



## MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

600 North Robert Street  
Saint Paul, Minnesota 55101

Mailing Address:  
P.O. Box 64620  
St. Paul, Minnesota 55164-0620

Voice: (651) 361-7900  
TTY: (651) 361-7878  
Fax: (651) 361-7936

July 28, 2010

### VIA E-MAIL

J. Crystal Prentice  
Waseca City Manager  
Waseca City Hall  
508 South State Street  
Waseca, MN 56093-3097

Re: A-7736 Waseca/Woodville Township  
(Ordinance No. 955; Worke Property; 6.0516 acres)

Dear Ms. Prentice:

The Office of Administrative Hearings acknowledges receipt of the above-referenced ordinance for annexation to the City of Waseca. Please refer to the above-referenced docket number in future communications regarding this proposed annexation.

It is the responsibility of the initiating party to meet all necessary requirements before the annexation ordinance can be accepted for filing.

Before a municipality may adopt an ordinance, a municipality must hold a public hearing and give 30 days written notice by certified mail to the town or towns affected by the proposed ordinance and to all land owners within and contiguous to the area to be annexed. Please clarify whether this requirement was fulfilled.

Chapter 414 requires all proposed annexations to provide reimbursement from municipalities to townships for lost property taxes following annexation and for special assessments or debt attributable to the annexed property. For your information, Minn. Stat. Sec. 414.036 reads:

*Unless otherwise agreed to by the annexing municipality and the affected town, when an order or other approval under this chapter annexes part of a town to a municipality the order or other approval must provide a reimbursement from the municipality to the town for all or part of the taxable property annexed as part of the order. The reimbursement shall be completed in substantially equal payments over not less than two nor more than eight years from the time of annexation. The*

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municipality must reimburse the township for all special assessments assigned by the townships to the annexed property and any portion of debt incurred by the town prior to the annexation and attributable to the property to be annexed but for which no special assessments are outstanding, in substantially equal payments over a period of not less than two or no more than eight years. (Emphasis added.)

We suggest either one of two approaches to bringing your proposed annexation into conformity with Minn. Stat. 414.036: (1) the City can amend Ordinance No. 955 to include a reimbursement provision consistent with the statutory requirements of substantially equal payments over not less than two nor more than eight years; or (2) the City can provide this office with information or a recommendation on how much you believe the annual reimbursements for property taxes should be and whether the time for payment should be from two years, or up to eight years as the statute provides.

In addition, please indicate whether any special assessments are due and what the payout schedule for those obligations should be.

If you have any questions, please contact this office.

Sincerely,



Christine M. Scotillo, Executive Director  
Municipal Boundary Adjustments  
651-361-7910  
[christine.scotillo@state.mn.us](mailto:christine.scotillo@state.mn.us)  
[www.mba.state.mn.us](http://www.mba.state.mn.us)

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