyomings' Orderly Annexation Agreement is 2,542.<sup>43</sup>

46. "Growth pressure" on the City of Wyoming, Wyoming Township and Chisago City has increased steadily over time because land within the Twin Cities Metropolitan Urban Services Area has become increasingly scarce. This growth pressure has been seen in Chisago County and all the other "collar" counties that border the seven-county region where planning is controlled by the Metropolitan Council.<sup>44</sup>

47. Chisago City's and the Wyomings' growth rates have been increasing over the past decades as these communities accommodated a portion of the greater Twin Cities Metropolitan Area's growth. From 1970 to 1990, the growth rates of the Chisago City and the Wyomings were relatively consistent. The comparative growth rates have deviated significantly after 1990 when Wyoming Township began revising plans and ordinances which resulted in an increasing population growth rate, with development on one- and two-acre lots without municipal sewer and water on the border of nearby municipalities.<sup>45</sup>

48. Growth in the thirteen counties closest to the Minneapolis-St. Paul urban centers, including in Chisago County, has occurred along transportation corridors, most significantly around Interstate Highway 35, and in close proximity to existing municipalities.<sup>46</sup>

49. There was a significant increase in Chisago City's population and a corresponding decrease in Wyoming Township's population due to the annexation of a portion of Wyoming Township to Chisago City in 2005.<sup>47</sup>

50. Both Chisago City and the Wyomings are projected to continue accommodating a significant amount of growth through the year 2030. Between

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<sup>40</sup> Ex. 52 at 8.

<sup>41</sup> Ex. 44 at 41; Ex. 52 at 8; T. (v1) 194-95.

<sup>42</sup> Ex. 44 at 41; Ex. 52 at 8; T. (v2) 99, 195.

<sup>43</sup> Ex. 52 at 9. This estimation does not include the area of Wyoming Township that will be annexed by the City of Stacy.

<sup>44</sup> Ex. 52 at 8; T. (v2) 187-88.

<sup>45</sup> Ex. 52 at 8.

<sup>46</sup> T. (v2) 188; T. (v6) 168.

<sup>47</sup> Ex. 52 at 8.

2008 and 2030, Chisago City is projected to accommodate an additional 1,984 people (a 45 percent growth rate), the City of Wyoming an additional 2,892 people (a 77 percent growth rate), and Wyoming Township an additional 2,915 people (an 81 percent growth rate).<sup>48</sup>

51. Very recent changes in the United States and Minnesota economies, particularly fluctuations in oil and gas prices, and very recent population shifts to the Sunbelt, may indicate a possible temporary lessening in the growth pressure on the "collar" communities. In this case, that might mean that the growth in the Township might be expected to happen over slightly longer time periods than the evidence presented at the hearing suggested.

52. In 2006, the City of Chisago City had 1,655 households; the City of Wyoming had 1,036 households; and Wyoming Township had 1,170 households.<sup>49</sup>

53. In 2008, the estimated number of households in Chisago City is 1,700, the estimated number of households in the City of Wyoming is 1,294, and the estimated number of households in Wyoming Township is 1,210.<sup>50</sup>

54. In 2008, the estimated number of households within the area proposed to be annexed by Chisago City is 321.<sup>51</sup> In 2008, the estimated number of households within the area proposed to be annexed by the City of Wyomings' Order Annexation Agreement is 865.<sup>52</sup>

55. Between 1970 and 2000, the number of households in Wyoming Township increased by 1,112 households or 341 percent, while the number of households in Chisago City increased by 694 or 202 percent.<sup>53</sup> In that same time period, the number of households within the City of Wyoming increased by 832 households or 436 percent.<sup>54</sup>

56. The Cities of Chisago City and Wyoming have stipulated that Wyoming Township is urban or suburban or about to become urban or suburban, as those terms are used in Minn. Stat. § 414.031, subd 4(b)(1).<sup>55</sup>

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<sup>48</sup> Ex. 52 at 9; T. (v2) 197-98.

<sup>49</sup> Ex. 1; Ex. 1045 at 6; T. (v1) 28.

<sup>50</sup> Ex. 52 at 10; T. (v1) 196.

<sup>51</sup> Ex. 52 at 10; T. (v2) 196.

<sup>52</sup> Ex. 52 at 10. This estimation does not include the area of Wyoming Township that will be annexed by the City of Stacy.

<sup>53</sup> Ex. 52 at 10.

<sup>54</sup> Ex. 52 at 10.

<sup>55</sup> This question was also previously decided in the proceeding of *In the Matter of the Petition of Chisago City for Annexation of Unincorporated Property in Wyoming Township (A-6996)*; OAH Docket No. 3-2900-16083-2.

### **Land, Natural Terrain, Topography, Contiguity, Etc.**

57. There are 2,432 acres in the City of Wyoming and 14,210 acres in Wyoming Township.<sup>56</sup> That is approximately 16,642 total acres.<sup>57</sup>

58. There are approximately 8,073.8 acres in Chisago City.<sup>58</sup> There are approximately 4,259.5 acres in the proposed Chisago City annexation area.<sup>59</sup> That area abuts Chisago City along section lines on Chisago City's western and southern boundaries.<sup>60</sup> It abuts the amended Stacy annexation area along a section line as well.

59. The amended Stacy annexation area contains approximately 1280 acres and will abut the combined Wyoming along section lines.

60. Wyoming Township has many wetlands and permanently preserved wildlife management areas.<sup>61</sup> Approximately 50 percent of Wyoming Township consists of lakes, streams, flood plains, and wetlands.<sup>62</sup> This condition generally intensifies from east to west and south to north across the Township, with the western and northern portions more challenging for development due to land form, wetlands, and unique soil characteristics.<sup>63</sup>

61. Carlos Avery Wildlife Management Area is approximately 23,000 acres and consists of about two-thirds wetland and one-third upland. The DNR manages it primarily for deer, waterfowl, and turkeys.<sup>64</sup> A small portion, about 2500 acres, of the Carlos Avery Wildlife Management Area is located in Wyoming Township.<sup>65</sup> Most of Carlos Avery is located in Anoka County to the west and some is located in Stacy and Lent Township to the north. Most of the portion of Carlos Avery in Wyoming Township is in the amended Stacy annexation area. A smaller portion of it is located in the Section 4 portion of the proposed Chisago City annexation area.<sup>66</sup>

62. Wetlands comprise approximately 1,560 acres, or 36.6 percent, within the proposed Chisago City annexation area.<sup>67</sup>

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<sup>56</sup> T. (v5) 100.

<sup>57</sup> Ex. 1045 at 10.

<sup>58</sup> Ex. 52 at 13.

<sup>59</sup> Ex. 52 at 11.

<sup>60</sup> Ex. 3.

<sup>61</sup> Ex. 1045, Fig. 4 at 9; Fig. 6 at 13; Ex. 4.

<sup>62</sup> Ex. 1045 at 12.

<sup>63</sup> Ex. 1045, Fig. 6 at 13.

<sup>64</sup> See the website of the Minnesota Department of Natural Resources at <http://www.dnr.state.mn.us>.

<sup>65</sup> Ex. 4.

<sup>66</sup> Ex. 52 at 11; T. (v2) 204.

<sup>67</sup> Ex. 52 at 11; T. (v2) 204-05.

## Present Development

63. The existing land uses in Chisago City on a percentage basis are:

Agricultural/Vacant	34.5%
Single Family Residential	22.7%
Wetland	18.0%
Open Water	15.1%
Right of Way	4.6%
Park/Open Space	1.8%
Multi-Family Residential	1.2%
Public/Semi Public	1.0%
Commercial	0.9%
Industrial	0.1%
State Wildlife Management Area	0.0% <sup>68</sup>

64. There are approximately 2,800 developable acres in Chisago City, largely within the 5,000 acre area annexed in 2005.<sup>69</sup> U.S. Highway 8 is Chisago City's major growth corridor and primary viable location for commercial development.<sup>70</sup> Chisago City's planned residential and commercial development areas are primarily along U.S. Highway 8 from the northeast corner to the southwest corner of the area annexed in 2005.<sup>71</sup>

65. The existing land uses in the City of Wyoming on a percentage basis are:

Semi-Rural Housing	35.6%
Lower Density Suburban Neighborhoods	41.5%
Medium and Higher Density Suburban Neighborhoods	11.9%
Commercial	2.5%
Mixed Use	3.4%
Office and Health Care Business	0.8%
Light Industry and General Business	3.9%
Public and Semi Public	0.4% <sup>72</sup>

66. The City of Wyoming is nearly fully developed with residential, commercial, and industrial land uses. A small portion of undeveloped land exists within the City west of Highway 61, but most other open land consists of wetland and water.<sup>73</sup> Residential land parcels within the City of Wyoming are typically

<sup>68</sup> Ex. 52 at 13; T. (v2) 205-06.

<sup>69</sup> T. (v3) 60. In this context, developable means not encumbered by open space, wetlands, lakes, or existing urban lots too small to further subdivide. Ex. 52 at 11.

<sup>70</sup> Ex. 4; T. (v1) 121-22; T. (v2) 199.

<sup>71</sup> T. (v3) 47-48.

<sup>72</sup> Ex. 1048 at 4.

<sup>73</sup> Ex. 1045 at 10.

smaller than 15,000 square feet and nearly every residence and business is served by municipal sanitary sewer and water.<sup>74</sup>

67. Land use in Wyoming Township consists of open fields used for pasture or row crops, housing on land parcels in the one to three acre range, and housing on "acreage" or "large lot & semi-rural housing" lots in the three to 40 acre range. Within the Township there are approximately 2,300 acres occupied by houses on parcels larger than one acre amounting to approximately 14 percent of the combined area of the City of Wyoming and Wyoming Township.<sup>75</sup>

68. Wyoming Township contains a small area of commercial development on County Road 22 just at the west edge of the City of Wyoming. It also has commercial development along U.S. Highway 8 as it enters the Township from Forest Lake southwest of the proposed Chisago City annexation area. It has rural and "large lot & semi-rural housing" along U.S. Highway 8 toward Chisago City, similar to that in the other developed and developable areas of the Township.<sup>76</sup>

69. Using the classifications of Chisago City's planning consultants, the existing land uses in the proposed Chisago City annexation area on a net acres excluding wetland and percentage basis are:

Wetland	1,560.0	36.6%
Agricultural/Vacant	1461.7	34.3%
Single Family Residential	997.4	23.4%
State WMA	129.1	3.0%
Industrial	76.4	1.8%
Park/Open Space	19.3	0.5%
Commercial	8.0	0.2%
Water	7.5	0.2% <sup>77</sup>

70. The Wyomings' planning consultant used different classifications and did not provide an easily-comparable breakdown to the foregoing table. Nonetheless his map of developable land in the proposed Chisago City annexation area<sup>78</sup> shows land uses that are very similar to the existing land use map of Chisago City's consultants.<sup>79</sup> The category of "developed land" on the former is about the same as "single family residential" on the latter. Likewise, "developable land" is very similar to "agricultural/vacant" and "conservation open space" is very similar to "park/open space" and "state wildlife management area."

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<sup>74</sup> Ex. 1045 at 10.

<sup>75</sup> Ex. 1045 at 10 and 12.

<sup>76</sup> Ex. 1045 at 11.

<sup>77</sup> Ex. 52 at 11; T. (v2) 204-05.

<sup>78</sup> Ex. 1045 at 13.

<sup>79</sup> Ex. 52 at 12.



71. There is one small commercial use area within the proposed Chisago City annexation area. It is located on the south side of U.S. Highway 8 in the far southwestern portion of the proposed area. The only industrial site within the proposed Chisago City annexation area is a gravel mine located in Section 35 abutting the northern boundary of Forest Lake.<sup>80</sup>

72. Chisago City's planning consultants estimated that approximately 2,100 acres, or about one half of the 4,260 acres in the proposed Chisago City annexation area, are developable. In addition to the 1,462 acres of agricultural/vacant land, they included parcels greater than five acres that could potentially be further subdivided, apparently from the single family residential use category.<sup>81</sup>

73. The Wyomings' planning consultant also stated that more than half the land in the contested area is open and undeveloped. But he estimated that approximately 1,390 acres in the proposed Chisago City annexation area are developable, including parcels greater than five acres that could be further subdivided.<sup>82</sup> The difference between the estimates of the consultants seems to be in classifying some of the single family residential as developable or not, or in the way the areas were defined and measured. In any event, the general observations of the consultants are similar.

74. The proposed Chisago City annexation area contains the majority of the higher quality developable land remaining in the Township. This is particularly so in the east half of Sections 10, 15, and 22.<sup>83</sup> Several large areas of (developable) agricultural/vacant land exist there that are contiguous to similar large tracts of agricultural/vacant land along the western border of the area annexed to Chisago City in 2005. Such large tracts of developable land do not exist elsewhere in Wyoming Township. This land is very desirable to both Chisago City and to the Wyomings. It is particularly crucial to the future well-being and development of the combined Wyomings.

### **Transportation Network and Issues**

75. Interstate and other U.S. highways, county roads, local city streets and township roads serve the Township. Interstate Highway 35 is the main north-south transportation corridor connecting Laredo, Texas, to the Minneapolis-St. Paul area, to Duluth. It runs through the western side of Wyoming Township, the City of Wyoming, and Stacy. It has entrances at Forest Lake, Wyoming, and Stacy. U.S. Highway 61, which was partly replaced by Interstate Highway 35, still is a significant north-south route that extends from southern Wisconsin, to southeastern Minnesota, to St. Paul, to Duluth, and to Canada. It also runs through the western side of Wyoming Township, the City of Wyoming, and Stacy,

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<sup>80</sup> Ex. 52 at 11-12.

<sup>81</sup> Ex. 52 at 11; T. (v6) 203-04, 214.

<sup>82</sup> Ex. 1045 at 12-13.

<sup>83</sup> Ex. 1045 at 11.

where it is known as Forest Blvd, and runs roughly parallel to Interstate Highway 35.

76. U.S. Highway 8 runs northeasterly from Interstate Highway 35 in Forest Lake to Taylors Falls, Minnesota, and then easterly across northern Wisconsin to the Upper Peninsula of Michigan. It runs through the Township and Chisago City where it is also known as Lake Blvd. It is Chisago City's primary transportation corridor.<sup>84</sup>

77. About 14 miles of roadways serve the proposed Chisago City annexation area. U.S. Highway 8, some county roads, and several local roads serve existing development and are available to serve additional urban growth. These roads provide primarily east-west access from Interstate Highway 35 to and through the proposed Chisago City annexation area.<sup>85</sup>

78. Most trips to and from the Township, and to and from the proposed Chisago City annexation area are to Interstate Highway 35 and the Minneapolis-St. Paul area. Some trips are within the area to Chisago City, Wyoming, Forest Lake, and Stacy.

79. County Road 36 crosses the northern end of the Township from Chisago City westerly to Forest Blvd (also know as U.S. Highway 61 or County Road 30 at various points) just south of Stacy, where it provides access Interstate Highway 35 and U.S. Highway 61. On its east end, County Road 36 runs to the southeast through Chisago City to an intersection with U.S. Highway 8 that has a traffic signal. County Road 22 (also known as Wyoming Trail) also starts near that intersection and goes southwesterly about three miles across Chisago City and the proposed Chisago City annexation area, and then westerly about two miles to Forest Blvd in the City of Wyoming, where it provides access to the Interstate and continues on into Anoka County. U. S Highway 8 provides access from Chisago City and the southern part of the Township to Forest Lake and the Interstate.<sup>86</sup>

80. Green Lake and Little Green Lake extend south from downtown Chisago City so the roads to the east out of the Township funnel into U.S. Highway 8 around the north end of the lakes and through downtown Chisago City. On the south end, County Road 23 (also known as Green Lake Trail) connects to U.S. Highway 8 and provides access to the east around the south end of Green Lake. Pioneer Road connects County Road 23 to County Road 22, providing access from the area south Green Lake and along Pioneer Road to the City of Wyoming.<sup>87</sup>

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<sup>84</sup> Ex. 52 at 23; Ex. 59, Figure 8.

<sup>85</sup> Ex. 52 at 11; T. (v2) 223-26.

<sup>86</sup> Ex. 52 at 23; Ex. 59 at 16; T. (v1) 31-32.

<sup>87</sup> Ex. 40.

81. County Road 84 (also known as Viking Boulevard) connects the City of Wyoming to the west entrance of the Polaris site about three miles away. The road is closed to the public for about the one-half mile it crosses the Polaris site. From the east entrance the road runs east about two miles to County Road 36 in Chisago City.

82. Currently, emergency vehicles from the City of Wyoming and Sheriff's office are allowed access through the closed portion of County Road 84. But there is no formal agreement securing such access in the future. Polaris Industries has expressed the possibility of eliminating even access by emergency vehicles in the future. However, at the present time, Polaris remains very supportive of unimpeded use of the road by emergency vehicles.<sup>88</sup>

83. There is very good north-south road access across the western part of the Township. There is very limited north-south access across the east end of the Township in the proposed Chisago City annexation area and in Chisago City itself.

84. Chisago City highlights the limited access that the City of Wyoming has to the northern portion of the proposed Chisago City annexation area because of the closed status of County Road 84.<sup>89</sup> The issues of emergency protection can be addressed adequately by whichever police and fire departments become responsible for the area. The access of road maintenance crews depends upon the location of their equipment. Both parties are planning for that. More important than the access of city employees is the road access available to the future residents of the area. Property owners located east of the Polaris site may desire better access north and south throughout the area. More likely they will desire better access to Interstate Highway 35 at Stacy or Wyoming because that is where most of the trips go. That would require better access for them to County Road 36 or 22, or both.

85. Chisago City's future planning relies primarily on the U.S. Highway 8 corridor that runs through downtown Chisago City.<sup>90</sup> Chisago City notes that the County is proposing to upgrade Pioneer Road to a Minor Collector. Chisago City would make Pioneer Road part of a loop around Chisago City. It has planned for a bypass road that would take traffic load off of County Road 22 and U.S. Highway 8 in Chisago City. It would run from the intersection of County Road 22 and Pioneer Road, which is located in the Township outside of the proposed Chisago City annexation area, to the disconnected island areas of Chisago City located in Lent Township.<sup>91</sup>

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<sup>88</sup> T. (v5) 90-91.

<sup>89</sup> Ex. 74; T. (v5) 87-90; T. (v6) 89-91.

<sup>90</sup> Ex. 5, Fig. 75.

<sup>91</sup> Ex. 52 at 22-24. According to Chisago City's planners, the intersection of Cty Rd 22 and Pioneer Rd is located within the proposed Chisago City annexation area. That apparently was Chisago City's original planning.

86. Except at its south end near County Road 22, Chisago City's bypass road does not address the needs of present and future residents in the proposed Chisago City annexation area and would do little to promote development there. The plan would benefit the existing Chisago City by reducing traffic on U.S. Highway 8 through the downtown area.

87. To provide the north-south access that does not exist presently, the Wyomings are proposing a collector road running north-south east of the Polaris site from County Road 36, down across County Road 84, to County Road 22.<sup>92</sup> This road will require more study and design. The far south end could be part of Chisago City's bypass road if the cities do joint planning. Design of road will have to address the Township's typical wetland issues, particularly at its north end near Innsbrook Avenue. But this will not involve the type of large wetland area that surrounds the west and south sides of the Polaris site that made building a bypass road around its south side too expensive to be feasible at the time.<sup>93</sup> The Wyomings' plan would better address the transportation needs of the proposed Chisago City annexation area.

## **Land Use Controls and Planning**

### **Land Use Controls**

88. Chisago City has a comprehensive and detailed zoning ordinance, which was updated in 2006. It has six residential districts, three overlay districts, three commercial districts, two industrial districts, and two public/semi-public districts. The Chisago City Zoning Code includes provisions for a planned development process and three Planned Development Districts. It includes requirements for forest protection, stormwater management, and grading.<sup>94</sup>

89. Chisago City has a subdivision ordinance that establishes rules and regulations for the subdivision and platting of lands within the City.<sup>95</sup>

90. Pursuant to the Joint Resolution, the Wyomings have agreed that the City and Township will benefit from the use of the existing zoning and subdivision ordinances of the City and Township "for a period of time following the effective date of the annexation, until such time as the new city can incorporate both ordinances into a single zoning and subdivision ordinance to be applied throughout the new city." The Wyomings have agreed to adopt the zoning and subdivision ordinances of the Township (Ordinances Nos. 05-01 and 00-03).<sup>96</sup>

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<sup>92</sup> Ex. 1045 at 27.

<sup>93</sup> T. (v6) 43-44, 49.

<sup>94</sup> Ex. 20.

<sup>95</sup> Ex. 22; T. (v1) 148-49.

<sup>96</sup> Ex. 1108 at 2.

91. The Wyoming Township Zoning Code has two residential districts with maximum densities that range from 0.5 units per acre (2 acres min. lot) up to 1.0 unit per acre (1 acre min. lot). Both of these districts state that the Planning Commission may require the developer to submit a plan to show how lots could be re-subdivided when services become available.<sup>97</sup>

92. The Township Zoning Code also has two commercial districts, one industrial district, and one agricultural district. The agricultural district requires a minimum lot size of five acres and contains no provisions that require the developer to submit a plan to show how the lots could be re-subdivided when services become available. There are also shoreland regulations and provisions for planned unit developments and clustered developments. The planned unit development regulations do not allow multi-family uses. The clustered developments regulations allow one and five acre lots within the agricultural district, not urban sized lots. There are no requirements for the clustered subdivisions to plan for the eventual connection to municipal services when they become available.<sup>98</sup>

93. The Township has subdivision regulations that state that the Township may require a developer to submit a preliminary re-subdivision plan showing how the lots may be re-subdivided in future years when public facilities may be provided. The majority of the proposed Chisago City annexation area is zoned Agricultural by the Township, which allows for five acre lots with no requirements for submitting a re-subdivision plan when services become available.<sup>99</sup>

94. The City of Wyoming's Zoning Code includes four residential districts, two commercial/business districts, two industrial districts, a hospital district, a conservation district, and a public service district.<sup>100</sup> It does not include a shoreland or floodplain district even though a river crosses the northern portion of the City.<sup>101</sup>

### **Comprehensive Plans**

95. Pursuant to the Joint Resolution, the Wyomings have agreed to use funds currently in the City's budget "to prepare and adopt a new comprehensive plan, with a goal of completing the comprehensive plan within one year following the annexation. In doing so, the City shall incorporate and use as its guide the Town's current comprehensive plan."<sup>102</sup>

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<sup>97</sup> Ex. 1073, Sections 7-8 ; Ex. 52 at 32.

<sup>98</sup> Ex. 1073, Sections 6, 9-12, 15; Ex. 52 at 32.

<sup>99</sup> Exs. 1074, 1080 and 52 at 32-33.

<sup>100</sup> Ex. 1080.

<sup>101</sup> Ex. 52 at 33.

<sup>102</sup> Ex. 1108 at 2.

96. The City of Wyoming's currently adopted Comprehensive Plan is the Wyoming Comprehensive Plan 2000-2010. It states that "the City does not favor further residential annexation." This was the policy of the City until 2005, when the process of merging with the Township started.<sup>103</sup>

97. The 2004 Wyoming Township Comprehensive Plan is the currently adopted Comprehensive Plan for Wyoming Township and would temporarily guide growth and development in the combined Wyoming.<sup>104</sup>

98. Since 2005, officials and citizens of the Wyomings have been working diligently to develop plans, ordinances, and policies for the combined Wyoming. Shortly before the hearing of this matter, the Wyomings produced the first three draft chapters of a Wyoming Comprehensive Plan for the new combined Wyoming.

99. Throughout the period of joint planning between the Wyomings, Wyoming Township Board of Supervisors have faced re-election. No member of the Town Board had been elected off of the Town Board from the initiation of joint planning between the Wyomings through the close of these proceedings.<sup>105</sup> The draft Comprehensive Plan represents the consensus within the community as to future growth and land uses within the proposed combined Wyoming.<sup>106</sup>

100. The Wyomings' proposed Comprehensive Plan is a reasonable plan for development of the combined Wyoming.

101. Chisago City adopted its most recent comprehensive plan in August of 2006, in part to include residents of the area annexed in 2005. It plans for the period 2006 through 2015. The study area for the comprehensive plan includes areas where the City has projected growth pressure and development to occur and covers the proposed Chisago City annexation area plus an additional half mile wide strip along its western edge.<sup>107</sup>

102. In its comprehensive plan, Chisago City has proposed agricultural and rural residential development in large sections of the proposed Chisago City annexation area, with 422.1 acres of single residential development on either side of County Road 84 in the area east of the Polaris site and abutting the present westerly boundary of Chisago City and a 14.1 acre commercial development located on the south side of U.S. Highway 8 in the southwest portion of the annexation area. An existing 78 acre gravel mining area in the far south of the annexation area abutting the northerly boundary of the City of Forest

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<sup>103</sup> Ex. 52 at 29; Ex. 1056; T. (v3) 144.

<sup>104</sup> Ex. 1062; Ex. 52 at 25-26.

<sup>105</sup> T. (v5) 37-38.

<sup>106</sup> Ex. 1045, Appendices A-C; T. (v6) 143-150.

<sup>107</sup> Ex. 5; T. (v1) 40-42, 129.

Lake is guided industrial. The Whitetail Ridge PUD open space located north of the Polaris site is guided Park/Open Space.<sup>108</sup>

103. The area within the proposed Chisago City annexation area that is guided for Low Density Residential in Chisago City's 2006 Comprehensive Plan is located along County Road 84 and adjacent to areas planned for similar land uses within Chisago City. This land use designation refers to areas that could receive municipal utilities within the planning horizon of the Comprehensive Plan (i.e., prior to the year 2015). These areas are planned to accommodate a variety of housing styles at approximately three units per acre.<sup>109</sup>

104. Areas guided for Rural Residential by Chisago City within the proposed Chisago City annexation area include both existing large-lot subdivisions as well as future residential developments within the community. There are several developments throughout the former Township that provide 1-acre or larger home sites that are guided Rural Residential. Future Rural Residential areas have a 2.5-acre minimum lot size and are required to provide a ghost plat during the development process to demonstrate how the subdivision would be further intensified when urban services become available.<sup>110</sup>

105. Areas guided Agricultural include all the areas of active farming within the proposed Chisago City annexation area as well as large tracts of land that are not anticipated to receive municipal utilities prior to 2015.<sup>111</sup>

106. In planning the proposed Chisago City annexation area for agricultural and rural residential land uses through the comprehensive plan's planning horizon of 2015, Chisago City would seek to hold land in urban reserve so that these areas are protected and won't be divided into urban-sized lots prior to municipal services being available to serve such areas. This is intended to promote growth in an orderly, planned manner consistent with surrounding land uses and commensurate with the extension of municipal services needed to support such urban or suburban development.<sup>112</sup>

107. Chisago City's Comprehensive Plan is reasonable.

## **Existing governmental services**

### **Wastewater**

108. Wyoming Township currently does not provide any municipal wastewater treatment or municipal sanitary sewer collection service. Until now, it has relied exclusively on individual sewage treatment systems for treatment and

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<sup>108</sup> Ex. 5 at 7-14-7-18; Ex. 52 at 14-16; T. (v2) 213.

<sup>109</sup> Ex. 5 at 7-14-7-18; Ex. 52 at 15-16.

<sup>110</sup> Ex. 5 at 7-14-7-18; Ex. 52 at 14-15.

<sup>111</sup> Ex. 5 at 7-14-7-18; Ex. 52 at 15-16.

<sup>112</sup> T. (v3) 62-63.

disposal of sewage. There are 1,339 individual septic systems and four cluster systems in Wyoming Township.<sup>113</sup> Chisago City currently has approximately 600 individual septic systems within its boundaries, most of which were acquired as part of the 2005 annexation.<sup>114</sup>

109. Both the Wyomings and Chisago City recognize the desirability of replacing the ISTS systems with municipal wastewater treatment. Both plan to do so as development occurs. Meanwhile, both require three-year routine inspections of ISTS systems by certified ISTS inspectors to insure safe operation.

110. Currently, both Chisago City and the City of Wyoming provide for the wastewater treatment of their sewered areas by transporting sewage to a wastewater treatment facility (WWTF) operated by the Chisago Lakes Joint Sewage Treatment Commission (CLJSTC). Chisago City has been a member of the CLJSTC since 1985. The City of Wyoming joined the CLJSTC in 2004 when the CLJSTC expanded the WWTF.<sup>115</sup> The City then closed its treatment plant and began the sale of the site to Polaris.

111. The CLJSTC is operated pursuant to a Joint Powers Agreement and governed by a joint powers board with two representatives each from Wyoming, Chisago City, and Lindstrom, and one representative each from Stacy, Center City, and Chisago County. The Joint Powers Agreement provides a mechanism by which each community may increase its amount of treatment capacity at the CLJSTC plant.<sup>116</sup>

112. Chisago City has purchased 668,000 gallons per day of wastewater treatment capacity in the CLJSTC WWTF. The City of Wyoming has purchased 478,000 gallons per day.<sup>117</sup>

113. Chisago City currently uses 283,000 gallons per day, leaving it a reserve capacity in the WWTF of 385,000 gallons per day. The City of Wyoming currently uses 281,000 gallons per day, leaving it a reserve capacity in the WWTF of 197,000 gallons per day.<sup>118</sup> If it came to it, the difference in capacity would allow Chisago City to serve approximately 1,900 more people than the City of Wyoming.<sup>119</sup>

114. As part of its contribution to become a member of the CLJSTC, the City of Wyoming constructed a trunk sewer main to convey waste water from the City to the WWTF. It built the sewer main from its former treatment plant,

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<sup>113</sup> Ex. 59 at 9; T. (v5) 51.

<sup>114</sup> Ex. 59 at 12.

<sup>115</sup> T. (v1) 158-60, 162.

<sup>116</sup> Ex. 24 (also Ex. 1036); T. (v1) 158-59.

<sup>117</sup> Ex. 24 at 2.

<sup>118</sup> Ex. 59 at 4.

<sup>119</sup> Ex. 59 at 4.



connecting it to the sewer main from the City that already existed, generally along County Road 84 and then to a connection with the forcemain coming from Stacy located north of Chisago City.<sup>120</sup>

115. Chisago City participated in the construction of Wyoming's trunk sewer main by paying for limited capacity along various stretches of the sewer main and by building part of it.<sup>121</sup> Chisago City built a separate sewer main to serve residential developments along County Road 36 and connected it to Wyoming's trunk sewer main. Chisago City also built an 1800 foot portion of Wyoming's trunk along Liberty Lane near downtown Chisago City. The Wyoming trunk sewer main is now a joint trunk sewer main. It is anticipated that the CLJSTC will eventually take ownership of the joint trunk sewer main.<sup>122</sup>

116. The joint trunk sewer main is currently the only trunk available to convey waste water from the City of Wyoming and from the existing sewer developments in the area annexed to Chisago City in 2005.<sup>123</sup> Wyoming is presently planning to also use the joint trunk sewer main for future development in the Township, including the proposed Chisago City annexation area.<sup>124</sup>

117. In addition to its share in the joint trunk sewer main, Chisago City has another trunk sewer main connection to the WWTF through the City of Lindstrom. That trunk presently serves most of Chisago City's existing sanitary sewer collection system. Thus, Chisago City's current allocation of 2,400 gallons per minute of peak flow capacity in the joint trunk sewer main primarily represents unused capacity for future growth in Chisago City that may be dedicated to serving both new and existing growth in Chisago City and the proposed Chisago City annexation area.<sup>125</sup>

118. The capacity of the joint trunk sewer main is at its lowest at an 1800 foot long stretch of pipe that was installed by the City of Chisago City at Liberty Lane. Perhaps because of a mistaken calculation or other error, the capacity of the joint trunk sewer main at that point is only 5,163 gallons per minute. That creates a choke point and therefore that is the capacity of the entire joint trunk sewer main.<sup>126</sup>

119. Chisago City purchased 2,400 gallons per minute of peak flow capacity in the joint trunk sewer main. Thus, the City of Wyoming has, at most, a peak flow capacity of 2,763 gallons per minute in the joint trunk sewer main.<sup>127</sup> This would be insufficient to serve the combined Wyoming if it were fully

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<sup>120</sup> Ex. 52 Fig.2; Ex. 1001; T. (v6) 83-84.

<sup>121</sup> Exs. 1008, 1011, 1012.

<sup>122</sup> T. (v7) 211.

<sup>123</sup> Ex. 59, fig. 4.

<sup>124</sup> T. (v7) 211.

<sup>125</sup> Ex. 59 at 6.

<sup>126</sup> T. (v7) 278.

<sup>127</sup> Ex. 64-65; T. (v1) 164-68; T. (v7) 272, 278.

developed.<sup>128</sup> Wyoming may at some point in the future have to increase the capacity at Liberty Lane, or elsewhere, or purchase some of Chisago City's excess capacity in the joint trunk sewer main. Or the flow calculations would have to be shown to be wrong. All of those options would likely involve additional expense.

## **Water**

120. The main source of drinking water in the Township is individual wells.<sup>129</sup> The parties agree that, over the long-term, a municipal water system would be in the best interest of the Township and the proposed Chisago City annexation area, to better protect the public health and provide better fire protection.

121. The City of Wyoming's existing water distribution system consists of three wells, two elevated storage tanks, limited water treatment at each well site, and a water main that ranges in size from 6 to 16 inches in diameter. The total supply capacity of the three wells is 2,123 gallons per minute. The firm supply capacity (which assumes the largest well is out of service) is 1,250 gpm or 1,800,200 gallons per day. System storage includes on 300,000 gallon tower and one 75,000 gallon tower.<sup>130</sup>

122. The City of Wyoming's 2005 average day water demand was approximately 353,000 gpd with a maximum day demand of 1,059,000 gallons. To serve a fully developed combined Wyoming, the water system will have to be expanded to serve an estimated average day demand of 4,108,000 gallons and a maximum day demand of 12,324,000 gallons. The Wyomings' consultants estimate the total cost of the entire water system to serve this potential future development to be approximately \$55,600,000. However, it would actually be constructed over a very long period, perhaps more than 30 years. Additionally, the Wyomings have developed a plan, as a component of their Comprehensive Plan, to "retrofit" existing developed areas within the Township with municipal sewer and water services.<sup>131</sup>

123. Chisago City provides municipal water service through four wells, water trunk mains and lateral lines, and a 500,000 gallon elevated storage tank. The City has four wells from which it draws its water supply.

124. One of Chisago City's four wells was recently installed near the intersection of County Road 36 and County Road 84, quite near the proposed Chisago City annexation area.<sup>132</sup> Chisago City has a reserve pumping capacity of 1,951,000 gallons per day available to meet the future needs of the Chisago

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<sup>128</sup> Ex. 1047 at 15.

<sup>129</sup> Ex. 1048 at 16.

<sup>130</sup> Ex. 1048 at 12-13.

<sup>131</sup> Ex. 1048 at 11 and 22; T. (v7) 179-80; T. (v6) 84.

<sup>132</sup> Ex. 59, Figure 7.

City proposed annexation area.<sup>133</sup> The City has also planned for a future water tower in the southern part of the 2005 annexation area, quite near the southern part of the Chisago City proposed annexation area.<sup>134</sup>

125. The Wyomings' plan for expanding municipal water service throughout the combined Wyoming over the long-run is reasonable. There is no immediate need to replace existing wells, except in the Comfort Lake area. Except in the immediate area of County Road 84, Chisago City can more quickly and easily expand its water system to serve the proposed Chisago City annexation area than the combined Wyoming can.

### **Storm Sewer**

126. The Wyomings have not completed a storm sewer ordinance. Again, under the Joint Resolution, they have agreed to adopt sewer and water ordinances that require appropriate sizing of trunk sewer and water lines and other sewer and water facilities.<sup>135</sup> They continue to work on their plans and ordinances.

127. Chisago City has a storm sewer system. It has a storm water management ordinance. It encourages onsite storm water management through the use of rainwater gardens and natural infiltration wetlands for all development.<sup>136</sup>

### **Fire Rating and Protection**

128. The City of Wyoming and Chisago City both have volunteer fire departments. Wyoming currently provides fire service to a majority of Wyoming Township. Under a contract for fire service with the Township in existence since at least 1981, Chisago City provides fire services to a large area in the northeast part of the Township, and to most of what is now the proposed Chisago City annexation area. Within the proposed Chisago City annexation area, the City of Wyoming provides fire service in most of Sections 22 and 27 and Forest Lake provides fire service in Sections 34 and 35.<sup>137</sup>

129. Wyoming and Chisago City are parties to mutual fire assistance agreements with surrounding fire departments. For example, they are parties to a mutual fire assistance agreement with the Forest Lake, Stacy/Lent, Center City, and Lindstrom. There is very good cooperation among area fire departments.<sup>138</sup>

130. The Wyomings' Joint Resolution provides:

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<sup>133</sup> Ex. 59 at 13.

<sup>134</sup> Ex. 59, Figure 7.

<sup>135</sup> Ex. 1108 at 4.

<sup>136</sup> Exs. 15, 20, 59; T. (v1) 177-79.

<sup>137</sup> Ex. 15 at Ex. F1; Exs. 32 and 33.

<sup>138</sup> Ex. 34; T. (v5) 118.

Following the effective date of the annexation, the City shall consider an appropriate time to cancel the Township's contract with the City of Chisago and its Joint Powers Agreement with Forest Lake and Columbus Township. The property annexed into the City shall be served by the City fire department from the date the contract and joint powers agreement are canceled.

131. Cities receive fire ratings by the Insurance Service Organization ("ISO"). The fire rating is based on the proximity of hydrants, the number of personnel, equipment, training, and other related fire suppression activities. The ISO rating is used for insurance underwriting and to calculate premiums. The ratings are on a scale of 1-10 with lower numbers indicating better fire protection.

132. The City of Wyoming and the area served by the City of Wyoming's Fire Department has an ISO rating of Class 5.<sup>139</sup>

133. Chisago City currently has a fire insurance rating of Class 5 for areas of the City with fire hydrants. The main reason the fire department has a fire insurance rating of a five instead of a lower rating is that the City does not have any full-time personnel in the fire department. For areas of the City without hydrants the fire rating is Class 7.<sup>140</sup>

#### **Law enforcement**

134. Wyoming Township, including the proposed Chisago City annexation area, currently receives law enforcement services from the Chisago County Sheriff's Department.<sup>141</sup>

135. The Township had 753 calls for law enforcement service in 2006 and 799 in 2007. Approximately 182 of the calls for service in 2006 and 157 in 2007 were to addresses in the proposed Chisago City annexation area.<sup>142</sup> That is slightly over 20 percent.

136. The Wyoming Police Department currently has 6 full-time officers, including an Acting Police Chief, and seven squad cars. It has the equipment necessary to its duties. It does not have Intoxilizers, but its officers are trained Intoxilizer users and have access to them at the county jail and in Forest Lake. The Chisago County Sheriff's Office, Lakes Area PD, North Branch PD and Forest Lake PD all provide back up law enforcement services to the Wyoming PD. Their level of cooperation is also very good.<sup>143</sup>

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<sup>139</sup> Ex. 1051. The Wyoming Fire Chief believes that Wyoming currently is rated as Class 4. T. (v5) 116.

<sup>140</sup> Ex. 15 at 6; Ex. 1081.

<sup>141</sup> T. (v5) 84.

<sup>142</sup> Ex. 41 at 7.

<sup>143</sup> Ex. 41 at 6; T. (v5) 84 and 112-113; T. (v6) 63.

137. The Wyoming PD computers are provided, maintained, and updated by the Chisago County Sheriff's Office. The Wyoming PD operates on a common automation system with the County and is able to readily share information with the Sheriff's Office and other agencies that are part of the County's automation system. All the other police departments in the area are part of that system except the Lakes Area Police Department that serves Chisago City.<sup>144</sup>

138. The Wyoming Police Department's current service area is 3.8 square miles.<sup>145</sup> Even without the proposed Chisago City annexation area, and excluding the amended Stacy annexation area, its service area will be increasing to at least 17.3 square miles. If it were to also annex the approximately 6.7 square mile proposed Chisago City annexation area, its service area would increase to 24 square miles. The Wyoming Police Department budget for 2008 is \$680,751.91. The Wyomings' Joint Plan and Analysis indicates that at least two officers and another squad car will be necessary. It also states that the police budget is expected to increase \$220,000 per year to cover additional employees and equipment. That information was updated at the hearing. The Acting Police Chief believes that the Wyoming PD will be immediately able to provide experienced police service to the entire combined Wyoming without adding full-time officers right away, perhaps by using some part-time officers. He will evaluate requirements in the future. The City Administrator confirmed that the City Wyoming has the ability to hire an additional patrol officer and chief without affecting its current budget for police services because the \$680,752 budget amount includes the cost of a chief and seven patrolmen, as well as the cost of a new squad car (which had been purchased just before the hearing).<sup>146</sup>

139. In 2004, Lindstrom and Chisago City merged their police departments and formed the Lakes Area Police Department ("LAPD"). It is governed by a Police Commission that includes representatives of each city and serves approximately 8,300 people in a service area of 14.5 square miles.<sup>147</sup>

140. The LAPD consists of 13 full-time police officers, one part-time police officer, three community service officers, two full-time secretarial staff, and one part-time secretarial staff. The LAPD responded to over 5,000 service calls in both 2006 and 2007. The addition of up to 200 more calls from the proposed Chisago City annexation area would be relatively insignificant for the LAPD and could be handled without any additional resources.<sup>148</sup>

141. In order to reach some areas within the proposed Chisago City annexation area, the quickest route for Wyoming police officers would sometimes take them on road within the patrol area of the LAPD. That was a concern to the

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<sup>144</sup> T. (v5) 84-85.

<sup>145</sup> T.(v5) 100.

<sup>146</sup> Ex. 1109, Sections 3.2 and 6.31; T.(v5) 106 and T.(v6) 63-65.

<sup>147</sup> Ex. 41 at 1; Ex. 42; T. (v2) 16-17.

<sup>148</sup> Ex. 41 at 4-8; T. (v2) 35-36.

LAPD Police Chief, but not the Wyoming Police Chief. Obviously, in an emergency it would be preferable to have the closest officer respond first along the quickest route, whatever agency he or she was from. Hopefully, the cooperative agreements will address such issues. None of the distances involved here are over six miles and the times involved are quite short.<sup>149</sup>

### **Street Improvements and Maintenance**

142. The City of Wyoming employs a Public Works Department to operate, maintain, and improve City infrastructure.<sup>150</sup> Wyoming Township owns equipment and employs a staff to provide street maintenance and improvement services within the Township. Under the Orderly Annexation Agreement, this equipment and these employees would be incorporated into the combined Wyoming's Public Works staff and will continue to provide public works services throughout the combined Wyoming.<sup>151</sup>

143. Chisago City also has a Public Works Department.<sup>152</sup> Presently, Chisago City contracts with Wyoming Township to provide road maintenance services for those roads within the 2005 annexation area.<sup>153</sup>

144. Following annexation, if Chisago City's annexation petition is granted, the three maintenance workers in Wyoming Township would likely need to be divided between the cities of Wyoming and Chisago City based on the similar number of road miles each city will have. Chisago City has planned to employ up to two of the Township maintenance employees, which would give both cities comparable departments to meet the needs of their respective expanded areas.<sup>154</sup>

145. Chisago City has an established sanitary sewer maintenance policy. The purpose of its policy is to provide the City procedures for maintaining its sanitary sewer system including lift stations. Their policy was created to help prevent sewer backups into homes and the environment and to protect and extend the life of the City's sanitary sewer system. This policy is established in conjunction with the Chisago Lakes Joint Sewer Treatment Commission. Chisago City's sanitary sewer maintenance policy will be extended to all future sanitary sewer lines that are installed in the proposed Chisago City annexation area.<sup>155</sup>

146. As a result of Chisago City's sewer maintenance practices and policies, it has proactively qualified for the League of Minnesota Cities no fault

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<sup>149</sup> Ex. 41 at 6, Appendix C; T. (v2) 37-38.

<sup>150</sup> T. (v6) 131-132; Ex. 1109 § 2.2).

<sup>151</sup> Ex. 1108; Ex. 1109, § 2.2; T. (v6) 29-30 and 60-62.

<sup>152</sup> Ex. 15 at 8; T. (v1) 187.

<sup>153</sup> T. (v6) 30-31.

<sup>154</sup> Ex. 15 at 15; T. (v1) 189.

<sup>155</sup> Ex. 59 at 18; T. (v3) 160.

sewer back up coverage and is the only City in the CLJSTC district to qualify for such coverage. No fault sewer backup coverage may help cities protect homeowners from the damages of a backup that occurs at no fault of the city or homeowner. The coverage includes the cost of replacing and repairing damaged property resulting from a sewer backup as well as clean-up and disinfection costs.<sup>156</sup>

147. Chisago City adopted a new Capital Improvement Plan on March 11, 2008. The capital improvement plan is a five year plan, which outlines future public improvements and facilities in the City, provides information regarding infrastructure, facility and large equipment needs, costs, timing, funding sources and budget impacts and alternatives. In addition, the plan identifies the annual amount to be expended and the methods of financing those expenditures.<sup>157</sup>

148. The City of Wyoming does not have a formal capital improvement plan, a sewer maintenance plan, or a street maintenance plan. Until such plans are developed by the Wyomings, Chisago City is better prepared to manage and maintain the infrastructure of the proposed annexation area.<sup>158</sup>

### **Administrative Services**

149. The City of Wyoming and Wyoming Township each employ three full-time administrative employees.<sup>159</sup> Wyoming Township contracts for its legal and engineering services, and has established commissions, boards, and committees to support its staff and decisions.<sup>160</sup>

150. The City of Wyoming's greatest needs are for additional building inspection services and for an additional administrative staff person to assist the City's Police Department.<sup>161</sup>

151. Since the inception of their joint planning processes, the Wyomings have combined several functions of commissions, boards, and committees to provide common direction for future planning and decision-making.<sup>162</sup> The Wyomings plan to combine existing City and Township staff, commissions, boards, and committees.<sup>163</sup> The Wyomings also have plans to task the new combined Wyoming staff to efficiently provide services in support of operations of the combined Wyoming with minimal budget impacts.<sup>164</sup>

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<sup>156</sup> Ex. 59 at 18; T. (v3) 160-61.

<sup>157</sup> Ex. 35; T. (v1) 191-92.

<sup>158</sup> Ex. 59 at 19.

<sup>159</sup> Ex. 15 at 13; T. (v1) 200.

<sup>160</sup> Ex. 1109; T. (v6) 7-8.

<sup>161</sup> Ex. 1109 at § 2.1.

<sup>162</sup> T. (v5) 38.

<sup>163</sup> Ex. 1108.

<sup>164</sup> T. (v6) 61-62.

152. The Joint Resolution explains how all of the Township employees will be assimilated into employment with the City. Both the City and the Township have agreed to refrain from hiring any new employees without first consulting the other until such time as the annexation becomes effective.<sup>165</sup> The Wyomings have also agreed to the means by which the Township employees' salary and benefits will be determined.<sup>166</sup>

153. The City of Wyoming's administration or general government proposed budget for 2008 is \$393,120. The City of Wyoming spends \$102 per capita for general government services.<sup>167</sup>

154. Without the implementation of the Joint Resolution, both the City and Township of Wyoming would require additional administrative services and staff given the current levels of growth in the area and the current needs of each community.<sup>168</sup> The combination of the two staffs would increase efficiency and result in a cost savings to each of the communities over the long-term.

155. Since the inception of their joint planning processes, the Wyomings have combined several functions of commissions, boards and committees in order to provide common direction for future planning and decision-making.<sup>169</sup>

156. Chisago City is organized under Minnesota law as a statutory plan A city, with a weak mayor form of City Council. The Mayor is a part-time position and the duties of the day-to-day operations of the City are left to the City Administrator.<sup>170</sup>

157. Chisago City is governed by a five member City Council, including the Mayor, whose members are elected at-large. The City Council meets the second and fourth Tuesdays of each month.<sup>171</sup>

158. Chisago City has a Planning Commission, which is a body that reviews development and development proposals within the City. As development proposals come to the City, the Planning Commission handles preliminary plats and public hearings related to conditional use permits, variances and interpretation of the City code. Chisago City's planning commission contains seven members, as opposed to a more typical five member commission, because the commission expanded following the 2005 annexation to include two additional members that had served on the Wyoming Township Planning Commission before being annexed into Chisago City.<sup>172</sup>

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<sup>165</sup> Ex. 1108 at 3-4.

<sup>166</sup> Ex. 1108 at 3.

<sup>167</sup> Ex. 44 at 16; T. (v2) 78-69.

<sup>168</sup> Ex. 1109 at § 2.1.

<sup>169</sup> T. (v5) 38.

<sup>170</sup> Ex. 15 at 2; T. (v1) 114-115.

<sup>171</sup> Ex. 15 at 2; T. (v1) 114-116.

<sup>172</sup> Ex. 15 at 23; T. (v1) 117.



159. Chisago City's Administration Department has six full-time positions and two three-quarter-time positions. The administrative office is responsible for the day-to-day operations of the City, including carrying out the directives of the City Council on policy and implementation issues, preparing the City's annual budget, preparing annual reports and planning documents, complying with OSHA requirements, and general supervision of all City employees.<sup>173</sup>

160. Chisago City has a Finance Department with a full-time Finance Director and a three-quarter-time Accounting Assistant. The Finance Department is responsible for preparation of the budget, accounts payable, accounts receivable, payroll, assessments, and city investments.<sup>174</sup>

161. Chisago City also has a building official/inspector, along with support from administrative staff, who provides inspection of all new construction within the City, interprets the building code and applies it to all construction, and is involved with code enforcement and zoning issues. The building official is also certified by the Minnesota Pollution Control Agency as an ISTS inspector.<sup>175</sup>

162. Chisago City additionally has a License Bureau with an Office Manager and two full-time and one part-time Motor Vehicle Clerks. The License Bureau provides for licensing and registration of motor vehicles, driver's licenses, and DNR recreational vehicles.<sup>176</sup>

163. Chisago City also employs a parks programmer. No equivalent position in the City or Township of Wyoming exists. The City of Chisago City's parks programmer coordinates and plans all of the City's festivals and programs.<sup>177</sup>

164. Chisago City's administration or general government proposed budget for 2008 is \$362,403. The City spends \$83 per capita for general government services.<sup>178</sup>

### **Recreational Facilities**

165. The City of Wyoming and Wyoming Township each supports several public parks and various youth sports programs and activities. The City of Wyoming hosts a regional library which supports citizens of the Wyomings. The Wyomings' draft Comprehensive Plan provides for additional park and open space to support development within the community.<sup>179</sup>

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<sup>173</sup> Ex. 15 at 5; T. (v1) 198-99.

<sup>174</sup> Ex. 15 at 5; T. (v1) 199.

<sup>175</sup> Ex. 15 at 5.

<sup>176</sup> Ex. 15 at 5; T. (v1) 199.

<sup>177</sup> Ex. 15 at 13.

<sup>178</sup> Ex. 44 at 16; T. (v2) 78-69.

<sup>179</sup> T. (v6) 81; Ex. 1045, App. B.

166. Historically, the Wyomings have shared recreational facilities and events. Each supports several public parks and various youth sports programs and activities. The City of Wyoming hosts a regional library which supports both citizens of the City of Wyoming and Wyoming Township. The Wyomings' draft Comprehensive Plan provides for the establishment of additional park and open space to support development within the community.<sup>180</sup>

167. Chisago City has a Parks Board, which is a seven member commission that includes two youth members. It is appointed by the City Council and plans for and oversees the operations of the parks within the City.<sup>181</sup>

168. Chisago City's parks and recreation department has a park programmer who is responsible for coordinating and providing recreational programs such as a fall festival, a lighting festival, youth programs such as art in the park and activities coordinated with the YMCA, general supervision of lifeguards at the swimming beach who are hired by contract through the school district, and other recreational opportunities for all residents including areas outside the City. The public works department is responsible for maintenance of the parks.<sup>182</sup>

169. Chisago City's parks have skating rinks, a skateboard park, swimming beaches, play structures, picnic facilities, pavilions, general open space, trails, and ball fields. Wyoming Township residents use the parks for recreation.<sup>183</sup>

170. Chisago City has a comprehensive park plan adopted in 2002 that establishes the mission, values, outcomes, and action steps for providing recreational opportunities in the City.<sup>184</sup>

171. Chisago City has a proposed parks and recreation budget for 2008 of \$281,575, excluding capital costs. Chisago City spends approximately \$52 per capita on parks and recreation services.<sup>185</sup>

172. The per capita parks and recreation expenditures for the City of Chisago City are substantially higher than for the City of Wyoming, although some portion of this disparity may be due to the fact that the City of Wyoming combined public works and parks and recreation expenditures in its 2008 budget.<sup>186</sup>

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<sup>180</sup> T. (Public Hearing) 26-27; T. (v6) 81; Ex. 1045, App. B.

<sup>181</sup> Ex. 15 at 10; T. (v1) 117-18.

<sup>182</sup> Ex. 15 at 9.

<sup>183</sup> Ex. 15 at 10; T. (v1) 194, 235.

<sup>184</sup> Ex. 37.

<sup>185</sup> Ex. 44 at 35, Ex. A at 7.

<sup>186</sup> Ex. 44 at 35.

173. Chisago City has budgeted two part-time parks and recreation employees for 2008; the City of Wyoming has budgeted no specific parks and recreation employees for 2008.<sup>187</sup>

### **Impact of Proposed Action on the Delivery of Services**

174. For all areas of the proposed Chisago City annexation area following annexation, Chisago City will immediately provide fire, police, street improvement and maintenance, and administrative services. Sanitary sewer and water services would be primarily development driven and extended to the annexation area as orderly growth and development requires.<sup>188</sup>

175. If the area is not annexed to Chisago City, services currently being provided by Township will be assumed by the combined Wyoming with no interruption.

176. If the area is annexed to Chisago City, residents in the annexation area will immediately be represented by the five City Council members and will be able to run for open City Council seats in the next election.<sup>189</sup>

177. Both the Wyomings and Chisago City have the long range objective of eliminating septic tanks and private wells by providing municipal sewer and water service as new developments occur. Both have plans for providing sewer and water service for the proposed Chisago City annexation area.<sup>190</sup>

178. Chisago City has proactively planned for future water service to the Chisago City proposed annexation area. The Wyomings are doing so now as well.

### **Environmental Problems**

179. The proposed Chisago City annexation area contains sensitive environmental resources and Chisago City has adopted a Comprehensive Plan and land use controls that include a Conservation Plan and Conservation Overlay District to ensure that natural resources and sensitive ecological systems are considered during every step of the land planning and development process.<sup>191</sup>

180. Development at urban or suburban densities on individual septic systems and private wells in Wyoming Township is not environmentally

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<sup>187</sup> Ex. 44 at 35.

<sup>188</sup> Ex. 15 at 11.

<sup>189</sup> T. (v1) 115-16.

<sup>190</sup> Ex. 59 at 12, Figures 2-3.

<sup>191</sup> Ex. 5, Chapter 5; Ex. 20, Ch 4.7.1.

sustainable.<sup>192</sup> The typical life span of a septic system is between 10 and 30 years, depending on the operation and maintenance of the system.<sup>193</sup>

181. All of the area is rated as either "somewhat" or "very" limited for drain field suitability based upon a variety of characteristics, including percolation rate, land slope, depth to water table, soil type, etc. At best, the soils in the proposed Chisago City annexation area are somewhat limited for the use of individual septic systems. Most areas require the use of mound systems to achieve the required separation standard.<sup>194</sup>

182. Documented causes of ISTS failures in the Township have been the lack of adequate separation distance between the disposal field and the water table, or direct discharges of effluent either to the ground surface or the basement of the owner's home.<sup>195</sup>

183. Adverse impacts from malfunctioning ISTS can include well contamination, shallow groundwater, pond and lake pollution, and public health issues from seeped or flowing septic effluent in yards, drainage ways or roadway ditches.<sup>196</sup>

184. Comfort Lake, where the surrounding Wyoming Township properties use individual septic systems and private wells for wastewater treatment and water, respectively, is listed as an impaired water by the Minnesota Department of Natural Resources. Extending sewer and water service to the residences in this area likely will improve the water quality of Comfort Lake.<sup>197</sup>

185. Currently, Wyoming Township provides ongoing monitoring of individual sewage treatment systems by adopting an inspection program and design standards that exceed the Minnesota Pollution Control Agency's standards as set forth in Minnesota Rules, Part 7080.<sup>198</sup>

186. Additionally, Wyoming Township has established development controls requiring community waste water treatment on systems which can be immediately connected to municipal services once they are extended to the property.<sup>199</sup>

187. Wyoming Township estimates that five percent of the Township's 1339 ISTS are failing or could be failing, however, the Township has not

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<sup>192</sup> Ex. 59 at 10.

<sup>193</sup> T. (v3) 51; T. (v3) 139.

<sup>194</sup> Ex. 59, Figure 6.

<sup>195</sup> Ex. 59 at 10.

<sup>196</sup> Ex. 59 at 9.

<sup>197</sup> Ex. 1047 at 6; T. (v7) 236.

<sup>198</sup> T. (v6) 16-21.

<sup>199</sup> T. (v6) 24-25.

inspected all of these systems.<sup>200</sup> In 2007, Wyoming Township only inspected 16 or 18 of the Township's ISTS.<sup>201</sup>

188. Since the 2005 annexation, Chisago City has proactively established measures for managing ISTS. Chisago City abides by the Chisago County Sewage and Wastewater Treatment Ordinance including the Minnesota Pollution Control Agency Individual Sewage Treatment Standards, Chapter 7080. Residences within the municipality of Chisago City wishing to obtain a building permit, regardless of type, must show proof of ISTS compliance. This can be accomplished by providing evidence that their system is newer than five years old or by providing documentation that a compliance inspection was completed within the previous three years. Building permits are only issued to ISTS residences in Chisago City that have satisfied the above requirements. This same policy would be applied to the proposed Chisago City annexation area.<sup>202</sup>

189. Chisago City has a plan to ultimately service the Chisago City proposed annexation area with municipal services including sanitary sewer and water services in an effort to reduce or eliminate the use of ISTS and private wells. The Wyomings have the same plan and objective.

### **Surface Water Management**

190. Water quality, flooding, and surface water runoff are key environmental issues within the proposed Chisago City annexation area that need to be managed. The City of Chisago City's adopted Comprehensive Plan and land use controls address and plan for these water resource issues.<sup>203</sup>

191. Wyoming Township has a Surface Water Management Plan.<sup>204</sup>

192. The City of Wyoming's adopted land use controls do not include a Floodplain Management or a Shoreland Management Ordinance to address water quality and flooding issues even though floodplain and shoreland areas are located within the city.<sup>205</sup>

193. Chisago City has a surface water management utility that regulates surface water runoff through the establishment of a utility that collects surface water management utility fees, establishes how the fees are to be determined, describes the process for appeal of fees, and penalties for delinquent fees. The fees are used for repair, maintenance and upgrades to the storm sewer collection

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<sup>200</sup> Ex. 59 at 10; T. (v3) 141.

<sup>201</sup> T. (v6) 35.

<sup>202</sup> Ex. 59 at 12; T. (v1) 168-69.

<sup>203</sup> Ex. 52 at 38.

<sup>204</sup> Ex. 1076.

<sup>205</sup> Ex. 52 at 33.

system, including: replacement of catch basins, re-grading or eliminating ditches, replacing culverts, improving storm ponds, and adding or replacing curbing.<sup>206</sup>

### Fiscal Impacts

194. Regardless of which city annexes the proposed Chisago City annexation area, it can be expected that the level of municipal services to property owners in Wyoming Township, including the proposed Chisago City annexation area, will increase over time as a result of the annexations that will take place. That is a primary justification for annexation. These increases in services will likely include higher levels of police and fire protection, public works projects, parks, recreation services, and sewer and water services as development occurs or public safety requires.<sup>207</sup>

195. To mitigate increases in tax rates as a result of the Orderly Annexation, the Wyomings plan to integrate the respective budgets of the two entities and combine existing administrative and service capabilities in order to provide services to all members of the new community.<sup>208</sup>

196. The Wyomings, as part of their Joint Planning Analysis, and in the preparation of their Orderly Annexation Agreement, conducted an analysis of the financial impact of annexing all of Wyoming Township to the City of Wyoming. In their Orderly Annexation Agreement, the Wyomings have agreed to a differential tax rate in order to minimize the impact of the proposed annexation upon former areas of the Township in areas within the old city limits. Previous Township property will be taxed at 50% of the previous City's property tax capacity rate for the first three years following annexation, 60% in the fourth year, and 70% in the fifth year. In the view of the Wyomings and their financial consultant, this formula provides an equitable distribution of tax burden as the combined Wyoming establishes its operations. Under this proposal, the historic and projected tax rates would be:<sup>209</sup>

	2007	2008	2009	2010	2011	2012	2013
City/Urban	45.7%	45.7%	44.4%	40.2%	38.6%	35.9%	33.1%
Twp/Rural	16.1%	24.7%	22.2%	20.1%	19.3%	21.5%	23.2%

197. Both Chisago City and the City of Wyoming would be expected to provide services to their respective proposed annexation areas in proportion to the increase in revenues that will be generated by such annexations. Chisago City will provide services to the proposed Chisago City annexation area in an

<sup>206</sup> Ex. 15 at 8; T. (v1) 180.

<sup>207</sup> Ex. 44 at 5; T. (v2)

<sup>208</sup> *Id.*

<sup>209</sup> Ex. 1046 at 8-9; T. (v7) 29-31.

estimated amount of 105.2% of the value of the revenues it will receive from the area, while it is estimated that the City of Wyoming, under the blended rate, will provide services to the annexed township in an amount of 103.1% of the revenues it generates from the area. If the City of Wyoming applies the separate rate to the annexed township (50% of the existing City projected rate), the services it will provide to the annexed township would be estimated at 151.5% of the revenues generated from the area. However, under such a scenario, properties in the existing City of Wyoming would subsidize the services provided to the annexed township by paying an estimated 18.0% more in local property taxes.<sup>210</sup>

198. There is an economic benefit to annexations, as demonstrated by the changes in tax capacity rates that occurred as a result of the 2005 annexation of 5,000 acres by Chisago City. Prior to the annexation, Chisago City's tax capacity rates were 56% in 2004 and 47.7% in 2005. After annexation, the former City area's tax rate was 35.3% in 2006, 33.9% in 2007, and 34.4% in 2008. At the same time tax capacity rates in the area annexed in 2005 were 20% in 2004, 29.4% in 2006, 28.8% in 2007, and 32.5% in 2008.<sup>211</sup>

199. Chisago City currently provides police services to its residents and property owners more efficiently and cost-effectively than the City of Wyoming does to its residents and property owners. The per capita police expenditures for the City of Wyoming are approximately 47% higher than for the City of Chisago City.<sup>212</sup> However, the impact of the recent merger forming the LAPD and its personnel pool and larger service area is unclear. There may be some economies of scale enjoyed by the LAPD. The Wyomings recognize a particular need to add administrative support to the Police Department.

200. Because both the City of Chisago City and the City of Wyoming presently provide fire service to all or parts of their respective proposed annexation areas in Wyoming Township, the fiscal impacts of the cities' respective proposed annexations would be limited to shifting existing contract revenues and expenditures to each annexing city upon annexation.<sup>213</sup>

201. The per capita general government expenditures for the City of Wyoming are approximately 23% higher than for the City of Chisago City. Chisago City had a general fund balance of 48% of its 2006 general fund expenditures on December 31, 2006, as compared to 38% for the City of Wyoming.<sup>214</sup>

202. Financial options for issuance of debt for Chisago City and the City of Wyoming are comparable to each other, and are broader than those for

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<sup>210</sup> Ex. 44 at 66-67; T. (v2) 124-25.

<sup>211</sup> Ex. 44, Table 4.4.

<sup>212</sup> Ex. 44 at 20.

<sup>213</sup> Ex. 44 at 24; T. (v2) 85-86.

<sup>214</sup> Ex. 44 at 16 and 52; T. (v2) 78-79 and 117-19.

Wyoming Township, as cities are able to obtain a broader array of debt to support public improvements than are townships.<sup>215</sup>

203. Both Chisago City and the City of Wyoming currently have “A3” bond ratings, as assigned by Moody’s Investors Service. The amount of current debt both the City of Chisago City and the City of Wyoming are carrying is well below the Minnesota statutory debt limitation. None of Wyoming Township’s current debt would impact either city’s debt limitation, if assumed upon annexation. Both cities appear to have adequate additional capacity to incur future debt as necessary to support future public improvements.<sup>216</sup>

204. For each city’s respective proposed annexation, the cities’ prospective gains in tax base from annexation appear to be in proportion to the value of municipal services provided to the annexed areas. Value of services conferred is not presented to address the level, efficiency or cost-effectiveness of service delivery, but only as a means of comparing each City’s projected spending patterns against property taxes projected to be derived.<sup>217</sup>

205. Historically, Chisago City has been better managed than the City of Wyoming.<sup>218</sup> Its finances are in better condition and it has aggressively developed the administrative and planning frameworks for expansion. However, the City of Wyoming has recently hired a new City Administrator and the working groups that continue to develop the plans for the combined Wyoming are creating a structure that will be fully capable of administering the new city and developing and providing municipal services in a timely manner.

206. Local Government Aid (“LGA”) is property tax relief provided by the State of Minnesota to municipalities to reduce the cost of municipal services. Chisago City’s LGA is projected to decrease in 2009 by \$52,110 (from \$111,816 to \$59,706) following its proposed annexation of the Chisago City annexation area, while the City of Wyoming would lose all of its 2008 LGA of \$22,560 in 2009 following its annexation of all of Wyoming Township.<sup>219</sup>

207. Municipal State Aid (“MSA”) is also provided by the State of Minnesota to cities with populations of 5,000 or greater, and is used by cities to fund local roads. Annexation of the proposed Chisago City annexation area to Chisago City will result in both Chisago City and the City of Wyoming—following its annexation of the remainder of Wyoming Township pursuant to their orderly annexation agreement—becoming MSA eligible by virtue of their respective populations growing to more than 5,000. Under this scenario, Chisago City would receive \$237,600 in MSA in 2009 following its annexation of the proposed area, while the City of Wyoming would receive \$261,952 in MSA in 2009 after

<sup>215</sup> Ex. 44 at 68; T. (v2) 130-131.

<sup>216</sup> Ex. 44 at 68; T. (v2) 129.

<sup>217</sup> Ex. 44 at 66; T. (v2) at 124-26.

<sup>218</sup> Ex. 44 at 54.

<sup>219</sup> Ex. 44 at 44; Ex. 59 at 19-20; T. (v2) 102-03.



annexing the remainder of Wyoming Township, for a total of \$499,552 in funding for the transportation region.<sup>220</sup>

208. If Chisago City's annexation petition is denied, and the City of Wyoming annexes all of Wyoming Township, Wyoming is projected to receive \$277,264 in MSA in 2009, while Chisago City would not receive any MSA.<sup>221</sup>

209. The market value of the proposed Chisago City annexation area is \$123,020,900. The tax capacity of the proposed Chisago City annexation area is \$1,220,949, which represents 29 percent of Wyoming Township's total tax capacity, and corresponds to the 29 percent of Wyoming Township's population that lives within the proposed annexation area.<sup>222</sup>

210. The City of Wyoming has programs and initiatives for economic development and various economic incentive programs to entice the generation of new businesses and jobs. It has an Economic Development Authority. The City Administrator is its Executive Director. It also has an Economic Development Coordinator who also handles planning within the City. It promotes economic development in several ways.<sup>223</sup>

211. Chisago City's economic development has been more extensive. It has an Economic Development Authority.<sup>224</sup> It encourages economic development by establishing tax increment financing (TIF) districts.<sup>225</sup> It encourages economic development through tax abatement.<sup>226</sup> Chisago City also encourages economic development through a commercial rehabilitation program.<sup>227</sup>

212. The City of Wyoming's also uses TIF financing. However, its TIF district number 3-1 is in a significant deficit of approximately \$471,593 as of December 31, 2007. The deficit resulted from the City of Wyoming's failure to levy scheduled property taxes on the debt and is an indication of past poor financial management.<sup>228</sup>

213. Allowing Chisago City to annex the proposed Chisago City annexation area will result in significant changes and additional tax burden upon residents and properties in the remaining combined Wyoming, as well as those within the proposed Chisago City annexation area. The combined Wyoming will

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<sup>220</sup> Ex. 44 at 46; Ex. 59 at 19-20; T. (v2) 103-05.

<sup>221</sup> Ex. 44 at 46; Ex. 59 at 19-20; T. (v2) 105.

<sup>222</sup> T. (v2) 137-38.

<sup>223</sup> T. (v1) 118; T. (v6) 56-57, 65. It was noted that the Township does not have an EDA, but under Minn. Stat. § 469.090-.108, only cities may have an EDA.

<sup>224</sup> Ex. 15 at 10; T. (v1) 116.

<sup>225</sup> Ex. 15 at 10; T. (v1) 202-03.

<sup>226</sup> Ex. 15 at 11; T. (v1) 204-05.

<sup>227</sup> Ex. 15 at 11; T. (v1) 205.

<sup>228</sup> T. (v2) 132-33; Ex. 521.

lose some economy of scale in its operations and lose revenues from taxes and development and other fees.<sup>229</sup>

### **Effect on Adjacent School Districts and Communities.**

214. According to School District maps on the Department of Education website, the Forest Lake School District surrounds the Township on its west and south sides and includes most of the western three miles of the Township. A small portion at the north end is in the North Branch School District. The remainder of the Township is in the Chisago Lakes School District, including all of the proposed Chisago City annexation area except Section 4.

215. There will be no impact on school district boundaries as a result of either proposed annexation.

216. Neither of the proposed annexations should cause any significant fiscal operational impact on local school districts.<sup>230</sup>

217. Testimony received at the public hearing indicates a sense of community sometimes exists between school districts and cities. If so, that would weigh in favor of annexing the proposed Chisago City annexation area to Chisago City because they would then both be in the Chisago Lakes School District.

218. The impacts upon other neighboring cities or other governmental jurisdictions as a result of the respective proposed annexations, other than the cities of Chisago City and Wyoming, are negligible. The impacts of the proposed annexations will be limited to the respective cities themselves in that annexation to one would prevent annexation of the same area to the other.<sup>231</sup>

Based on these Findings of Fact, the Administrative Law Judge makes the following:

### **CONCLUSIONS**

1. The Administrative Law Judge has jurisdiction in this matter through the Office of Municipal Boundary Adjustments, pursuant to Minn. Stat. §§ 414.01, 414.02, 414.031 and 414.12, the assignment by the Director of the Municipal Boundary Adjustments Unit to the Office of Administrative Hearings, and the assignment by the Chief Administrative Law Judge to this Administrative Law Judge.

2. Proper notice of the hearings in this matter has been given.

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<sup>229</sup> Ex. 1046 at 10-13.

<sup>230</sup> Ex. 44 at 39; T. (v1) 38; T. (v2) 97; Public Comment No. 8.

<sup>231</sup> Ex. 44 at 39-40; T. (v2) 98.

3. Minn. Stat. § 414.031, subd. 4(b)-(f), (2005), provides:

(b) Based upon the factors [in subd. 4(a)], the director may order the annexation on finding:

(1) that the subject area is now, or is about to become, urban or suburban in character;

(2) that municipal government in the area proposed for annexation is required to protect the public health, safety, and welfare; or

(3) that the annexation would be in the best interest of the subject area.

(c) If only a part of a township is to be annexed, the director shall consider whether the remainder of the township can continue to carry on the functions of government without undue hardship.

(d) The director shall deny the annexation on finding that the increase in revenues for the annexing municipality bears no reasonable relation to the monetary value of benefits conferred upon the annexed area.

(e) The director may deny the annexation on finding:

(1) that annexation of all or a part of the property to an adjacent municipality would better serve the interests of the residents of the property; or

(2) that the remainder of the township would suffer undue hardship.

(f) The director may alter the boundaries of the area to be annexed by increasing or decreasing the area so as to include only that property which is now or is about to become urban or suburban in character or to add property of such character abutting the area proposed for annexation in order to preserve or improve the symmetry of the area, or to exclude property that may better be served by another unit of government.

4. Wyoming Township is about to become urban or suburban in character.

5. Municipal government is required to protect the public health, safety, and welfare of Wyoming Township.

6. Annexation by the City of Stacy of the amended Stacy annexation area is in the best interest of that area.

7. If all or part of the proposed Chisago City annexation area is annexed to Chisago City, the increase in revenues for Chisago City would bear a reasonable relation to the monetary value of benefits conferred upon the annexed area.

8. Except as to Sections 35 and 36 of the Township, annexation of the proposed Chisago City annexation area by Chisago City is not in the best interest of the subject area, the subject area would be better served by the City of Wyoming under the Orderly Annexation Agreement, and annexation by Chisago City would create undue hardship on the remainder of Wyoming Township.

9. Annexation of Sections 35 and 36 of the Township within the proposed Chisago City annexation area by Chisago City is in the best interest of the subject area, the subject area would not be better served by the City of Wyoming under the Orderly Annexation Agreement, and annexation by Chisago City would not create undue hardship on the remainder of Wyoming Township. Moreover it would improve the symmetry of the remainder of Wyoming Township.

Based upon the foregoing Findings of Fact and Conclusions, and for the reasons set forth in the accompanying Memorandum, the Administrative Law Judge makes the following:

### **ORDER**

#### **IT IS HEREBY ORDERED THAT:**

1. The Petition for Annexation of a Portion of Wyoming Township by Chisago City is **DENIED** except as to Sections 35 and 36 of the Township, as to which it is **GRANTED**.

2. The following legally described property within Wyoming Township is hereby **ANNEXED** to the City of Chisago City:

ALL OF SECTIONS 35 AND 36, IN TOWNSHIP 33 NORTH,  
RANGE 21 WEST, CHISAGO COUNTY, MINNESOTA.

3. The foregoing annexation shall be effective as of the date of this Order.

4. The Stipulation of the parties as to the amended Stacy annexation area is hereby **APPROVED**.

5. The following legally described property within Wyoming Township is hereby **ANNEXED** to the City of Stacy in accordance with the terms of the Stipulation of the parties:

SECTION 5 AND SECTION 6, ALL IN TOWNSHIP 33 NORTH,  
RANGE 21 WEST, CHISAGO COUNTY, MINNESOTA.

6. The foregoing annexation shall be effective as of the date of this Order.

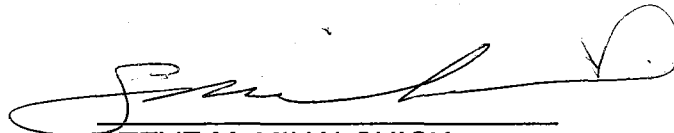
7. Pursuant to the further Stipulation of the parties, the description of the annexation area agreed upon and set forth in the Orderly Annexation Agreement between Wyoming Township and the City of Wyoming is hereby amended to exclude the areas annexed to the City of Stacy and the City of Chisago City above. So amended, the Orderly Annexation Agreement is referred to the Office of Administrative Hearings, Municipal Boundary Adjustments Unit, for approval in accordance with Minn. Stat. § 414.0325.

8. All ordinances of the Wyoming Township, as well as the zoning ordinance and other ordinances, and all license privileges including the number of liquor licenses already authorized by the State of Minnesota, shall continue in effect within the former boundaries of the part of the Township that is annexed to Chisago City or the City of Stacy, until repealed or replaced by the governing body of the respective city.

9. The Municipal Boundary Adjustments Unit of the Office of Administrative Hearings may determine the populations of the party cities resulting from the annexations ordered here.

10. This Order is effective immediately.

Dated: August 15, 2008



STEVE M. MIHALCHICK  
Administrative Law Judge

Reported: Transcript Prepared  
Shaddix & Associates (eight volumes)

**NOTICE**

This Order is the final administrative order in this case under Minn. Stat. §§ 414.02, 414.031, 414.07 and 414.09. Any person aggrieved by this Order may appeal to Chisago County District Court by filing an Application for Review with the Court Administrator within 30 days of the date of this Order. An appeal does not stay the effect of this Order.

Any party may submit a written request for an amendment of these Findings of Fact, Conclusions, and Order within seven days from the date of the

mailing of the Order pursuant to Minn. R. 6000.3100. However, no request for amendment shall extend the time of appeal from these Findings of Fact, Conclusions and Order.

### **MEMORANDUM**

There is not one obviously correct answer in this case. In many ways, Chisago City is better run and is certainly able to serve the contested area because it has been preparing to do so for years. But it is also clear that the Wyomings have been working to urbanize their community for at least three years and will also be able to do serve it well. To grant the proposed Chisago City annexation area to Chisago City would cause undue harm to the remaining new City of Wyoming by making it difficult for Wyoming to deliver municipal services. Considering the factors set forth in Minn. Stat. § 414.031, on balance, Chisago City's annexation petition should be denied.

The situation with Sections 35 and 36 is somewhat different. That area is particularly remote from the center of the Township and most of the City's facilities. More importantly, it is squarely within Chisago City's plans for development of road, water, and sewer around Green Lake and into the core of the Chisago Lakes area. It would be better served by Chisago City than Wyoming.

S.M.M.

STATE OF MINNESOTA  
OFFICE OF ADMINISTRATIVE HEARINGS

FOR THE MUNICIPAL BOUNDARY ADJUSTMENTS UNIT

In the Matter of the Consolidated  
Petitions of the City of Chisago City  
and the City of Stacy for Annexation of  
Unincorporated Property in the  
Township of Wyoming Pursuant to  
Minnesota Statutes, Section 414.031

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